

## Principle 4: Directors Duties, Remuneration and Performance

### Legal Duties

Directors are made aware of their legal duties in the induction program they follow on first appointment. The Board Charter includes a summary of legal duties under various relevant enactments.

### Conflicts of Interests, Related Party Transactions and Share dealing

Group Conflicts of Interests (including Related Party) Policy provide clear guidance on procedures to follow when any occurrence that may lead to a conflict of interest arise.

In line with the Model Code for Securities Transaction by Directors of Listed Companies (Appendix 6 of Listing Rules of SEM), the Board has approved a Group Share Dealing Policy which is applicable to directors and senior management. Declarations made by directors are entered in the Register of Interests which is maintained by the Company Secretary. The Register of interests is available to shareholders upon written request of shareholders.

Moreover, at the beginning of each meeting of the Board, the Chairman invites the Directors to declare any potential source of conflicts of interests, or any share dealings to be thereafter recorded in the Register of Interests.

Apart from share dealings reported under paragraph 4.3, no additional entries had been made in the Register of Interests in 2020.

Moreover, the Board will regularly monitor and evaluate compliance with the Code of Ethics.

### Directors' Interest in the shares of the Company as at 31 December 2020:

Directors	Direct Interest		Indirect Interest
	Number of shares	Percentage	Percentage
Vincent Ah Chuen	456,207	0.91	0.22
Alfred Bouckaert	-	-	-
Bertrand Casteres	22,027	0.04	-
Bruno De Froberville	52,999	0.11	1.43
Olivier De Grivel	-	-	0.05
Dominique Galea	362,631	0.72	15.03
Melanie Faugier	1,455	<0.01	4.38
Catherine McIlraith	-	-	-
Ashraf Musbally	5,400	0.01	-
Mushtaq Oosman	10,374	0.02	-
Brian Ah-Chuen (Alternate to Mr Vincent Ah Chuen)	3,250	0.01	-
Celine Gormand (Alternate to Mr Dominique Galea)	24,097	0.05	-

During 2020, share dealing by Directors and their associates were as follows:

Directors	Acquired	Disposed of	Acquired Associates	Disposed of Associates
Bertrand Casteres	11,600	-	-	
Ashraf Musbally	4,000	-	-	
Vincent Ah Chuen	-	-	-	262,200
Dominique Galea	-	-	-	361,100
<b>Name Of EXCO Members</b>				
Jérôme Katz	-	1,700	-	-
Laval Foo Kune	-	56,000	-	-
Delphine Ahnee	200	-	-	-

Rights Issue Directors and members of the Executive Committee subscribed to ordinary shares as per table below:

Names	No of shares subscribed	No of shares subscribed by Associates
<b>Directors</b>		
Bertrand Casteres	2,202	-
Vincent Ah Chuen	99,837	429,507
Dominique Galea	39,494	1,090,054
Mushtaq Oosman	1,937	-
Melanie Faugier	145	57,885
Olivier De Grivel		121,185
<b>Alternate Directors</b>		
Brian Ah Chuen	1,000	-
Celine Gormand	24,097	-
<b>Members of EXCO</b>		
Mehtab Aly	261	-
Naresh Gokulsing	3,302	-

## Board Evaluation

In accordance with the Board Charter, a Board and Committee Evaluation process had been conducted by the Company Secretary at the end of 2019 by way of questionnaires. and findings and recommendations were addressed by the CGNRC, and submitted to the Board in March 2020.

## Remuneration

### Remuneration Policy

The guiding principle for compensation and rewards is to be within the 50<sup>th</sup> percentile of the benchmarked remuneration of similar and acceptable insurance companies and financial institutions. The compensation practice of MUA derives from remuneration surveys and participation in peer reviews, complemented by effective staff and team performance management policies. MUA pay practice comprises fixed pay, variable pay, allowances, share incentive scheme and other benefits.

### Fees for directors and members of committees

The CGNRC reviews on an annual basis the adequacy of Directors' and senior executives' remuneration.

Fees payable to Non-Executive Directors in 2020 were as follows:

Directors	Board Fees (Rs)	Audit Committee Fees (Rs)	Corporate Governance, Nomination & Remuneration Committee Fees (Rs)	Risk Committee Fees (Rs)	Assets and Liabilities Committee (Rs)	Total Fees (Rs)
Vincent Ah Chuen	801,590	-	139,200	-	-	940,790
Alfred Bouckaert	600,000	-	-	199,200	199,200	998,400
Olivier de Grivel	360,000	-	-	139,200	139,200	638,400
Melanie Faugier	360,000	-	139,200	-	-	499,200
Bruno de Froberville	360,000	139,200	-	-	139,200	638,400
Dominique Galea	957,600	-	139,200	139,200	139,200	1,375,200
Catherine McIlrath	600,000	139,200	199,200	-	-	938,400
Mushtaq Oosman	360,000	199,200	69,600	139,200	-	768,000
	<b>4,399,190</b>	<b>477,600</b>	<b>686,400</b>	<b>616,800</b>	<b>616,800</b>	<b>6,796,790</b>

Remuneration of Executive Directors has not been disclosed on an individual basis as the Board considers this sensitive information.

Members	2020 Rs	2019 Rs
Executive Directors	32,063,143	28,091,492
Non-Executive Directors	6,796,790	6,889,547
<b>Total</b>	<b>38,859,933</b>	<b>34,981,039</b>

Non-Executive Directors do not receive remuneration in the form of share options or bonuses associated with organisational performance.

## Share Option Scheme

A share option scheme, to be offered to selected members of Executive Management and effective as from 1 January 2018, was approved by the shareholders of The Mauritius Union Cy. Ltd in June 2018. Further to the implementation of the Scheme of Arrangement as from 1 January 2019, the Share Option Scheme was cancelled and an equivalent scheme relating to the ordinary shares of MUA Ltd (listed on the Stock Exchange of Mauritius) will apply.

Moreover, at a special meeting held in July 2020, the shareholders approved the setting up of an Employee Share Scheme (ESS) to be offered to the employees of MUA Ltd and its subsidiaries, namely The Mauritius Union Assurance Cy. Ltd, MUA Life Ltd, MUA Pension Ltd, MUA Mutual Fund Ltd and MUA Stockbroking Ltd for an aggregate maximum number of one million five hundred thousand (1,500,000) ordinary shares starting 1 January 2020, subject to a maximum of three hundred thousand (300,000) ordinary shares being issued in any given financial year under the ESS of MUA Ltd.

## Information, Information Technology and Information Security Governance

### Information Technology

With the protection of the confidentiality and availability of information being critical to the smooth running of our activities, MUA continuously seeks to foster a robust IT platform that upholds the security and performance of its IT systems in adherence with regulatory and industry norms. In this respect, the Group has implemented an Information Security management system, including information security policies, based on internationally accepted standards and best practices to regulate the use, security standards, control and access rights within its IT infrastructure and systems. An Information Security Policy is in place and forms part of the Information Security framework that has been implemented. Matters relating to Information Security are overseen by the board through the Risk Committee.

The Information Security management system is being monitored and updated as needed by the Group's information Security department. The information security policies are available on the Group's intranet with staff being made aware of relevant requirements through regular awareness sessions. MUA continues to invest in information technology to enhance its operational resilience.

The Audit Committee reviews on an annual basis the budget of expenditure on information technology for recommendation to the Board. Investment in information technology and IT security is ongoing and the Group has a well-established and effective process in place for approval of all major investments.

### Data Protection

In compliance with the EU General Data Protection Regulations ("GDPR") and the Data Protection Act 2017 ("DPA"), MUA has approved a Data Protection Policy ("Policy") with a view to promoting a privacy culture within the Group and ensuring that all clusters, business units and employees protect the privacy of personal information of individuals in their daily operations including procedures for personal data breach; the escalation process when discovering a breach and the procedures to notify the relevant authorities.

The Policy defines the MUA's requirements regarding the collection, storage, use, transmission, disclosure to third parties and retention of personal information. The Policy is used as a general guideline to the clusters and business units, which remain responsible for ensuring strict compliance while collecting personal information without derogating from the core principles of the DPA.

Arziana Koyroo, Compliance Specialist, who forms part of the Legal & Compliance team of MUA, has been appointed Data Protection Officer ("DPO"). The main duties of the DPO is to monitor compliance and provide advice on the Act as well as to coordinate the reply with the supervisory authority.