

Supervisory and Monitoring Committee Charter

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1. Objectives

The Supervisory and Monitoring Committee (“SMC” or the “Committee”) is responsible for continuously overseeing the overall management of MCB Group Ltd (“MCBG” or the “Company”) and its subsidiaries’ (collectively the “Group”) as well as to provide direction and guidance on major policy matters in accordance with the responsibilities conferred to it as set out in section 4 below. The SMC is also responsible for the ongoing monitoring of the Group’s performance against set objectives as set in the annual Budget and Business Plan approved by the Board, and in line with the strategic orientations, as validated from time to time by the Group’s Strategy Committee and by the Board.

The SMC is, subject to any decision which the Board may take from time to time, competent to exercise all or any powers, authorities and discretions vested in or exercisable by the Board with the exception of those set out in the Seventh Schedule of the Companies Act 2001.

This Charter is posted on the organisation’s website.

2. Composition

2.1. The members of the Committee shall be appointed by the Board of Directors of the Company (the “Board”) and shall consist of a minimum of three members including:

- The Chairperson (normally Chairperson of the Board)
- The Chief Executive Officer and
- Any other Executive Director of the Company

2.2. The Committee shall designate a member as the Secretary.

2.3. CEO’s of the subsidiaries of MCB Group Ltd may be invited to attend SMC’s meetings as required.

2.4. Decisions taken at majority shall include the Chairperson’s vote.

2.5. The Board may at any time remove member/s from the Committee and fill any vacancy/ies created by such removal.

3. Meetings

3.1. The Committee shall generally meet once every fortnight but may meet less or more frequently as may be determined by circumstances. Meetings can also be called on an ad hoc basis by the Chairperson or by any two members, one of whom has to be the Chairperson or the independent director who has been appointed to replace the Chairperson.

- 3.2. Any two members of the Committee shall form a quorum, provided that one of them is the Chairperson.
- 3.3. The Chairperson of the Committee may, in case of absence, designate an alternate. In case of absence of the Chairperson and where no alternate has been designated, the Remuneration, Corporate Governance, Ethics and Sustainability Committee ('RCGESC') or the Board shall appoint another independent or non-executive director to chair the meeting.
- 3.4. In case the Chairperson declares a vested interest in connection with a topic to be discussed, the RCGESC or the Board shall appoint another independent non-executive director to chair the meeting.
- 3.5. In case the other members have vested interests, they should not participate in the decision making process and shall not have voting rights.
- 3.6. Resolution in writing

A resolution in writing, signed or assented to by all members entitled to receive notice of a meeting, shall be as valid and effective as if it had been passed at a meeting duly convened and held. Any such resolution which may be executed in multiple counterparts, all of which taken together shall constitute one original. Any such resolution shall be entered in the minute book of proceedings of the Committee.

4. Roles and Responsibilities

Through the delegation of powers, authorities and discretions delegated by the Board, the SMC shall be responsible for the following:

4.1. Supervision and monitoring of the activities of MCB Group Limited and its subsidiaries

- Ensure that the following are duly and promptly reported to SMC for further guidance and direction:
- any deviations or changes from the approved strategies and policies of the Group;
- any material investment projects and major plans and programs required to be implemented within the Group, and in line with the latter's strategy road-map as approved by the Board of MCB Group Limited and which were not included in the budget of the latter at the beginning of the financial year;
- any proposed recruitment of potential candidates in senior executive positions within the Group and any resignations or movements of key senior personnel;

- any material losses arising as a result of a fraud, negligence or market movements;
- any significant developments in the status of major Non-Performing loans;
- any major litigations that can have a material / significant impact on the Group;
- any significant matters raised by the regulatory bodies of the relevant subsidiaries of the Group;
- any matters and issues that can have a material impact on the Group and raised by international agencies such as the IMF / rating agencies;
- progress made in relation to any strategic alliances that are in the process of negotiation;
- the review of interim and final accounts of MCBG prior to their submission to the relevant committee and ultimately to the Board for approval;
- any material matters taken up at SMC level, as well as exceptions to existing policies which might necessitate substantial changes therein, will be brought, as appropriate and in line with the associated degree of materiality, to the attention of the Board Committee concerned, and ultimately to the Board's attention, with a view to securing the latter's formal approval;
- any other substantive issue that might crop up.

4.2. Direction and guidance on major policy matters

This includes "inter alia":

- Setting the tone as regards the Group's corporate values, business ethics, brand values and missions and ensure that these filter down into the work environment of the subsidiaries of MCB Group Limited;
- Monitoring the implementation of the Group's People Management policies and ensure alignment across the subsidiaries of the Group;
- Ensuring that clear lines of responsibility and accountability exist throughout the Group;
- Reviewing (a) the annual Succession Planning exercise within the Group as regards Senior Executives, and all key Management Positions, (b) on an annual basis, the list of High Potential Managers within the Group, and recommend the approval of the annual Succession Plan to the RCGESC, and ultimately to the Board;

- Monitoring the implementation of the policies with respect to the provision of Shared Group Services (Risk, Compliance, Internal Audit, Finance, Information Technology, Procurement, Quality Assurance, Marketing, Communication, etc.) to the subsidiaries of the Group;
- Reviewing the subjects covered at the Group Executive Coordination Committee, with particular emphasis on any material and pertinent issues requiring the Supervisory and Monitoring Committee's attention
- Proposing the dividend remittance policy to the Board for approval.

4.3. Reviewing capital markets activity

- Recommend to the Board any proposal in relation to share issues, bond issues, dividend scripts, bonus issues, etc;
- Review material purchases and sales of shares and bonds of MCBG/Fincorp/COVIFRA traded on the Stock Exchange of Mauritius;
- Monitor evolution of foreign shareholdings;
- Monitor share price movements;
- Ratify decisions with respect to issuing duplicate shares.

5. Other Provisions

5.1. Professional advice

The Board has an agreed procedure whereby members of the Committee are able to seek independent professional advice, should the need arise. The professional services procured would be at the Company's expense and prior approval of the Chairperson is required.

5.2. Access to information

The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required.

5.3. Reporting

The Chairperson of the SMC shall report to the Board in a timely manner on major issues that could have an impact on the affairs of the Group.

Any significant issues having impact on the affairs or reputation of the Group shall be reported by the Chairperson to the Board.