

# CORPORATE GOVERNANCE REPORT

## OUR DIRECTORATE

The Constitution of AfrAsia Bank Limited provides for a board comprising a minimum of 5 Directors and a maximum of 14 Directors. As at 30 June 2021, the Bank had a unitary board of ten experienced, well-known and high caliber members from both local and international frontiers with the right balance in knowledge, skills and expertise across various sectors.

The Board acknowledges that based on the size of the Bank and its relative shareholding structure, as at 30 June 2021, it did not have an appropriate representation in terms of the balance of Executive, Non-Executive and Independent Non-Executive Directors. During the financial year under review, the ex-CEO, Executive Director, Sanjiv Bhasin left his position as an early retirement, effective 28 February 2021. Thierry Vallet, General Manager, was appointed as the Interim CEO. The Board has started the active process of identifying the successor with the optimal skill set and caliber to fill in the CEO position. The Board gives credence to the current skill mix, knowledge and experience of its Directors, which it believes are solid enough to collectively provide the core abilities for the headship of the Bank.

As per the Code of Corporate Governance, all boards should have a strong executive management presence with at least two Executives as members. The Board is of the view that the spirit of the Code is currently met through the attendance and/or participation of the Interim CEO and other members of Senior Management in relevant Committees and Board deliberations as and when required.

Following letters received from BOM dated 19 August 2020 and 28 August 2020, enjoining the Bank to reconstitute its Board of Directors, a special meeting of shareholders was convened on 29 September 2020, wherein 9 new directors were subsequently appointed. Sanjiv Bhasin remained as the Executive Director. Subsequently, the Board appointed Joan Jill Wan Bok Nale to bring the total number of new directors to 10 members as tabulated below;

| Name                                         | Directorship                       | Effective Date |
|----------------------------------------------|------------------------------------|----------------|
| Inderjit Singh Bedi                          | Independent Non-Executive Director | 02-Oct-20      |
| Brian Adam Davis                             | Non-Executive Director             | 02-Oct-20      |
| Isabelle Marie Edith Alvares Pereira De Melo | Non-Executive Director             | 02-Oct-20      |
| Afsar Azize Abdulla Ebrahim                  | Independent Non-Executive Director | 02-Oct-20      |
| Aslam Kanowah                                | Non-Executive Director             | 02-Oct-20      |
| Christian St-Arnaud                          | Non-Executive Director             | 02-Oct-20      |
| Jan Fredrik Louis Gaëtan Boullé              | Non-Executive Director             | 09-Oct-20      |
| Giriraj Sinh Jadeja                          | Independent Non-Executive Director | 22-Oct-20      |
| Jean-Raymond Rey                             | Non-Executive Director             | 05-Nov-20      |
| Joan Jill Wan Bok Nale                       | Independent Non-Executive Director | 05-Nov-20      |

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## OUR DIRECTORATE (Cont'd)

The Bank is in line with BOM's "Guidelines on Corporate Governance 2001" (revised October 2017) issued by the Bank of Mauritius, more specifically Section 18(3) of The Banking Act 2004 (amended 12 August 2021) which stipulates that the Board of Directors of a financial institution incorporated in Mauritius should consist of at least 5 natural persons, 40 per cent of which must be Independent Directors. As at 30 June 2021, following the early retirement of Sanjiv Bhasin effective 28 February 2021 as CEO/ Executive Director, AfrAsia Bank Limited met the minimum percentage of Independent Non-Executive Directors.

On 3 August 2021, Afsar Azize Abdulla Ebrahim decided to step down as Independent Non-Executive Director of ABL effective as soon as the Board finds a suitable candidate as replacement in order not to destabilise the Board and compliance of the Bank with The Banking Act 2004 (amended 12 August 2021).

On 9 August 2021, AfrAsia Bank welcomed a new director, Fiorangelo Salvatorelli, on the Board as an Independent Non-Executive Director.

Further details of the Board composition as at 30 June 2021 is shown hereafter.

