



## TERMS OF REFERENCE

OF

THE CORPORATE GOVERNANCE, ETHICS, NOMINATION &  
REMUNERATION COMMITTEE OF SUN LIMITED ("SUN"/"the Company")

Updated on: 05/11/2015

## 1. Objectives

The Corporate Governance, Ethics, Nomination & Remuneration Committee ('the Committee') has been constituted to assist the Board of Directors in discharging its duties and responsibilities through a more comprehensive evaluation of specific issues, followed by well-considered recommendations to the Board on:

- all corporate governance provisions to be adopted so that the Board remains effective and complies with principles spelt out in the prevailing Code of Corporate Governance for Mauritius;
- issues relating to business ethics;
- all the essential components of remuneration; and
- all new Board and senior executive nominations.

## 2. Composition of the Committee

- The Corporate Governance Committee will consist of at least three members.
- The Board will appoint committee members and the committee chair. The Chairperson shall be an independent non-executive director and the Committee should compose of a majority of non-executive directors.
- In the absence of the Committee Chairperson, the remaining members present shall elect one of their members present to chair the meeting.
- The quorum for decisions of the Committee shall be fixed by the Committee and if not so fixed, shall be three members present throughout the meeting who shall vote on the matter for decision. No business shall be transacted at a meeting of the Committee if a quorum is not present.

## 3. Frequency of Meetings

- Meetings of the Committee will be held as the Committee deems appropriate. However, the Committee should meet at least once each year. Meetings should be organised so that attendance is maximised. The Chairperson of the Committee or any member of the Committee may call a meeting at any other time.
- The notice of each meeting of the Committee confirming the venue, time and date and enclosing an agenda of items to be discussed shall, other than under exceptional circumstances, be forwarded to each member of the Committee at his known registered address, not less than four working days prior to the date of the meeting.

- Minutes of all meetings shall be circulated to all the members of the Committee and may also, if the Chairperson of the Committee so decides, be circulated to other members of the Board.

#### 4. Duties of the Committee

The duties of the Committee shall be to:

##### 4.1 Corporate Governance

- Determine, agree and develop the Company's and Group's general policies and processes regarding corporate governance, in accordance with the recommendations of the Code of Corporate Governance;
- Ensure that disclosures on corporate governance, whether in the annual report or on an ongoing basis, are made in accordance with the principles of the Code of Corporate Governance;
- Review the corporate governance report to be published in the annual report; and
- Develop, review, adapt and monitor the Code of Conduct applicable to employees and Senior Management.

##### 4.2 Ethics

The Company has implemented a Code of Conduct for its Employees, Officers and Directors as the Board of Directors felt that it was important to demonstrate not only its unwavering commitment to provide outstanding service, but ensure that Sun Limited's business is done according to the highest ethical standards.

The Code of Conduct outlines the standards to direct actions and decisions, which in turn shape the corporate culture and reputation of SUN. Conducting business responsibly and ethically is critical to protecting its reputation for integrity and maintaining its competitive advantage.

The Employees, Officers and Directors ("the adherer") have been asked to adhere to the Code of Conduct by signing an acknowledgement with any reporting being done through the Human Resources ("HR") Department or the CEO.

A whistleblowing mechanism has also been put in place if the adherer believes that in particular circumstances, the HR Department or the CEO are not the appropriate persons to whom he/she makes a report.

In that case, the adherer may report to a designated person at Transparency Mauritius who will report exclusively and directly to the Chairman of the Corporate Governance, Ethics Nomination & Remuneration Committee.



The role of the Committee is to monitor and tackle the issues raised by Transparency Mauritius but also any issues raised by the HR Officer and CEO.

#### **4.3 Remuneration and Nomination**

- Determine, agree and develop the Company's and Group's general policy on executive and senior management remuneration and appointment;
- Determine specific remuneration packages for executive Directors of the Company, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives pensions and other benefits;
- Determine the level of non-executive and independent non-executive fees;
- Determine Directors' allowances in SUN's resorts;
- Determine any criteria necessary to measure the performance of executive Directors in discharging their functions and responsibilities;
- Ascertain whether potential new Directors are fit and proper and are not disqualified from being Directors (prior to their appointment, their backgrounds should be investigated thoroughly);
- Review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- Ensure that the right balance of skills, expertise and independence is maintained;
- Identify and nominate candidates for the approval of the Board to fill board vacancies as and when they arise, as well as put in place plans for succession, in particular for the Chairperson and Chief Executive Officer;
- Make recommendations to the Board for the continuation (or not) in services of any Director who has reached the age of 70;
- Recommend Directors who are retiring by rotation, for re-election; and
- The Committee will liaise with the Board in relation to the preparation of the Committee's report to shareholders, as required.

#### **5. Remuneration**

- Having regard for the functions performed by the members of the Committee in addition to their functions as Directors pertaining to the activities of the Committee, and pursuant to the specific power conferred upon the Board by the Constitution of the Company, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the Board.
- Such special remuneration shall be in addition to the annual fees payable to Directors.

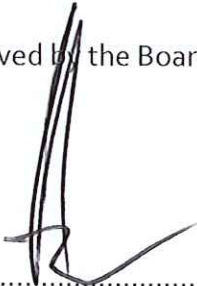
## 6. Secretary

- The Secretary of the Company shall act as Secretary to the Committee.

## 7. General

- The Corporate Governance, Ethics, Nomination & Remuneration Committee, in carrying out its tasks under these Terms of Reference, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.
- The Board will ensure that the Committee will have access to professional advice both inside and outside the Company in order for it to perform its duties.
- These Terms of Reference may be amended as required, subject to the approval of the Board.

Approved by the Board on 05 November 2015.



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P. Arnaud Dalais  
Chairman



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CIEL Corporate Services Ltd  
Secretaries

