

# HSBC Bank (Mauritius) Limited (The “Company”)

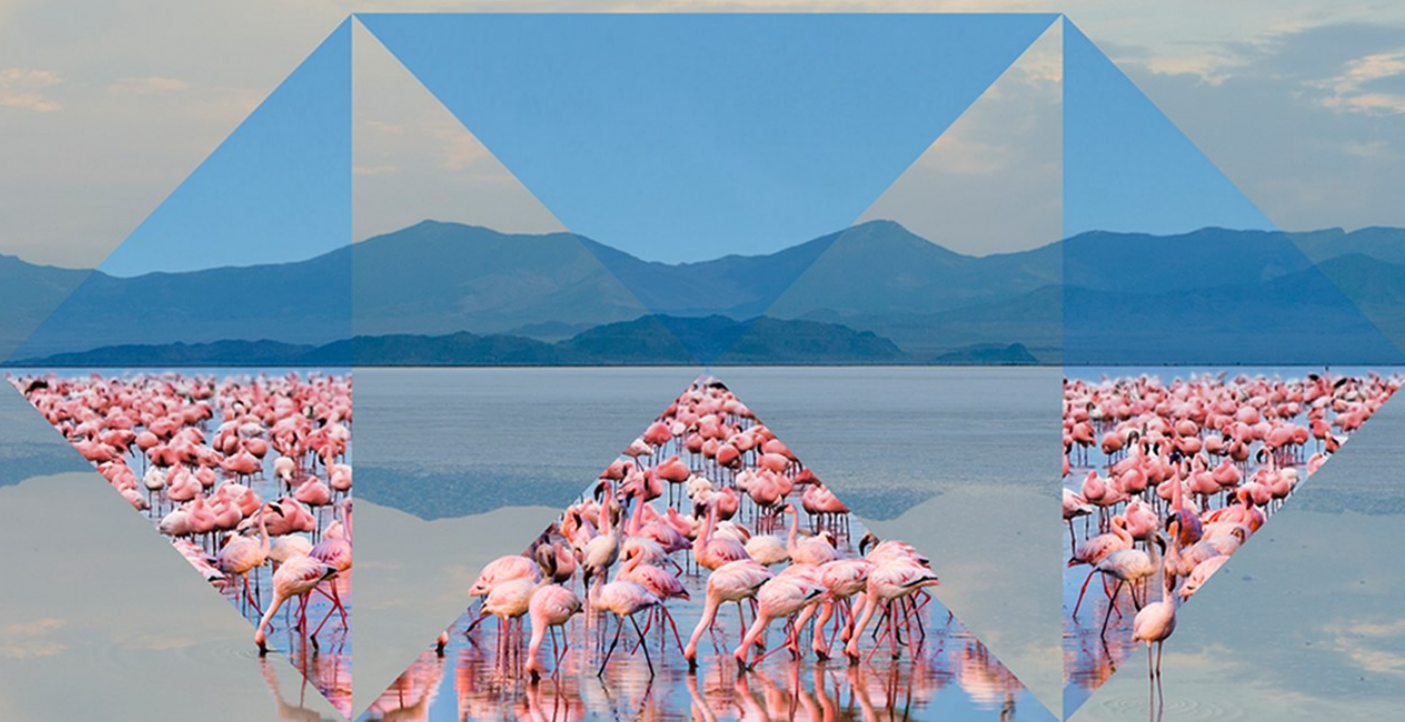
Position Statements For:

The Board Chairperson

The Board Committee Chairperson

Chief Executive Officer

Company Secretary



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# Chairperson of The Board of HSBC Bank (Mauritius) Limited

The Board of Directors of HSBC Bank (Mauritius) Limited ("HBMU" or the "Company") has adopted a position description for the Chairperson who is elected by his or her fellow Directors. He/she should be a firm, objective and open-minded leader, assuming his/her role by bringing intellectual honesty. Apart from being fully conversant with the key networks of the organisation and have sound knowledge of the activities of the organisation, the Chairperson is expected to be impartial and objective so as to support or take the right decisions concerning the organisation.

The principal duties of the Board Chairperson are summarised as follows:

## Strategy and Management of the Company

- ◆ To ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy
- ◆ To co-ordinate with the Committees to ensure that appropriate policies and procedures are in place for the effective management of the organisation
- ◆ To ensure that the decisions of the Board are executed
- ◆ To sign the Statement of Compliance and cause to have this filed with the Financial Reporting Council along with a confirmation as to whether the Company has complied fully, partially or has not complied with the Code of Corporate Governance
- ◆ To provide overall leadership to the Board, be impartial and resolve differences in the most constructive way, whilst encouraging and ensuring the active participation of all Directors in discussions and wider Board matters, more generally
- ◆ To participate in the selection of the Directors whilst ensuring that the Board has an appropriate mix of competencies, experience, skill and independence
- ◆ To provide support and supervision to the Chief Executive Officer ("CEO")

## Presiding and Conducting Meetings

- ◆ To set the agenda for Board meetings, therefore providing the necessary direction and scope
- ◆ To preside over Board and shareholder meetings and to ensure the smooth functioning of these meetings
- ◆ To ensure that Board meetings take place regularly and that all relevant information is provided ahead of each meeting to enable the Directors to reach informed decisions
- ◆ To ensure that each meeting is planned effectively, conducted according to the Constitution and that matters are dealt with in an orderly, efficient manner
- ◆ To ensure that minutes taken properly reflect the Board's deliberations and requested actions (including any concerns or challenges) and to sign the minutes of these meetings. Minutes which have been correctly signed by the Chairperson of the meeting are prima facie evidence of the proceedings

## Relations with Shareholders

- ◆ To act as the Company's representative and be the spokesperson at functions and meetings to present and articulate the aims and policies of the Company or of the Group, as appropriate
- ◆ To maintain sound relations with the Company's shareholders and to ensure that the interests of shareholders are met and maintained

- ◆ To ensure that all Directors be made aware of the main concerns of the major shareholders and key stakeholders and that their views be communicated to the Board as a whole

### **Induction, Development, Succession and Performance Evaluation**

- ◆ To ensure that newly appointed Directors participate in an induction program with the support of the Company Secretary
- ◆ To ensure that the development needs of the Directors are identified and that appropriate training is provided to continuously update the skills and knowledge of the Directors, so that they are able to properly discharge their responsibilities
- ◆ To identify the development needs of the collective Board in order to promote its effectiveness as a team
- ◆ To oversee a formal succession plan for the collective Board, the CEO and certain senior executive positions

# Chairperson of the Board Audit Committee

The Board of Directors of the Company (the "Board") has adopted a position description for the Chairperson of the Audit Committee (the "AC"). The Chairperson of the AC shall be appointed by the Board, shall be independent and is responsible to effectively manage the affairs of the AC and ensure that the AC is properly organised and operated.

The primary responsibilities of the Chairperson of the Audit Committee are:

## Meetings

- ◆ To determine the frequency and dates of AC meetings consultation with the Company Secretary
- ◆ To set the AC's meeting agendas with the support of the Company Secretary
- ◆ To chair meetings of the AC and encourage free, frank and open discussion at all meetings
- ◆ To attend shareholder meetings (where required and insofar as possible) to respond to questions which are directed from shareholders

## Management

- ◆ To effectively manage the affairs and ensure that the meetings are properly organised and operated
- ◆ To ensure that there is an effective relationship between management and the AC's members
- ◆ To monitor the integrity of the financial statements of the Company, and any formal announcements relating to the Company's financial performance or supplementary regulatory information, reviewing significant financial reporting judgements contained in them
- ◆ To review the Company's financial and accounting policies and practices
- ◆ To review and discuss with management the effectiveness of the Company's internal control systems relating to financial reporting
- ◆ To ensure that all required matters are discussed and all items requiring the AC's approval are appropriately tabled and carefully considered
- ◆ To annually assess the performance of the AC and take the appropriate measures to correct any weaknesses; reporting these to the Chairperson of the Board where applicable
- ◆ To carry out any assignment or specific task as requested by the Board

## Communication and Reporting

- ◆ To ensure there is proper flow of information between management and to the AC
- ◆ To ensure effective communication with both the External and Internal Auditors
- ◆ To report to the Board on the matters reviewed by, and on any decisions or recommendations of the AC at the subsequent meeting of the Board, following that meeting of the AC



# Chairperson of the Risk Management and Conduct Review Committee of HSBC Bank (Mauritius) Limited

The Board of Directors of the Company (the "Board") has adopted a position description for the Chairperson of the Risk Management and Conduct Review Committee ("RMCR") who is appointed by the Board.

The primary responsibilities of the Chairperson of the Risk Management & Conduct Review Committee are:

## Meetings

- ◆ To determine the frequency and dates of RMCR meetings consultation with the Company Secretary
- ◆ To set the RMCR's meeting agendas with the support of the Company Secretary
- ◆ To chair meetings of the RMCR and encourage free, frank and open discussion at all meetings
- ◆ To attend shareholder meetings (where required and insofar as possible) to respond to questions from shareholders pertaining to risk and conduct

## Management

- ◆ To effectively manage the affairs and ensure that the meetings are properly organised and operated
- ◆ To ensure that there is an effective relationship between management and the RMCR's members
- ◆ To ensure that matters requiring the RMCR's consideration are discussed and all items requiring the RMCR's approval are appropriately tabled
- ◆ To ensure that procedures are established to assess the risk management framework and determine whether the framework in place is functioning effectively
- ◆ To ensure that there is an effective relationship between management and the members of the RMCR and that required reports from senior management related to all type of risks affecting the Company are obtained regularly and in a timely manner
- ◆ To annually assess the performance of the RMCR and take the appropriate measures to correct any weaknesses; reporting these to the Chairperson of the Board where applicable

## Communication and Reporting

- ◆ To report to the Board any significant departure from the set risk exposure limits, conduct matters and from compliance with regulations and internal policies
- ◆ To report to the Board on the matters reviewed by, and on any decisions or recommendations of the RMCR at the subsequent meeting of the Board, following that meeting of the RMCR

# Chief Executive Officer

The Board of Directors of the HSBC Bank (Mauritius) Limited ("HBMU" or the "Company") has adopted a position description for the Chief Executive Officer ("CEO").

The CEO is responsible for leading the elaboration and execution of the Company's long term strategy geared towards increasing return for shareholder/s. As such the CEO oversees HBMU's various functions which include, inter alia, compliance, finance, human resources, legal, marketing and operations. The CEO also acts as the main point of contact between the Board and the management.

The key responsibilities of the CEO are set out as follows:

## Setting the Strategy and Direction

- ◆ To drive, in consultation with the Board, the elaboration of HBMU's vision and strategy
- ◆ To oversee the implementation of the HBMU's long and short term plans in line with its strategy
- ◆ To set the strategic direction and oversee the operations of all in-country entities
- ◆ To recommend country-level policies to the Board

## Support and assistance to the Board

- ◆ To support the Board during orientation and self-evaluation process
- ◆ To sit on board committees where appropriate as determined by the Board
- ◆ To ensure that the executive team reports in an accurate, timely and clear manner
- ◆ To maintain a dialogue with the Chairperson on the important and strategic issues facing the Company, the Group, and proposing agendas to the Chairperson which reflect these
- ◆ To ensure that the development needs of executive directors and other senior management reporting to them are identified and met

## Management of the Company and its Subsidiaries

- ◆ To manage the operations of the various in-country subsidiaries
- ◆ To ensure that all consolidated entities of the Company and all the subsidiaries are appropriately organised and staffed
- ◆ To manage the financial resources of the Company
- ◆ To ensure that the Company meets the needs of its shareholders

## Risk and Control

- ◆ To assess the principal risks of the Company and its in-country subsidiaries and to ensure that these risks are being monitored and managed
- ◆ To ensure effective internal controls and management information systems are in place throughout the Company and its in-country subsidiaries
- ◆ To ensure that expenditures of the Company and its subsidiaries are within the authorised annual budget
- ◆ To ensure that all consolidated entities have appropriate systems in place to enable them to conduct their various activities both lawfully and ethically

## **Compliance**

- ◆ To ensure that the Company and its subsidiaries are in compliance with internally established control systems, to procedures set by relevant authorities and to any legal framework and to ensure that good governance principles are adhered to
- ◆ To encourage all employees to conduct their activities in compliance with the Company's Code of Conduct, environmental, and workplace health and safety policies

## **Communication**

- ◆ To act as a point of contact between the Board and management and ensure effective communication between the two
- ◆ To communicate effectively with shareholders, employees, regulatory authorities, investors and other stakeholders, as applicable
- ◆ To ensure that the integrity of all public disclosures by the Company are maintained



# Company Secretary

The Board of Directors of the HSBC Bank (Mauritius) Limited ("HBMU" or the "Company") has adopted a position description for the Company Secretary.

The Company Secretary is responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that the decisions of the Board of Directors are implemented.

The Company Secretary ensures that the Company complies with relevant legislation and regulation, and keeps the Directors informed of their legal responsibilities. In addition, the Company Secretary is the Company's named representative on legal documents, and he/she shall be responsible for ensuring that the Company and its Directors operate within the law.

The responsibilities of the Company Secretary as approved by the Board of Directors (the "Board") are set out below.

## Compliance

- ◆ To ensure that the Company complies with its Constitution, all relevant statutory and regulatory requirements, the Codes of Ethics and procedures established by the Board
- ◆ To inform the Board of all legislative requirements or changes which are either relevant to or could affect meetings of shareholders and/or the Directors
- ◆ To continually review developments in corporate governance

## Board members – Appointment, Guidance and Development

- ◆ To ensure that procedures for the appointment of Directors are properly undertaken
- ◆ To facilitate the proper induction of Directors into their role
- ◆ To provide the Board as a whole and Directors individually with guidance as to their roles and responsibilities, advising and assisting the Directors with respect to their duties and responsibilities, in particular compliance with prevailing regulations
- ◆ To act as a channel of communication and information flow for Non-executive Directors
- ◆ To assist the Chairperson in governance processes such as Board and committee performance evaluations

## Meetings of the Company

- ◆ To prepare the agenda of Board, board committees and shareholders' meetings in consultation with the Chairperson and the CEO and for circulating meeting agendas and supporting documents in a timely manner
- ◆ To ensure that there is a quorum present (whether physically or represented) for meetings
- ◆ To take minutes of all meetings and to circulate draft minutes; ensuring that minutes of proceedings from meetings, as well as written or circular resolutions are properly maintained
- ◆ To ensure that Annual and Special Meetings of shareholders are held in accordance with the requirements of the Companies Act and the Company's Constitution
- ◆ To ensure that proxy forms are correctly processed and that the voting process, where applicable is carried out correctly at meetings of shareholders

## Communication with Shareholders

- ◆ To ensure that the shareholders' interests are met and maintained and to act as a primary point of contact for all shareholders

- ◆ To communicate with shareholders and arrange payment of dividends and/or interest, issuing documentation regarding corporate events being undertaken by the Company, such as rights and bonus issues, etc