

MAURITIUS OIL REFINERIES LIMITED
CORPORATE GOVERNANCE COMMITTEE
CHARTER

At a meeting held on March 23, 2005 the board of directors of Mauritius Oil Refineries Limited (the "board") resolved to establish a standing committee of the board without executing responsibilities to be known as the **Corporate Governance Committee** (the "committee"). The board also resolved that the Committee shall include the work normally done by a Remuneration Committee and a Nomination Committee.

1. CONSTITUTION

1.1 In its capacity as **Corporate Governance Committee**

- i) to make recommendations to the board on all corporate governance provisions to be adopted so that the board remains effective and complies with prevailing corporate principles and practices.
- ii) to ensure that the disclosure requirements with regard to corporate governance, whether in the annual report or other reports on an ongoing basis, are in accordance with the principles of the applicable Code of Corporate Governance.

1.2 In its capacity as **Nomination Committee**

- i) to make recommendations to the board on all new board appointments;
- ii) to review through a formal process the balance and effectiveness of the board, identifying the skills needed and those individuals who might best be seen to be providing such skills in a fair and thorough manner.



- 1.3 In its capacity as **Remuneration Committee**
- i) to develop a policy on executive remuneration and for fixing the remuneration and benefit packages of individual directors, within agreed terms of reference, to avoid potential conflicts of interests.
 - ii) to make recommendations to the full board in relation to remuneration of non executives.

2. TERMS OF REFERENCE

- 2.1 In its capacity as **Corporate Governance Committee**
- 2.1.1 to advise the board on all aspects of corporate governance and to recommend the adoption of best practices as appropriate for the company and the group.
 - 2.1.2 to determine, agree and develop the company's general policy on corporate governance in accordance with the applicable Code of Corporate Governance;
 - 2.1.3 to recommend to the board any closed periods during which the directors and any other persons in the company who are privy to price sensitive information shall not be permitted to trade in shares or securities of the company.
 - 2.1.4 to prepare the corporate governance report to be published in the company's annual report.
 - 2.1.5 to ensure that disclosures are made in the annual report in compliance with the disclosure provisions in the Code of Corporate Governance.
 - 2.1.6 to report any breach of the Code to the Board for action to be taken.
- 2.2 In its capacity as **Nomination Committee**
- 2.2.1 to make recommendations to the board on appointment of new executive and non-executive directors, including recommendations on composition of board in general regarding balance between executive and non-executive directors appointed to the board;
 - 2.2.2 to review board structure, size and composition and make recommendations to the board where necessary with regard to any adjustments deemed necessary.



- 2.2.3 to identify and nominate candidates for 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 chairperson and managing director;
 - 2.2.4 to ensure that the managing director has put in place succession plans.
 - 2.2.5 to recommend to the board for continuation (or not) in service of any director who has reached the age of 70;
 - 2.2.6 to recommend directors who are retiring by rotation, of or re-election;
 - 2.2.7 to liaise with the board in relation to preparation of committee's report to shareholders, as required.
- 2.3 In its capacity as **Remuneration Committee**
- 2.3.1 to determine the level of non-executive and independent non-executive fees and subject to board approval, to recommend same to the shareholders at the Annual Meeting of Shareholders;
 - 2.3.2 to determine and recommend to the board specific remuneration packages for executive directors of the company (basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentives, pensions and other benefits);
 - 2.3.3 to determine, agree, develop and recommend to the board the company's general policy on executive and senior management remuneration.
 - 2.3.4 to give the executive directors every encouragement to enhance the company's performance and to ensure that they are fairly, but responsibly rewarded for their individual contributions and performance;
 - 2.3.5 to review (at least annually) the terms and conditions of executive directors' service agreements, taking into account information from comparable companies where relevant information for other group executives and senior managers;
 - 2.3.6 to be kept informed of relevant information for executives and senior managers.



- 2.3.7 to co-ordinate its activities with the chairperson of the board and the chief executive as well as consult them in formulating the committee's remuneration policy and when determining specific remuneration packages.
 - 2.3.8 to determine any criteria necessary to measure the performance of the board collectively, the directors individually, the executive directors, the chairman of the board, the chairperson of the sub-committees of the board and the managing director in discharging their functions and responsibilities.
 - 2.3.9 to consult, if need be, other non-executive directors in its evaluation of the performance of the chairperson of the board and the managing director;
 - 2.3.10 to liaise with the board in relation to the preparation of the Committee's report to shareowners as required and to consider each year (and minute its conclusions) whether the circumstances are such that the annual general meeting of the company should be invited to approve the remuneration policy set out in the company's report.
- 2.4 These terms of reference may be amended as required, subject to the approval of the board.

3. MEMBERSHIP

- 3.1 The Committee shall be composed of 3 non-executive members of the board as far as possible and the managing director.
- 3.2 The members of the Committee shall elect a chairperson from amongst the 3 non-executive directors appointed to the Committee.
- 3.3 The members of the committee shall be assisted by a Secretary.

4. MEETINGS

- 4.1 Meetings of the Committee will be held as the Committee deems appropriate at least twice each year.
- 4.2 The chairperson of the Committee or any member of the Committee may call a meeting at any other time.
- 4.3 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 not less than 5 working days prior to the date of the meeting.

- 4.4 The quorum for decisions of the Committee shall be any three members (composed of at least two non-executive directors) present throughout the meeting who shall vote on the matter for decision.
- 4.5 The Committee shall invite the chairperson of the board and the general manager to attend meetings as necessary.

5. PROCEEDINGS

- 5.1 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the company's articles of association regulating the meetings and proceedings of directors and committees.
- 5.2 The secretary shall take minutes of meetings.
 - 5.2.1 The minutes of meeting of the Committee will be circulated to the members of the Committee and the Chairperson of the board as soon as possible after the meeting and may also, if the Chairperson of the Committee so decides, be circulated to other members of the board.
 - 5.2.2 Any director may, provided that there is no conflict of interest and with the agreement of the chairperson of the committee, obtain copies of the Committee's minutes.
 - 5.2.3 No Committee attendee shall participate in any discussion or decision in respect of his own remuneration or performance/disciplinary proceedings or evaluations.

6. REMUNERATION


- 6.1 Members of the Committee shall be paid such special remuneration in respect of their appointment as shall be fixed by the board.
- 6.2 Such special remuneration shall be in addition to the annual fees payable to directors.



7. **GENERAL**


- 7.1 The 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.
- 7.2 The committee shall review the charter every 2 years and discuss any changes with the board.

THESE TERMS OF REFERENCE WERE APPROVED BY THE BOARD OF DIRECTORS OF MAURITIUS OIL REFINERIES LIMITED AT ITS MEETING HELD ON 22/06/2005

SIGNED BY : 

 Chairperson of the Board

DATE : 22/06/2005

SIGNED BY : 

 Chairperson of Corporate Governance Committee

DATE : 22/06/2005