

Corporate Governance Report

governance structure

The company is a public interest entity as defined by the Financial Reporting Act 2004.

The board is responsible for leading and controlling the organisation and meeting all legal and regulatory requirements. The board supports and is committed to attain and maintain the highest standards of corporate governance, including the principles of openness, integrity and accountability.

The board strives to comply with all the eight principles set out in the National Code of Corporate Governance for Mauritius (2016) (“NCCG”). The company recognises the importance of these principles and practices and views their application as an opportunity to critically review the group structure and processes. As at June 30th 2023, the company had only one executive director and was therefore not compliant with all the principles set out in the Code. The company is however in the process of implementing the necessary change so as to ensure full compliance with all the requirements in the near future. Irrespective, the organisation strives to take all decisions and actions in line with good governance principles and to maintain the highest standard of governance. The promotion of good corporate governance values however underlies the organisation’s decisions and actions.

The company’s compliance with the principles of the NCCG is set out in the report.

board and its committees

board charter (the “charter”)

The board has adopted a charter which sets out the objectives, roles and responsibilities and composition of the board. The charter should be read in conjunction with the company’s Constitution and in case a dispute on content or meaning arises, the wording of the Constitution shall prevail.

The main objectives of the charter are to:

- define the purpose, strategy and value and determine all matters relating to the directions, policies, practices, management and operations of the company and the group in accordance with the directions and delegations of the board; and
- monitor the ethical conduct of the subsidiary companies, its executives and senior officials.

The charter defines inter alia the roles, functions and objectives of the board, various board committees, the Chairperson, the Chief Executive Officer (CEO) and the Company Secretary. It also sets out how they interact in order to promote efficient, transparent and ethical functioning/decision making processes within the group.

The Board charter is a living document and is reviewed periodically by the Directors to assess its effectiveness and ensure that amendments are made as and when necessary. The charter was not amended during the year under review. The charter is available for consultation on the company’s website (www.caudan.com/investor-relations).

code of ethics

The group is committed to conduct business in the best interest of all stakeholders in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. The Code of Ethics which has been approved by the board has been designed to help officers and employees understand their ethical responsibilities as they conduct business on behalf of the group so as to ensure that the company and the group are responsible corporate citizens and that all deliberations and decisions are based on principles of accountability, fairness, responsibility and transparency. A copy of the Code of Ethics has been remitted to all officers and employees and a presentation thereof has been made to create the conditions for having a successful ethical culture in the Company. On joining, new entrants are requested to formally acknowledge having read, understood and agreed to comply with the Code.

It applies to all subsidiaries of the Caudan group, irrespective of the business segment. Moreover, the Code of Ethics must be read together with the other policies prevailing within the group and any business-specific policies in the applicable area. The adherence of all officers and employees to the Code of Ethics is being followed by the Compliance Officer, who is responsible for investigating any matter of concern brought to his/her attention and advising on legal actions that may be taken against unethical behaviours. The Compliance Officer reports to the Audit and Risk Monitoring Committee on a quarterly basis, any issues of concern raised by officers, employees or other parties. To the best of the Board's knowledge, the Company has not been subject to any ethical breach during the year under review.

The Code of Ethics is reviewed and updated on a periodic basis in order to ensure it remains relevant and appropriate to the group.

The Code of Ethics is available for consultation on the company's website (www.caudan.com/investor-relations).

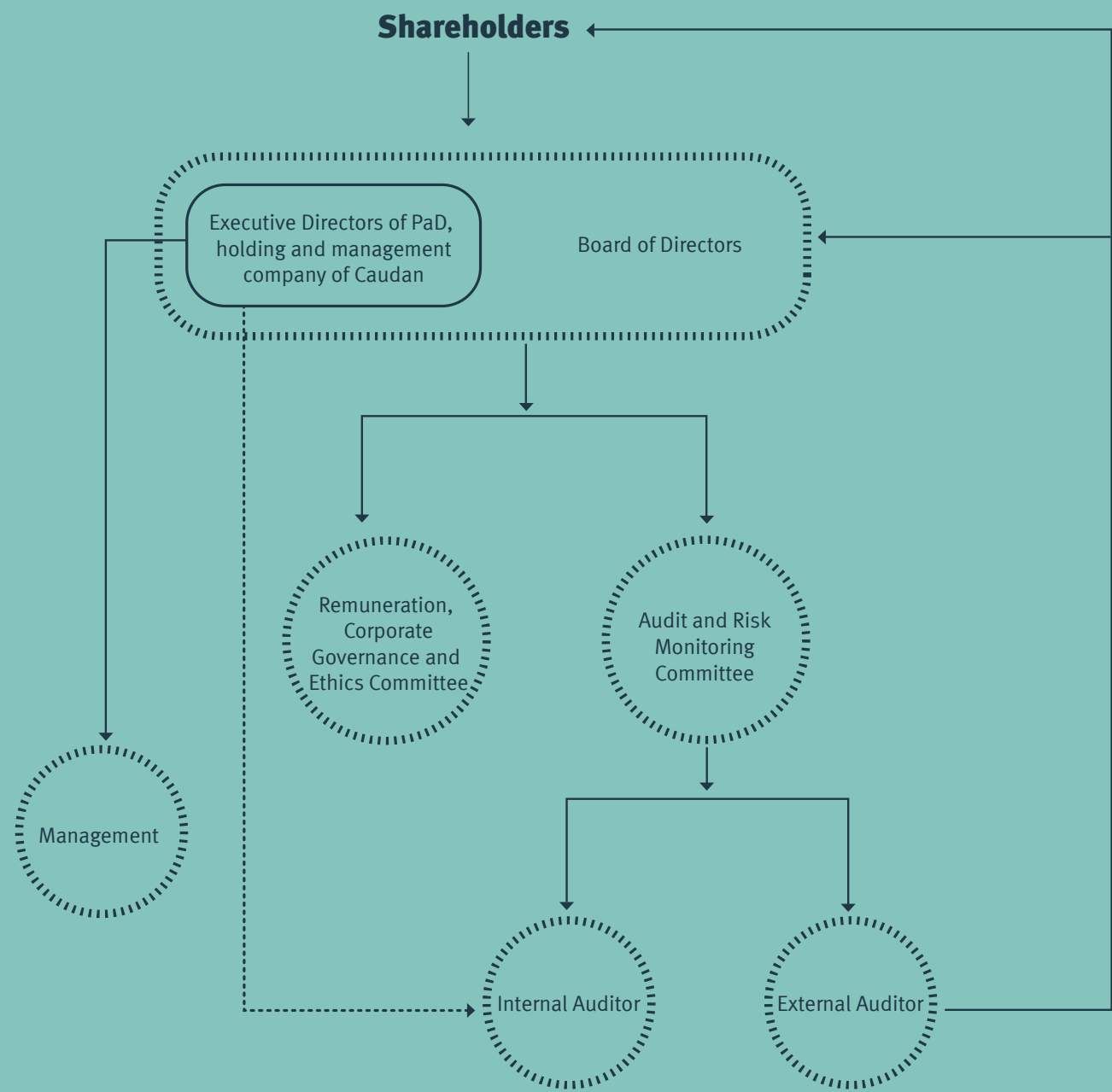
profiles of key governance officers

The profile of Mrs Jocelyne Martin appears in the directors' profiles sections.

organisation chart and statement of accountabilities

The board is responsible to set general strategies and policies and ensure their implementation with the support of the key senior governance officers. These key governance officers have an experienced professional background. In addition, the board has set up two committees namely the Remuneration, Corporate Governance and Ethics Committee and the Audit and Risk Monitoring Committee.

structure of the board and its committees



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the board

The board is led by an effective and highly committed unitary board, whose responsibilities are, inter alia, the review and adoption of strategic plans, the overview of business performance, the adoption of appropriate risk management systems and the establishment of proper internal control systems. It comprises of an appropriate balance of executive, non-independent non-executive and independent non-executive directors.

directors' duties and performance

The main role of the board is to protect and enhance shareholder value. It determines the group's direction, monitors its performance, oversees risks and is collectively responsible for the long-term success of the group, its reputation and governance. The board is responsible to all its shareholders and to its other stakeholders for leading and controlling the organization and meeting all legal and regulatory requirements and is also accountable for determining that the company and its subsidiaries are managed in such a way as to achieve its objectives.

The board has ultimate responsibility and is accountable for the performance and activities of the company. The role of the board is to set the overall strategy for the group and to supervise executive management and the proper functioning of the company, including inter alia:

- ensuring that the long-term interests of the shareholders are being served, and safeguarding the company's assets;
- assessing major risk factors relating to the group and its performance, and reviewing measures, including internal controls, to address and mitigate such risks;
- reviewing and approving management's strategic and business plans, including developing a depth of knowledge of the business, understanding and questioning the assumptions upon which plans are based and reaching an independent judgement as to the probability that the plans and/or the forecasts can be realized;
- monitoring the performance of the management against budget and forecasts;
- reviewing and approving the acquisition and divestment policy and significant corporate actions and major transactions;
- approving the treasury policy and raising of finance;
- assessing the effectiveness of the board;

- ensuring that good corporate governance policies and practices are developed within the group;
- ensuring ethical behaviour and compliance with laws and regulations, auditing and accounting principles and the company's own governing documents;
- considering sustainability issues, e.g. environmental and social factors, as part of its strategic formulation; and
- performing such other functions as are prescribed by law, or assigned to the board in the company's governing documents.

The board acts in good faith, with due diligence and care, and in the best interests of the company and its shareholders in the course of discharging its duties. It is committed to highest standards of business integrity, transparency and professionalism in all of its activities.

Conflicts of Interest & Related Party Transactions Policy

The board has adopted a Conflicts of Interest & Related Party Transactions Policy which is applicable to the company and to all its subsidiaries. The objective of this policy is to define the scope of conflicts of interest and related party transactions. This policy is available for consultation on the website of the Company (www.caudan.com/investor-relations). Directors are required to inform the board of conflicts or potential conflicts of interest that they may have in relation to particular items of business and are forced to recuse themselves from discussions or decisions in relation to such matters.

An interest register is maintained and updated on a quarterly basis and is available for consultation upon written request to the Company Secretary.

Information, Information Technology and Information Security Governance Policy

The board oversees information governance within the organisation. The Information, Information Technology and Information Security Governance Policy of the company applies to all the subsidiaries of the group. All policies relating to information security are made accessible to all employees. This policy is available for consultation on the website of the company (www.caudan.com/investor-relations).

General Data Protection Privacy Policy

The board is committed to compliance with all relevant laws in respect of personal data, including the European General Data Protection Regulation ("GDPR") and the Mauritian Data Protection Act 2017 ("DPA") for the protection of the rights and freedoms of individuals whose information are collected and processed by the company in the course of its activities. The company is reg-

istered as controller with the Data Protection Office. In keeping with the GDPR and the DPA, the Caudan group has endeavoured to reinforce the safety and security measures to protect the personal data it collects, stores and processes. The board has thus approved a General Data Protection Privacy Policy which is available for consultation on the website of the company (www.caudan.com/investor-relations) and has also appointed a Data Protection Officer whose responsibilities include, inter alia, to monitor the implementation of the aforesaid framework for protecting personal data.

Whistleblowing Policy

The board has approved a whistleblowing policy applicable to all its subsidiaries, its employees and directors, which is made available on the website of the company (www.caudan.com/investor-relations). This policy aims at providing an avenue for issues to be raised in good faith, concerns of potential breaches of laws, rules, regulations or compliance. The whistleblowing mechanism intends to motivate responsible actions to uphold the group's reputation.

directors' profiles

Jean-Philippe Coulier

Chairperson and non-independent non-executive director
- Age 74

Holder of a 'Diplôme d'Études Supérieures en Droit' and 'Diplôme de l'Institut d'Études Politiques de Paris' (France). During his career, Jean-Philippe has accumulated extensive experience in the banking sector, having worked for the Société Générale Group for some 40 years. Over this period, he has assumed a range of high-level responsibilities within the group, acting as Director, Chief Operating Officer and Chief Executive Officer in its various offices based worldwide. Before his retirement from Société Générale in early 2013, he was the Vice Chairman and Managing Director of the National Société Générale Bank in Cairo, Egypt. He was appointed Director of The Mauritius Commercial Bank in 2012 and held the chairmanship from 2014 to

2018. In 2018, he was appointed director and Chairperson of Promotion and Development and Caudan Development. He is also a director of MCB Group, MCB Factors, MCB Microfinance, Fincorp Investment, Constance Hotel Services.

Richard Arlove

Non-independent non-executive director - Age 60

Fellow member of the Association of Chartered Certified Accountants. Founder of Arphilia Consulting in 2020, he counts 40 years' experience as a professional accountant, business leader, professional entrepreneur and member of the senior leadership team of a global firm. After a 20-year career as a professional accountant in Big Four accounting firms and as general manager of businesses in garment manufacturing and marketing of international brands, he co-founded and was the CEO of ABAX, a regulated financial, corporate and fiduciary services company providing services to international companies and private equity firms doing business primarily in Africa and Asia. On the acquisition of ABAX by Ocorian (a global corporate and fiduciary services group) in 2018, he was appointed Regional Head of Africa, Middle East and Asia and group ExCo member of Ocorian and retired in 2020. Director of IBL, Livestock Feed and Promotion and Development.

Priscilla Balgobin-Bhoyrul

Non-independent non-executive director - Age 48

Senior Partner and the Chairperson of Dentons Mauritius. She graduated at the London School of Economics and Political Science in 1997, with a LLB (Hons) and has been called both to the Bar of England and Wales at the Middle Temple in 1998 and to the Mauritian Bar in 1999. She has also followed the Authentic Leadership Development Program at Harvard Business School. Priscilla specialises mostly in civil, commercial and industrial law matters. She has a keen interest in the fields of Fintech, Real Estate and ESG (Environment, Social, Governance). Director of Alteo, National Investment Trust and Promotion and Development.

Bertrand de Chazal

Non-independent non-executive director (up to December 2022)
- Age 82

Fellow member of the Institute of Chartered Accountants of England and Wales and Commissaire aux Comptes. Worked during his career with Touche Ross, Paris and West Africa; retired as senior financial analyst of the World Bank.

Bernard D'Hotman de Villiers

Independent non-executive director (as from December 2022)
- Age 62

Mr Bernard D'Hotman de Villiers holds a "Licence de Droit" delivered by the "Faculté de Droit de l'Université de la Réunion". He was appointed notary in 1987 and has been practising as

such ever since. He has served four terms as member of the Chamber of Notaries and has been appointed as its Chairperson in April 2023. He also holds directorship positions in various private companies.

Catherine Fromet de Rosnay

Non-independent non-executive director - Age 56

Director at LEGIS & Partners Ltd, a law firm registered under the Law Practitioners Act. Holds a 'Magistère de Juriste d'Affaires' and 'Diplôme de Juriste et Conseil d'Entreprise (D.J.C.E)' from the Université de Paris II, Panthéon Assas. Practised as an in-house lawyer for nearly 8 years at the legal department of Nexans in Paris, formerly known as Alcatel Cable France. Currently involved in the negotiation and drafting of commercial and joint-venture agreements, corporate due diligence exercise, M&A operations, legal and tax advice. Director of Promotion and Development, Hotelest and Constance Hotels Services and of various other private companies controlled by French investors. Also board member and Vice-President of the Chambre de Commerce et d'Industrie France-Maurice.

Gilbert Gnany

Non-independent non-executive director - Age 61

Holds a 'Licence ès Sciences Economiques (Economie Mathématique)', 'Maîtrise en Econométrie' and 'DESS en Méthodes Scientifiques de Gestion et Calcul Economique Approfondi' (France). He previously worked as Senior Advisor on the World Bank Group's Executive Board where he was responsible for issues relating mainly to the International Finance Corporation and the private and financial sectors. Prior to joining the World Bank, he was the MCB Group Chief Economist and Group Head of Strategy, Research & Development after having been the Economic Advisor to the Minister of Finance in Mauritius. During his career, he has been involved in various high-profile boards/committees. Amongst others, he chaired the Stock Exchange of Mauritius Ltd, the Statistics Advisory Council and the Statistics Board of Mauritius as well as having been a member of the Board of Governors of the Mauritius Offshore Business Activities Authority, a director of the Board of Investment and of the Mauritius Sugar Authority. He was also a member of the IMF Advisory Group for sub-Saharan Africa and a member of the Senate of the University of Mauritius. He is currently a Board member of several companies within the Group. On the institutional side, he is an external IMF expert in statistics, in particular, on data dissemination standards and strategy. Moreover, he is a member of the Financial Services Consultative Council. He also acts as

Chairperson of the Economic Commission of Business Mauritius which serves, inter alia, as a platform for public-private sector dialogue. Director in other listed companies namely MCB Group, Promotion and Development, COVIFRA and Medine.

Jocelyne Martin

Executive director - Age 63

Holds a BSc (Hons) in Statistics, London School of Economics. Member of the Institute of Chartered Accountants of England and Wales. Trained with Deloitte Haskins + Sells (now part of PwC), London. After several years of experience in the UK, worked at De Chazal Du Mée before joining Promotion and Development in 1995 as Group Financial Controller. Was appointed Group Finance Director in 2006 and Group CEO with effect from January 1st 2022. Director of Promotion and Development, Medine, EUDCOS, MFD Group, Tropical Paradise, and Oceanarium.

Philippe Raffray

Independent non-executive director - Age 67

Holds a BA in Politics from the University of York and a Masters degree in Marketing Management from the University of Lancaster (UK). He had an international career spanning over 35 years with L'Oreal in Europe, Africa and Asia. He developed 'emerging markets' sales and marketing strategies as General Manager of the FMCG Divisions in South Africa, India and Indonesia. He was then appointed Country Managing Director of the L'Oreal hubs in South Africa, Ukraine and finally Morocco and the Maghreb. He joined the Board of Caudan Development Limited in June 2019 shortly after retiring from L'Oreal. He is also a member of the management committee of BrandActiv and an independent non-executive director of CIPD, both part of the IBL group.

Bernard Yen

Non-independent non-executive director - Age 59

Fellow of the UK Institute and Faculty of Actuaries. Currently the Managing Director of AON in Mauritius, providing actuarial, pensions and other services in the African region. Has around 40 years' international consulting experience including 15 years with Mercer in Europe. Has served as the African representative on the Committee of Actuaries advising the UN staff pension fund for 15 years. Also director of Promotion and Development.

key roles and responsibilities

The executive director is Mrs Jocelyne Martin who is the CEO of PaD, the holding and management company of Caudan. The appointment of a second executive director is currently under consideration.

To ensure a better balance of power and authority on the board, the functions and roles of the Chairperson and executive directors are independent of each other and they function under separate mandates issued by the board. This differentiates the division of responsibility within the company and ensures a balance of authority. The Chairperson has overall responsibility for leading the board and ensuring its effectiveness whilst the executive directors are responsible for managing and leading the business of the group.

The Chairperson provides overall leadership for decisions taken collectively by the board. He is responsible for ensuring the smooth functioning of the board and for promoting high standards of corporate governance. He is also responsible for ensuring that the directors receive accurate, timely and clear information and that adequate time is available for discussion of all agenda items at board meetings and in particular strategic issues. He encourages the active participation of all board members in discussions and decisions, constructive relation between the board and management and effective communication with stakeholders. Mr Jean-Philippe Coulier, Chairperson of the Board, is also the Chairperson of the Board of PaD, the holding company and as such, is not considered to be independent. However, Mr Coulier is independent in both character and judgement; he has wide experience and make important contributions to the Board as a whole with regards to the group's business and operations and other strategic issues. The Board therefore considers that the chairmanship of Mr Coulier complies with the spirit of the NCCG. In addition, the Board comprises two (2) independent directors.

The executive directors are responsible for the day to day running of the group's operations and for developing and recommending the long-term strategy and vision of the company and the group. They lead and direct senior management to implement the strategy and policies set out by the board. They also ensure effective communication with shareholders. The executive directors report at each board meeting on the performance, updates and prospects of the Caudan group and any other material matters arising.

The Company Secretary provides assistance and information on governance and corporate administration issues. The Company Secretary is responsible for ensuring that the board procedures are followed and that applicable laws and regulations are complied with, for guiding the board with regard to their duties and responsibilities and for preparing agenda and minutes for board meetings and circulating same together with any supporting documentation.

The roles and responsibilities of the Chairperson, the CEO and the Company Secretary are defined in the position statements which have been approved and are reviewed regularly by the board. The position statements are available for consultation on the company's website (www.caudan.com/investor-relations).

balance and diversity

The company's constitution provides that the board of the company shall consist of a minimum of 7 and a maximum of 14 directors. As at June 30th 2023, the board was made up of nine directors as set out on page 3.

The board includes an appropriate combination of executive directors, non-independent non-executive directors and independent non-executive directors to prevent one individual or a small group of individuals from dominating the board's decision taking. All the directors are residents of Mauritius. Taking into account the scope and nature of operations of the group, the board considers that the number of directors is commensurate with the sophistication and scale of the organization and is appropriate to facilitate the effective decision making. The objective is to facilitate the exercise of independent and objective judgement on corporate affairs, and to ensure that discussion and review of key issues take place in a critical yet constructive manner.

The directors come from diverse business backgrounds and possess the necessary knowledge, skills, objectivity, integrity, experience and commitment to make sound judgements on various key issues relevant to the business of the company.

The non-independent non-executive directors are directors of PaD, major shareholder of Caudan and as such they are not legally considered as being independent. However, they are independent in both character and judgement and have wide experience and make important contributions to strategic issues and corporate governance.

During the year under review, there were 2 independent directors, proving a strong and independent element on the board: Mr Bernard D'Hotman de Villiers appointed in December 2022 and Mr Philippe Raffray. The criteria for independence at Board level are laid out in the Companies Act and Messrs D'Hotman de Villiers and Raffray both meet all the criteria. The Board therefore considers the current mix of Directors to be appropriate.

With three female directors as board members, the board is also in line with the recommendation of the NCCG regarding gender diversity and with the new provision of the Companies Act, which will require public listed companies to have a minimum of 25 per cent of women on their boards.

All directors are expected to objectively discharge their duties and responsibilities in the interests of the company. All directors should make their best efforts to avoid conflicts of interests or situations where others might reasonably perceive such a conflict. The personal interest of a director, or persons closely associated with the director, must not take precedence over those of the company or its shareholders. Any director, who is directly or indirectly interested in a transaction or proposed transaction, is required to disclose the nature of his interest, at the meeting in which the transaction is discussed, and should not participate in the debate, vote or indicate how he would have voted on the matter.

balance

Independent non-executive directors	2
Executive directors	1
Non-independent non-executive directors	6

average age

< 50	1
51 - 60	3
61 - 70	4
> 70	1

gender diversity

Female	3
Male	6

board/director's performance

The board acknowledges the need to regularly review the board's performance and effectiveness, that of its committees, the Chairperson and individual members. An internal board evaluation exercise was carried out for the financial year 2022/2023. The evaluation was carried out by means of a questionnaire that was filled in by each Director. The questionnaire covered the following areas:

- The structure of the board;
- Board efficiency and effectiveness;

- Strategy and Performance;
- Risk Management and Governance;
- Board committees function;
- Board members self-evaluation; and
- Chairperson's evaluation by board members

The results were analysed and the review established that the directors consider the board to be operating effectively. The board was comfortable with the overall results of the assessment.

The Board has decided that the board evaluation exercise would be carried out every 2 years. As such, the next exercise will be held in 2025. The directors endeavour to maintain the same vigilance in leading the Company.

The board also encourages its members to keep on enhancing their knowledge and competencies through personal development programmes. As and when required or requested, the Company organizes workshops and arrange for training of Directors. During the year under review, the directors have followed a training and informative session on Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT).

director appointment procedures

In accordance with the constitution of the company, all directors shall retire from office and shall be eligible for re-election at each annual meeting of shareholders.

The board of directors may at any time appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors up to a maximum number permitted by the Constitution until the next Annual Meeting of Shareholders where the director shall then retire and shall be eligible for appointment at that meeting.

After appointment, the Company provides a comprehensive, formal and tailored induction pack so that newly appointed directors are briefed on key information relating to the group and the sector in which it operates. The pack contains their letter of appointment, a copy of the company's latest annual report, minutes of recent Board meetings, a schedule of dates for future Board meetings, the company's organisational structure, and other documents pertaining to their role, legal duties and

responsibilities. They are also invited to meet executive management to familiarize with each of the group’s businesses and operations, its strength and weaknesses. In addition, the Company also arranges for site visits on a regular basis. This process contributes to ensuring a well-informed and competent board.

The procedures and accountability for certain of the board matters are delegated under clearly defined conditions to board committees and executive management and information is supplied to the board in a manner that enables the board to act diligently and fulfill its responsibilities. The board monitors regularly the effectiveness of the policies and decisions, including the implementation and execution of its strategies.

policy on overboarding

The Board recognizes the importance of all its Directors’ commitment and availability to effectively fulfill their duties and responsibilities. It is generally agreed that overboarding, or serving on an excessive number of boards, can compromise a director’s capacity to contribute meaningfully to the affairs of the company. Directors have been made aware of the time commitment expected from them to fulfil their duties and responsibilities. All Directors are responsible for promptly disclosing all current board positions held at other organizations to the Chairperson or the Company Secretary upon appointment, as well as changes to existing positions during the course of their directorship. In addition, Board evaluations are carried out each two years to assess inter alia time commitments of the Directors.

succession plan

The Board assumes the responsibility for the succession planning of directors and senior officers. The succession planning exercise, which is an on-going process, falls within the purview of the Remuneration, Corporate Governance and Ethics Committee.

board meetings

All directors are expected to attend all meetings of the board, and of those committees on which they serve, and to devote sufficient time to the group’s affairs to enable them to properly fulfill their duties as directors. The dates of the meetings together with agenda items are scheduled up to one year in advance, with board meetings at least each quarter. Directors receive Board papers in a timely manner to facilitate discussions and help them make informed decisions at the meetings. All materials for Board meetings are sent by the Company Secretary ahead of each meeting. Members of the Management team and/or external advisors may be invited to attend meetings to discuss issues identified by the Board.

However, on occasion, in addition to the regular scheduled meetings, it may be necessary to convene ad-hoc meetings at short notice as and when circumstances warrant, which may preclude directors from attending. Besides physical meetings, the board and the board committees may also make decisions by way of written resolutions. Participation by board members by means of teleconference or similar communication equipment is permitted.

Matters considered by the board in 2022-2023:

- › The audited annual report for the year ended June 30th 2022;
- › The abridged unaudited financial statements for the first, second and third quarters;
- › Investments of the company;
- › Presentations made by the management of the subsidiaries;
- › Training: AML/CFT presented by ENSafrica;
- › Succession planning discussions;
- › Review of budgets for financial years 2023/2024; and
- › Review of strategic orientation.

The board met six times during the year to consider all aspects of the company’s affairs and any further information which it requested from management. Directors are kept regularly informed of the up to date business position of the group.

The agenda of the board is prepared by the Company Secretary in consultation with the Chairperson and the executive directors and circulated together with accompanying board papers in a timely manner.

attendance at board meetings

2023	board of directors
Jean-Philippe Coulier	6/6
Richard Arlove	6/6
Priscilla Balgobin-Bhoirul	5/6
Bertrand de Chazal (up to December 2022)	1/2
Bernard D’Hotman de Villiers (as from December 2022)	3/4
Catherine Fromet de Rosnay	5/6
Gilbert Gnany	4/6
Jocelyne Martin	6/6
Philippe Raffray	6/6
Bernard Yen	4/6
total number of meetings held	6

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board committees

To assist the board in the discharge of its responsibilities, the board has delegated certain functions to the following committees, each of which has its own written terms of reference which deal clearly with their authorities and duties. Details of the most important committees are set out below:

The Remuneration, Corporate Governance and Ethics Committees (“RCGEC”)

The main role of the RCGEC is to advise and make recommendations to the board in the discharge of its duties relating to corporate governance matters and nomination of directors and senior executives of the company and to all remuneration aspects. The Remuneration, Corporate Governance and Ethics Committee Charter is available on the website of the Company (www.caudan.com/investor-relations). The Charter was not amended during the period under review.

It comprises of Mrs Priscilla Balgobin-Bhoirul, who chairs this committee, Mrs Jocelyne Martin, and Messrs Jean Philippe Coulier and Philippe Raffray.

The committee makes recommendations to the board, in respect of issues relating to appointment of directors and the composition, size and structure of the board and generally on all corporate governance provisions to be adopted by the company and oversees their implementation. It also has responsibility for the compensation strategies, plans, policies and programs of the company and its subsidiaries and evaluating and approving the remuneration package and other terms and conditions of service applying to directors and senior executives.

The Committee is also responsible for updating from time to time, and as necessary, the company’s Code of Ethics. It is also responsible for driving the process for the implementation of the National Code of Corporate Governance for Mauritius throughout the group. As such, it oversees that compliance to the NCCG is being monitored, with a view to ensuring that the importance of this document is continuously stressed within the group, and that its core principles are embedded in the Group Corporate Culture.

Matters considered by the RCGEC in 2022-2023:

- Review of the Corporate Governance Report forming part of the Annual Report 2022;
- Approval of resignation/appointment of director;
- Review of good governance practices;
- Review of the composition of the committees;
- Succession planning recommendations; and
- Approval of salary increases.

attendance of the Remuneration, Corporate Governance and Ethics Committee

2023

Priscilla Balgobin-Bhoirul (<i>as from December 2022</i>)	2/2
Jean-Philippe Coulier	4/4
Bertrand de Chazal (<i>up to December 2022</i>)	0/2
Catherine Fromet de Rosnay (<i>up to December 2022</i>)	2/2
Jocelyne Martin	4/4
Philippe Raffray	4/4
total number of meetings held	4

The Audit and Risk Monitoring Committee

The committee is appointed by the board to assist in the discharge of duties relating to the overall control aspects of the company and its subsidiaries, including the safeguarding of assets, the monitoring of internal control processes, and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards. It also assists in setting up risk mitigation strategies and to assess and monitor the risk management process of the group and to advise the Board on risk issues. The main findings of the committee and its recommendations are reported to the board on a regular basis. The Audit and Risk Monitoring Committee Charter is available on the website of the Company (www.caudan.com/investor-relations). The Charter was not amended during the year under review.

It comprises Mr Bernard D’Hotman de Villiers, who chairs this committee, Mrs Catherine Fromet de Rosnay, Messrs Richard Arlove and Bernard Yen. The members of the committee have the relevant financial experience. None of the members of the Audit and Risk Monitoring Committee were previous partners of or directors of the external auditors, namely Ernst & Young nor do they hold any financial interest therein.

In addition to its statutory functions, the Audit and Risk Monitoring Committee considers and reviews any other matters as may be agreed to by the Audit and Risk Monitoring Committee and the board. In particular, the committee assists the board in fulfilling its financial reporting responsibilities. It reviews the financial reporting process, and monitors compliance with laws and regulations. It monitors the quality, accuracy, reliability and integrity of the financial statements, and reviews interim financial reports and the annual financial statements prior to their submission to the board, and the application of the company's accounting policies. It reviews the audit process and assesses and recommends the appointment of internal and external auditors.

The committee reviews matters affecting the company's financial and internal controls, their adequacy and effectiveness and the management of financial risk. The committee also monitors risks identified and considered critical by management, including capital, market, reputational, strategic and operational risks; it reviews and monitors the development and implementation of the company's risk management programme. The Audit and Risk Monitoring Committee provides a forum through which the external auditors can report to the board and monitors their performance and independence. The board is satisfied that the Audit and Risk Monitoring Committee has adequately discharged its responsibilities in compliance with its terms of reference.

attendance of the Audit and Risk Monitoring Committee

2023

Richard Arlove	5/5
Priscilla Balgobin-Bhoyrul (<i>up to December 2022</i>)	2/2
Bertrand de Chazal (<i>up to December 2022</i>)	1/2
Bernard D'Hotman de Villiers (<i>as from December 2022</i>)	3/3
Catherine Fromet de Rosnay (<i>as from December 2022</i>)	3/3
Bernard Yen	4/5
total number of meetings held	5

Matters considered by the Audit and Risk Monitoring Committee in 2022-2023:

- Review the abridged quarterly financial statements for the first, second and third quarters;
- Review and recommend for approval to the board the abridged and annual financial statements for the year ended June 30th 2022;
- Review of budgets for the financial years 2023/2024;
- Monitoring of risks identified for the company;
- Review of the Compliance reports submitted by the compliance officer;
- Review of the AML/CFT framework;
- Review various audit reports submitted by the internal auditor and monitor the implementation of the agreed internal control improvements by management; and
- Review audit reports and findings of the external auditor.

statement of remuneration philosophy

The company's remuneration philosophy concerning directors provides that:

- there should be a retainer fee for each director reflecting the workload, size and complexity of the business as well as the responsibility involved. It should be the same for all directors whether executive or non-executive directors.
- the Chairperson having wider responsibilities should have higher remunerations.
- there should be committee fees for directors. The Chairperson should have higher remuneration than members.
- board and committee members also receive an attendance fee per sitting of their respective boards and committees.
- an attendance fee is also paid for attending the Annual Meeting of shareholders.
- no share option or bonus should be granted to non-executive or independent directors.



CRAFT MARKET

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Craft market: a modern haven for artisanal treasures.

directors' remuneration

remuneration and benefits received and receivable from the company and its subsidiaries

2023

MRs000	THE COMPANY	SUBSIDIARIES	TOTAL
Jean-Philippe Coulier	238	-	238
Richard Arlove	141	-	141
Priscilla Balgobin-Bhoirul	198	-	198
Bertrand de Chazal	57	25	82
Bernard D'Hotman de Villiers	119	-	119
Catherine Fromet de Rosnay	168	-	168
Philippe Raffray	212	-	212
Bernard Yen	126	-	126
Total Non-Executive	1,259	25	1,284

Remuneration of non-executive directors consists of a basic retainer fee and an attendance fee in respect of their presence at meetings of the board and their respective committees as well as the Annual Meeting of Shareholders.

Executive directors and non-executive directors having an executive role within the PaD Group or entities of the MCB Group are not remunerated.

management structure

PaD is responsible for the management of the current affairs of all activities of the Company and of its subsidiaries; this includes advisory, finance, consulting, legal and other services in relation to the operations. The senior management team, reporting to the Chief Executive Officer, is responsible for the running of the current affairs and day to day operations.

The profile of the senior management team was as follows:

Dominique Autrey

Chief Operations Manager at Caudan Development

Business Unit: Le Caudan Waterfront & industrial buildings

Holds a Bachelor of commerce in hospitality & tourism management from the University of England, Australia. Has completed an Executive Management Programme from Essec Business School. Has extensive experience in the hospitality industry as hotel manager for a number of hotels in Mauritius and Seychelles before joining the company in February 2022.

Ashish Beesoondial

Theatre Manager at Caudan Development

Business Unit: Caudan Arts Centre

Holds an MA in Theatre Making from University of Leeds, UK and an MA in English Literature from University of Mumbai, India. Has been Senior Lecturer at the Mauritius Institute of Education and was involved in curriculum writing for English and Drama, teacher education and research in performing arts. Has acted and directed in a number of plays before joining the company as Theatre Manager in February 2017.

Jean Donat

Managing Director at SPPA (Appointed in August 2023)

Business Unit: Security

Holds a 'Diplôme d'études approfondies en génie électrique' and a 'Maîtrise d'électronique' from the University of Toulouse, France. Has acquired extensive experience as former General Manager of the Central Electricity Board, CEO of G4 Security Services in Mauritius and Madagascar, and Manager in the electrical department of IBL. Joined Security and Property Protection Agency Co Ltd as Managing Director in August 2023.

Deepak Kumar Lakhbhai

Chief Operating Officer at SPPA

Business Unit: Security

An Alumni of Defence Services Staff College Wellington India and holds an MSC in Defence and Strategic Studies from the University of Madras, India also attended the MBA (General) program from MANCOSA. Has extensive experience in the security sector, worked in the Police Force, with more than 20 years in the National Coast Guard, mostly in Command Position. Joined Security and Property Protection Agency Co Ltd as Chief Operating Officer in July 2012 and is a member of ASIS International.

risk governance and internal control

The Group's activities are exposed to a wide range of risks which, if not effectively managed, are likely to significantly affect the Group's strategic objectives and its operational and financial performance. The level of residual risk for each principal risk is assessed taking account of the likelihood of occurrence and potential impact on the Group, and also applicable mitigating actions.

The Board has overall responsibility for maintaining an effective system of internal control and risk management. Whilst these two functions are delegated to the Audit and Risk Monitoring Committee, the nature and governance of risk remain the ultimate responsibility of the Board.

The responsibility of the board also includes:

- › Ensuring that structures and processes are in place for risks management;
- › Identifying the principal risks;
- › Ensuring that management has developed and implemented the relevant framework;
- › Ensuring that systems are in place for implementing, maintaining and monitoring internal controls.

The Audit and Risk Monitoring Committee supports the Board in the oversight of risk and is responsible for reviewing the effectiveness of the risk management and internal control system over the course of the year, as well as overseeing the Group’s internal audit activity. The Group Executive Directors have overall accountability for the management of risks across the business.

The effective day-to-day management of risk is embedded within the operational business teams. Potential new risks are thus identified at an early stage and escalated as appropriate, and required mitigating actions initiated. Internal Audit acts as an independent assurance function by evaluating the effectiveness of the company’s risk management and internal control processes.

All risks have been documented in a risk register and this is reviewed at least yearly to identify new and emerging risks.

The Board confirms that during the year 2023 it has carried out an assessment of the Group’s emerging and principal risks, including mitigations, which are presented below:

Principal risks	Description	The Group’s response
Macroeconomic environment	Changes in the macroeconomic environment are capable of setting back our financial performance and hinder our progress.	Close monitoring of external environment, macroeconomic research, forecasts, and their impact with respect to growth strategies and adapt strategies accordingly.
	Low economic growth may result in businesses struggling to stay operational resulting e.g. in tenant failures, reduced sales and customers terminating their contract for our services.	Constant networking with trade partners to understand their businesses and deal promptly with potential issues. Close monitoring of financial health of our customer base.
	External factors including a decline in tourist arrivals due to factors such as viral outbreaks or change in air access policies or generally Mauritius losing its attractiveness may have an impact on the size of our potential market and lead to a decline in business growth revenue.	Cash flow management to cope with the uncertain global context. Ensuring that Caudan continues to cater for both local and tourist markets.
Accessibility to LCW	Traffic congestion in and out of Caudan causing undue delays thereby hampering the consumer and tenant experience and impacting on our competitiveness.	Discussions and negotiations with neighbour stakeholders in the vicinity as well as the authorities to find a holistic solution both in the short and longer term to alleviate traffic along the access road, improve the vehicular and pedestrian connectivity and facilitate a safe ingress and egress to Caudan.
Supply chain disruption	Delays/Disruptions in the supply chain may cause increased lead time for purchases, leading to out-of-stock situations, time-consuming procurement processes impacting the competitiveness and performance of our businesses.	Constant monitoring of the global situation so as to be well prepared.
		Reviewing the ordering strategy for closer and more rigorous supply chain and stock management processes.
		Close collaboration and interdepartmental planning to avoid panic-buying situations. Order in advance where possible and look for adequate alternatives.

Principal risks	Description	The Group's response
Increase in cost	<p>Increase in the cost of materials due to inflationary pressures which impact our margins and profitability.</p> <p>Depreciation of the Mauritian Rupee vis-a-vis the EURO and the USD further exacerbate the impact on imported purchases.</p>	<p>Regular review of the procurement strategy.</p> <p>Invest into an efficient centralized procurement across all business units to obtain best value.</p> <p>Alternative suppliers planning and sourcing.</p> <p>Focus on local production capacities where possible.</p> <p>Use controlled pricing mechanisms when entering into major contracts.</p>
Information technology	Risk that the Group's Information technology systems fail or are subject to an attack, which could lead to loss or corruption of critical data, loss and leakages of commercially sensitive data, causing operational disruption, financial demands or reputational damage.	<p>IT Governance framework, incorporating the necessary policies and controls.</p> <p>Training and awareness campaigns.</p> <p>Regular consultation with IT specialists including IT department of MCB Ltd and other reputable consultants.</p> <p>Disaster Recovery plan in order to be able to respond to major incidents or emergencies.</p>
Automation of processes	Manual processes constrain the ability to be more cost effective and to provide efficient service.	Invest in digitalization and business intelligence.
People and Talent	Risk of being unable to recruit, develop and retain employees with appropriate skills resulting in disruption in operations, suboptimal level of service, dissatisfaction of clients, excessive stress on reduced labour force, hiring of ill-suited candidates, all of which could adversely impact operational and corporate performance.	<p>Appointment of a seasoned HR practitioner to design a HR strategy, build a high-performance culture and competency and maintain employee engagement.</p> <p>Adequate recruitment and onboarding procedures.</p> <p>Regular communication of the group's values to employees.</p> <p>Training and development programmes.</p>
Health and Safety	<p>Risk that health & safety of staff, contractors, clients and visitors is compromised through various hazards, (e.g. security, injury, food safety, riots, floods) caused by an event, behaviour, action or inaction, either by the Group, its officers, its employees or those with whom it is associated. Such occurrences could result in reputational damage to the Group.</p> <p>Risk of incidents occurring due to poor workmanship or failure to maintain equipment and property in a safe working state.</p>	<p>Implementation and review of physical and security measures.</p> <p>Dialogue with the relevant authorities to assess local and national threat levels.</p> <p>In house health & safety officers with responsibilities for assets and people and part of the core crisis team in case of a major incident.</p> <p>Regular review of Legal, regulatory and other relevant updates by both legal and health & safety departments to ensure compliance.</p> <p>Planned reactive and preventive maintenance to ensure equipment and property are maintained in good state.</p> <p>Inspection and monitoring of state of assets.</p> <p>Regular training performed by H & S Officers, including fire & evacuation drills.</p> <p>Appropriate insurance cover.</p>



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Cultural life: a hub for cultural events where art, music, and community come together for unforgettable experiences.

Principal risks	Description	The Group's response
Market Competition Retail market	Failure to anticipate and address evolving retail market changes resulting in sub-optimal occupier mix.	Continuously monitor the environment and review the group's operating strategies accordingly.
	Proliferation of shopping malls and destination venues around the island may impact on footfall.	Diversification of tenant portfolio.
	Oversupply of rental property (both retail and offices) may lead to pressure on rental rates and occupancy.	Implement initiatives around placemaking, marketing and repositioning of LCW.
		Increase brand awareness and customer perception.
		Promote and leverage on unique features of Caudan brand, with its strategic location in the capital, the waterfront, architecture, historical and cultural heritage, state of the art theatre).

Some of the other operational risks not listed above:

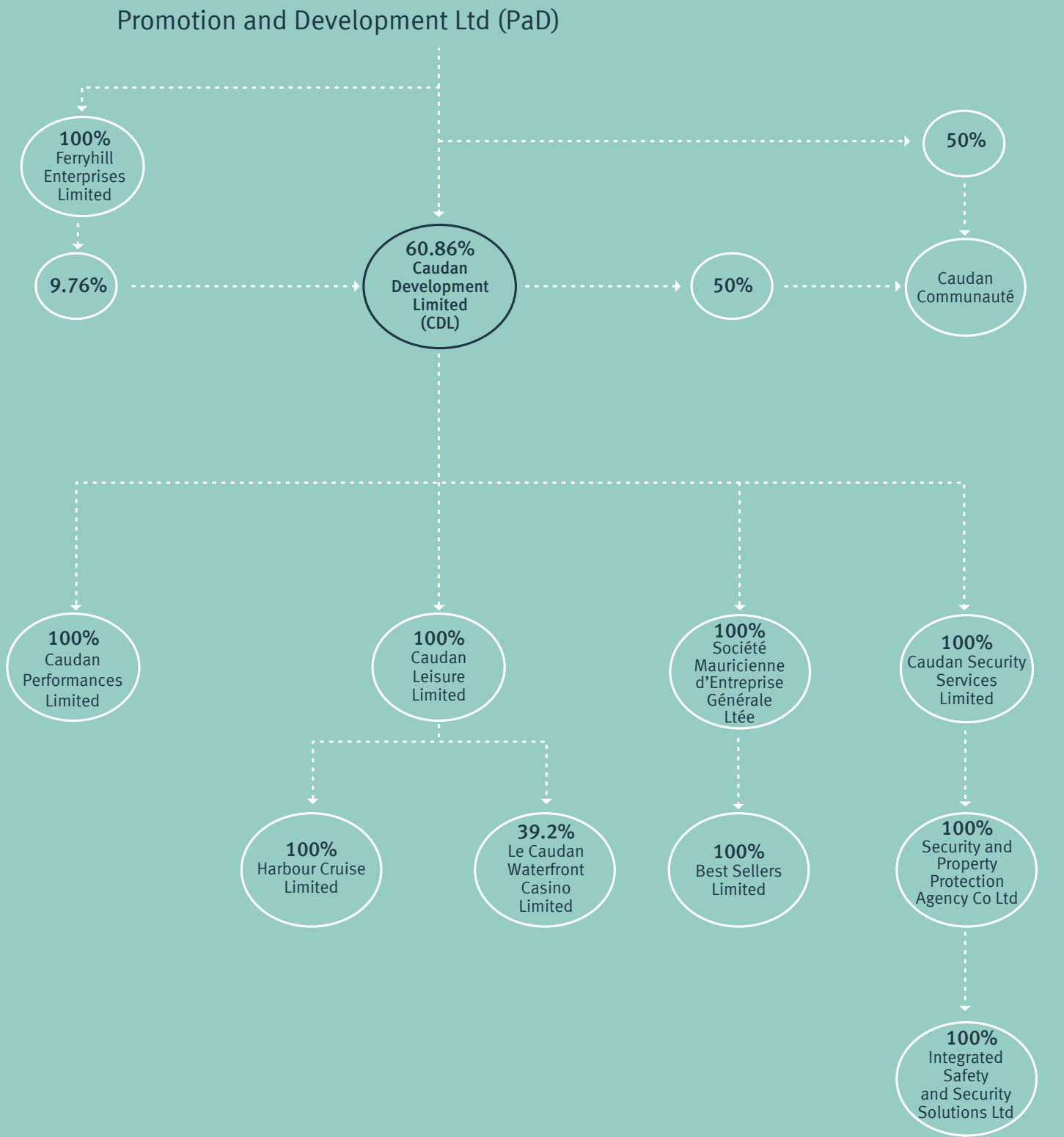
- Physical: losses resulting from external events such as natural disasters (e.g. cyclone), fire, explosion terrorism, riots and other political or social unrest. The Group reviews its insurance requirements regularly to ensure appropriate coverage in these circumstances.
- compliance: failure to comply with laws, regulations, codes of conduct and standard of good practice relevant to the group's business environment or to adapt to changes in a timely fashion could result in reputational damage and/or financial penalties. Collaboration with reputable local law firms to assist and provide advice on prevailing legislation. Adequate training is provided to employees and directors. The Group compliance officer also monitors compliance with the relevant laws, regulations and codes of conduct and reports to the relevant committees on a regular basis.
- Prompt allocation of permits and licenses from the authorities for development projects may delay their smooth progress. Maintain constructive and positive relationship and dialogue with the regulatory bodies and authorities.
- Reputation: Reputational risk is the risk of failure by the group to meet stakeholder expectations, that may cause stakeholders to form a negative view of the Group. The Group's image can be adversely affected and may result in loss of customer's confidence, trust and business relationships impacting on the Group's performance and ability to retain and generate business as well as a loss of investor confidence. The Group ensures that procedures are in place to assess, understand and meet the needs of stakeholders at all times. The Group's reputation is also managed at both senior management and operational level to ensure that our values and actions are in line with best practice standards.

- Reputation: group is also exposed to financial risks such as market risk, credit risk and liquidity risk. The management of these risks is further discussed in note 1 of the financial statements.

To mitigate the above risks, the company has developed various policies, processes, systems and methods which are reviewed regularly to ensure that they are managed on a timely basis and in an effective manner. Risks workshops are thus organised periodically. A risk management framework has been put in place and an action plan implemented to mitigate the business risks and/or to transform them into business opportunities. This plan is reviewed so as to prioritise regularly key strategic orientations and initiatives and analyse the risks involved for their proper execution.

Throughout the financial year ended on June 30th 2023, the Board maintained its focus on ensuring the Group was effectively managing its risks. A new risk assessment was undertaken by the newly appointed internal auditors, PricewaterhouseCoopers involving the Audit Committee and senior management. The assurance programme with respect to risks will be expanded further in 2024 along with greater efforts to promote risk awareness across the Group, including inter alia the recruitment of an internal controller/risk officer and training programs to instil further a strong risk management culture amongst staff with clear roles and accountability.

The board is responsible for information governance within the company and its subsidiaries. It ensures that all risks pertaining to IT are mitigated and are systematically referred to consultants as appropriate. All risks emerging with the spread of new technologies and digitalisation practices issues and problems encountered are currently referred to the IT department



of the MCB Ltd or other service providers. Internal control procedures have been implemented internally to avoid inter alia, malfunction or disruption in the operation of the systems and/ or cyber-security breaches. Disaster recovery testing is done on an annual basis to ensure that the company can restore data and applications and continue operations after an interruption of its services, critical IT failure or complete disruption. During the year under review, a brainstorming session was organized for the Business Intelligence (BI) stream with the objective of developing and creating BI models/tools and identifying BI owners/ champions. The key priorities for the financial year 2024 would be the creation of dashboards for the leasing, finance, maintenance and HR departments.

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During the year under review, the following policies have been reviewed and approved:

IT policies	Objectives
Laptop	Minimise information security risks that may affect laptops.
Password	Enhance computer security by creating, protecting and frequently changing passwords.
Backup	Regular backup copies of information and software to protect against loss of data, maintain the integrity and availability of information and information processing facilities.
Information security & incident management policy	Protect information assets, prevent security incidents and reduce their potential impact. Identify information security events and weaknesses and take timely corrective action.
Logical access	Limit access to information processing facilities and business processes of the group.

Other existing policies which are currently in the process of being reviewed and approved are detailed below:

- Email, internet and other acceptable use policy: Outline appropriate and inappropriate use of email systems and services and internet resources.
- System administrator policy: establish administrative and privileged access rights to the company’s IT systems and confidential information.
- Mobile code policy: protect integrity of software and information, provide instructions on measures to be taken to achieve effective malware detection and prevention.
- Network security policy: protection of information in networks and of supporting infrastructure.

reporting with integrity

The directors are responsible for preparing the financial statements in accordance with applicable laws and regulations. Company law requires the directors to prepare the financial statements in accordance with International Financial Reporting Standards.

The directors are also responsible for keeping adequate accounting records and for the preparation of accounts that fairly present the state of affairs of the company. The annual report and accounts are fair, balanced and understandable and provide the information necessary for shareholders and other key stakeholders to assess the company’s position, performance and outlook. The directors have also the duty to safeguard the assets of the company and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

sustainability reporting

The Group, is committed to taking a holistic approach to sustainability, recognizing the importance of economic, social, and environmental responsibility in its operations. This stems from a belief that sustainable business practices not only benefit our stakeholders but also contribute to a better future for our planet. The group strategy is therefore underpinned by its commitment to stability and the team has continued during the year to implement several ad-hoc sustainable and green initiatives. Examples of ongoing initiatives include the use of eco-friendly biodegradable detergents when it comes to cleaning of premises, recycling of used oils, reduction of paper consumption, paper collection for recycling, installation of water dispensers to shift off plastic bottles, implementation of selective separation and sorting of waste with the provision of adapted bins, recycling of IT equipment, monitoring and reduction of electric and water consumption. Caudan also participated in the tree planting project led by Action For Environment Protection (Diocese of Port Louis) and Tiny Forest of Mauritius at the Cathedral of Port Louis, which aimed at creating green spaces in our capital city.

Furthermore, at the initiative of the Group, the sustainability team of the MCB Group was requested to make a presentation to the management, following which the Company decided to put up a structured and full-fledged project to strengthen its commitment towards sustainable development and hence, meet international standards with regard to environmental consciousness. In addition to ongoing initiatives mentioned above, Caudan as part of the PaD group is now working towards bringing consistency to its environment friendly policy.



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Jogging Track: exercising along the waterfront while embracing breathtaking views - training made easy for one and all.

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Quay facilities: the convenience and leisure of the Marina Quay - where every need finds its harbour.



As part of its commitment to sustainability, the Company is pleased to announce several key initiatives aimed at enhancing its sustainability efforts within this two-yearly plan.

The appointment of a sustainability consultant

A Service Agreement for sustainability support was negotiated with a leading sustainability national firm certified B Corp, Dynamia Associates & Developers Ltd, in May-June 2023 and the team started its operations in July 2023. The Group is therefore relying on a team of 7 external experts, as well as one internal lead responsible for coordinating the work with the business units of the Group.

The Company has embarked with its consultant, on developing a comprehensive two-year sustainability plan to guide its efforts. Central to this plan is the implementation of tools like the Business Impact Assessment (BIA), which will help to identify the most significant sustainability challenges and opportunities within the organization. This is the highest standard in terms of social and environmental performance, helping the Company to improve its performance based on benchmarks with international best practice. Moreover, this system allows to translate automatically business actions into the different areas of impact related to the SDGs.

The set-up of a Sustainability Team

To strengthen its commitment to sustainability, the Company has established a dedicated Sustainability Team, to work with the consultant. This team is tasked with driving the sustainability agenda of the Company, ensuring it aligns with its business goals and promoting sustainable practices across all levels of the organization.

Carbon Footprint Calculation

As part of its commitment to transparency and accountability, the Company will calculate its carbon footprint across all scopes (1, 2, and 3). This includes direct emissions (Scope 1), indirect emissions from energy use (Scope 2), and emissions from our supply chain and other activities (Scope 3). Additionally, training will be provided to the finance team to build capacity for future carbon footprint calculations, ensuring that sustainability is integrated into the financial reporting of the Company.

Comprehensive Sustainability Strategy

The Company aims at developing a clear and actionable sustainability strategy that harmonizes and valorises existing initiatives and enhances its capacity to generate economic, social, and environmental value. This strategy will serve as a roadmap for the sustainability efforts made by the Company, guiding its actions and investments in the coming years. This process has already started with initial interviews and context analysis. This initiative is crafted to involve team members from various departments and companies in the process.

Monitoring and Reporting System

The Company is committed to improving transparency and accountability by implementing a new monitoring and reporting system. Building on previous initiatives, this system will enable to report sustainability performance in accordance with international standards, including IFRS Sustainability Standards 1 and 2 (S1 and S2). This standard will also clarify on a standardised manner how the organisation addresses and adapts to climate change.

audit

Audit and Risk Monitoring Committee

The mission of the Audit and Risk Monitoring committee is to establish formal and transparent arrangements regarding how to apply financial reporting and internal control principles and to maintain an appropriate relationship with the company’s auditors.

The Audit and Risk Monitoring Committee confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

During the year under review, the Audit and Risk Monitoring Committee has continued to focus on its key objectives namely: overseeing financial reporting, internal controls, internal and external audit.

internal audit

Following a tender process, the internal audit function was outsourced to PricewaterhouseCoopers (PwC) in October 2022. PwC performs their internal audit work in line with the Global Internal Audit Standards of the Institute of Internal Auditors.

On appointment, PwC conducted a new risk assessment which served as a basis for the development of a risk based internal audit plan. The risk assessment and resulting audit plan have been approved by the Audit and Risk Monitoring Committee.

For the period to June 30th 2023, PwC has completed two audits:

Audit assignments	Areas covered	Major findings	Management actions
Tenant Life Cycle Management	<ul style="list-style-type: none"> ➤ Governance ➤ Onboarding checks in line with AML/CFT requirements ➤ Contracting ➤ Billing ➤ Receipts and debtors ➤ Tenant retention strategy 	<ul style="list-style-type: none"> ➤ Gaps in AML/CMT Procedures as the process was just introduced by the company 	<ul style="list-style-type: none"> ➤ Same was fully implemented by June 23
Information Technology, Governance and Controls (ITGC)	<ul style="list-style-type: none"> ➤ IT Governance ➤ Access to programs and data ➤ Program changes ➤ Computer operations ➤ Program development 	<ul style="list-style-type: none"> ➤ Review of user access rights not adequately performed. ➤ Delay in the implementation of The BPO software (CRM) for Security 	<ul style="list-style-type: none"> ➤ Review of access rights are being regularly performed. ➤ Resources are being deployed to ensure its successful completion.

A further two audits are in progress: Procurement and Stores Management at both Caudan Development Limited and Caudan Security Services Limited, and Revenue, Sales and Billing at Caudan Security Services Limited.

PwC has attended each meeting of the Audit and Risk Monitoring Committee to present their work. PwC has also met the Committee without the presence of management. The internal audit findings, recommendations and status of remediation were reviewed and discussed with the committee members and management, who also submitted an action plan for the various findings. The internal auditor had unfettered access to the group's documents, records, properties and personnel, including access to the Audit and Risk Monitoring Committee.

The Audit and Risk Monitoring Committee has ensured the adequacy and effectiveness of the internal audit function.

external audit

Annual audit plans are presented in advance by the external auditors and reviewed by the Audit and Risk Monitoring Committee.

The Audit and Risk Monitoring Committee also reviews the external auditors' report and any recommendations for improvements in controls and procedures identified in the course of their work and ensures the proper follow up of previous recommendations.

The Audit Committee also evaluates the performance of the External Auditor and reviews the integrity, independence and objectivity of the External Auditor by:

- Confirming that the External Auditor is independent from the company; and
- Considering whether the relationships that may exist between the company and the External Auditor impair the External Auditor's judgement.

Upon approval from the Audit Committee, the board of the company thereafter recommends the appointment of external auditors to the shareholder in the Annual Meeting of shareholders for approval by way of an ordinary resolution.

Although the External Auditor may provide non-audit services to the company, the objectivity and independence of the External Auditor is safeguarded through restrictions on the provisions of these services such as:

- where the External Auditor may be required to audit its own work, or
- where the External Auditor participates in activities that should normally be undertaken by the company.

relations with shareholders and other key stakeholders

At June 30th 2023, the capital structure of the company was MRs2,000,000,000, represented by 2,000,000,000 ordinary shares of MRe1.00 each and there were 3,216 shareholders on the registry.

shareholders holding more than 5% of the share capital of the company at June 30th 2023

shareholder	number of shares	% held
Promotion and Development Ltd	1,217,257,922	60.86
Ferryhill Enterprises Ltd	195,236,234	9.76
	1,412,494,156	70.62
MCB Group Limited	135,882,191	6.79
Fincorp Investment Ltd	106,790,072	5.34

Subsidiaries and associates of the company are listed in notes 5 and 6 respectively of the financial statements.

group structure as at June 30th 2023

The holding structure up to and including Promotion and Development Ltd, the ultimate parent, is shown overleaf.

size of shareholding	number of share-holders	number of shares owned	% holding
1-500 shares	413	74,514	0.004
501-1,000 shares	223	160,795	0.008
1,001-5,000 shares	918	2,124,572	0.11
5,001-10,000 shares	333	2,303,826	0.11
10,001-50,000 shares	763	17,318,487	0.87
50,001-100,000 shares	182	12,736,479	0.64
Above 100,000 shares	359	1,965,281,327	98.26
Total	3,191	2,000,000,000	100.00

category	number of shareholders	number of shares owned	% holding
Individuals	2,960	110,566,157	5.53
Insurance and Assurance Companies	4	11,684,676	0.58
Pensions and Provident Funds	31	119,140,257	5.96
Investment and Trust Companies	23	157,753,517	7.89
Other Corporate Bodies	173	1,600,855,393	80.04
Total	3,191	2,000,000,000	100.00

The number of shareholders given above is indicative, having been obtained by consolidation of multiple portfolios for reporting purposes.

The board places great importance on an open and transparent communication with all shareholders; and it endeavours to deliver to the shareholders and to the global investing community thorough and up to date information to support informed investment decisions and keep them informed on matters affecting the company, which could have a material impact on the company's share price.

The company communicates to its shareholders through its Annual Report, publication of unaudited quarterly and audited abridged financial statements of the group, dividend declaration, if any, press announcements and the Annual Meeting of Shareholders to which all shareholders are encouraged to attend. All shareholders of the company are encouraged to attend and vote at shareholders' meetings in person. Shareholders who cannot attend the meetings in person are encouraged to vote by proxy. The company is required to comply with the provisions of the Listing Rules on the continuous disclosure obligations. Results and annual reports are announced and issued within the specified period. All announcements are posted on the company's website (www.caudan.com/investor-relations).

The company's website is also an important means of effectively communicating with all stakeholders, keeping them abreast of developments within the group.

The shareholders are entitled to receive the Annual Report of the company and the notice of Annual Meeting within six months of the end of the financial year and at least 21 days before the Annual Meeting in accordance with the Companies Act 2001.

shareholders' calendar

The company has planned the following forthcoming events :

Mid-November 2023	release of first quarter results to September 30th 2023
December 2023	annual meeting of shareholders
Mid-February 2024	release of half-year results to December 31st 2023
Mid-May 2024	release of results for the nine month period to March 31st 2024
June 2024	declaration of final dividend (if any)
End-September 2024	release of full year results to June 30th 2024
Mid-November 2024	release of first quarter results to September 30th 2024
December 2024	annual meeting of shareholders

relations with other stakeholders

The Board recognizes the importance of all other stakeholders and is committed to building positive relationships with them and addressing their concerns. In particular, the Board identifies various groups and individuals who have an interest in or are affected by the Group's operations and ensures that their needs are being met. Some of them (not limited to) are listed down below.

Employees

Employees are a critical stakeholder group. The Group is committed to promote a culture of talent development and employee engagement. In order to foster an open and transparent communication, regular meetings have been organized with all employees, as well as a suggestion box implemented during the period under review. The CEO met the employees in informal 'Meet your CEO' meetings during which consideration was given to the employees' opinions, suggestions, and concerns and following which action plans were designed to address areas earmarked for improvement. The Company has a wide range of internal policies in place to promote a culture of inclusiveness and equal opportunity. The Group has enlisted the services of a seasoned HR practitioner who is in the process of designing a HR strategy, to maintain employee engagement. In line with its Group Values, the Caudan Group is committed to becoming a Learning Organisation. A Training policy is also being implemented to ensure that all team members have access to learning, development and training opportunities to enable them to be suitably knowledgeable and skilled to carry out their role within the Company and develop their talents.

Customers/clients

The Group values its customers, as well as the public at large and client satisfaction is a top-priority. Caudan provides diverse, delightful and meaningful experiences through placemaking, shows and events that appeal to a broad range of consumers. The Group aims to provide high quality products and services in a professional and innovative manner. We continuously strive to understand consumer needs and improve customer facilities. The Group is intent on enhancing consumer engagement and experience and is currently in the process of finalizing a Loyalty Program.

Occupiers

Caudan provides a ready-made platform for a diverse and evolving mix of occupiers (both retailers and offices). A constant dialogue is maintained via regular meetings to monitor their performance, build strong relationships and seek to understand their businesses so as to best meet their needs.

Caudan also strives to be a responsible partner with a wide range of partners who hold shows, events, classes or exhibitions at the Caudan Arts Centre. The team is committed to meeting their expectations and needs by providing quality experiences maximizing their satisfaction.

Suppliers

Suppliers underpin our value chain and are crucial to the Group’s operations and success. Thanks to the supply chain, the Group can make the difference in terms of its efficiency and quality of products. The Group has a transparent tendering and selection process with regards to purchases. The group engages with its suppliers to maintain trust and positive relationships.

Government, regulatory and institutional bodies

The Company recognizes the importance of Authorities and Regulatory Bodies, which set and enforce laws and regulations governing various aspects of its operations. Ensuring compliance is essential to maintaining a lawful and sustainable business. Authorities and Regulatory Bodies are also responsible for the issuance of licences and permits. The group maintains constructive relationships with the relevant authorities. During the year under review, the Company was inter alia able to carry out refurbishment works at Barkly Wharf building in a timely manner thanks to the collaboration of the City Council of Port Louis. In addition, The Caudan Bridges, Port Louis (Authorised Construction) (Amendment) Act 2023 was passed and the Company was authorised to operate a pedestrian swing bridge over the Caudan Bassin.

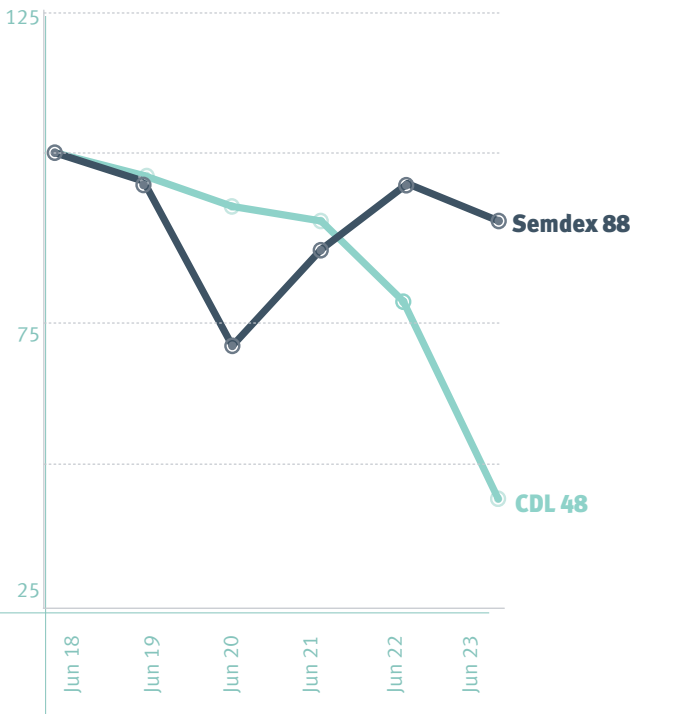
Communities

The Company is committed to communities engagement in the surroundings of Port Louis and to help as much as possible to resolve local issues. In 2022-2023, the Company has for example organized a Charity Fun Run and, with the collaboration of the supermarket Winner’s, distributed all proceeds to two associations in Port Louis, namely Maison Dawah and Caritas. Caudan’s team also participated to the tree planting project led by Action For Environment Protection (Diocese of Port Louis) and Tiny Forest of Mauritius at the Cathedral of Port Louis, which aimed at creating green spaces in our capital city.

The Company uses different means to communicate effectively with all stakeholders (not limited to): emails, newsletters, social media, the Company’s website, press releases, meetings and/or surveys.

share price information

evolution of the company’s share price compared to the Semdex over the past five years



(Base year, June 2018 = 100)

the constitution

A copy of the constitution is available at the registered office of the company and on its website. There are no clauses of the constitution deemed material to be disclosed.

common directors

common directors within the holding structure of the company	
at June 30th 2023	Promotion and Development
Jean-Philippe Coulier	>
Richard Arlove	>
Priscilla Balgobin-Bhoirul	>
Catherine Fromet de Rosnay	>
Gilbert Gnany	>
Jocelyne Martin	>
Bernard Yen	>

shareholders agreement

There is currently no shareholders' agreement affecting the governance of the company by the board.

third party management agreement

There were no such agreements during the year under review.

dividend policy

The company's objective is to provide value to its shareholders through optimum return on equity. The company does not currently have a formal dividend policy. The declaration amount and payment of future dividends depend on many factors, including level of profits realised, cash flow and financial condition, expansion and working capital requirements, commitments with regards to future projects and other factors deemed relevant by the board. The company however aims at achieving a reasonable return and regular income in the form of stable dividends and as far as possible, intends to maintain or grow the dividend each year.

The Audit and Risk Monitoring Committee and the board ensure that dividends are paid out only if the company, shall upon the distribution being made, satisfy the solvency test. Dividends are normally declared and paid once a year.

In view of the tough economic conditions, the current uncertainties and the need to strengthen the balance sheet, the company has not declared any dividend since the Covid-19 pandemic.

trend over the past five years

year	dividend per share
	cents
2023	-
2022	-
2021	-
2020	-
2019	4.0

statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flow of the company and of the group. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2001. The directors are also responsible to ensure that:

- an effective system of internal control and risk management has been maintained; and
- the code of corporate governance has been adhered to.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

*Approved by the board of directors on
September 27th 2023 and signed on its behalf by*

Jean-Philippe Coulier
Chairperson

Jocelyne Martin
Director