



**United Nations Global Compact
Communication on Progress
2010-2011**



Moving Forward

Dear Valued Stakeholders,

We are pleased to communicate on progress made towards the ten UN Global Compact principles since our last report in January 2010.

Rogers continued its work toward a sustainable group by contributing to the national vision of “Maurice Ile Durable” (MID) – Mauritius, a sustainable island. Following meetings with key national stakeholders on Energy, Environment, Education, Employment and Equity, a National MID Policy for a sustainable Mauritius was issued. Rogers has actively embraced the new national strategy.

Moreover, the Group specifically contributed to the achievement of the UN Millennium Development goals, through its involvement in the fight against HIV&AIDS. Since 2007, Rogers has been engaged in the prevention of HIV among youth aged 15 to 24 years old. In 2010, an evaluation of the work accomplished was carried out and the strategy was readjusted to better fit the evolving needs of the Mauritian youth. Rogers is now focused on the behaviour change of the Mauritian Youth through the education and training of adults.

As a responsible group, we equally invested in the social and environmental development of the communities by supporting projects on education, environmental conservation, community development and health. Rogers initiated in December 2010 the setting-up of a Health Business Coalition, aimed at federating private companies in the fight against major health issues in Mauritius, such as HIV&AIDS, diabetes, handicap and drug addiction. More than 20 companies joined the coalition and we trust that this collaboration will favour tripartite (government, civil society and private sector) dialogue and strategic cooperation in these particular fields.

We reiterate our commitment to the UN Global Compact principles and vouch to continue working by the highest standards of good governance and integrity, while continuing the implementation of environmental-friendly processes and ensuring an empowering workplace.



Philippe Espitalier-Noël
Chief Executive Officer



This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.



Openness

The commitment to be open and keep pace with a changing environment

Leadership

The engagement to build on Rogers pioneering culture and continually strive to be the best



Dynamism

The enthusiasm that drives Rogers people to move forward

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Rogers & Company Limited at a glance

Rogers and Company Limited has been an innovative contributor to the development of the Mauritian economy since 1899. Over more than a century, its pioneering spirit has been key in exploring new opportunities for the country, especially through its active participation in founding the national carrier, Air Mauritius, and via the setting up of the leading hotel group on the island, Beachcomber Hotels.

MAIN BRAND SECTOR

FINANCIAL SERVICES

CIM

Cim is a Mauritius-based financial services group that brings together a synthesis of 14 subsidiaries offering both local and international financial services and ICT capabilities. Group activities range from consumer credit and insurance activities to global business and fund administration and is consistently in the first tier of the market in which it operates. The group consists of 2 business clusters and employs more than 1,300 individuals.

MAIN BRANDS SECTORS

HOTELS

VLH VERANDA RESORTS HERITAGE RESORTS

Since the early 1950s, Rogers and Company Limited has been noticeably present in the hotel sector, with a sustained contribution to its development. The Hotels service sector has diversified its activities, drawing from the vast expertise, acquired through the years, and has to its credit :

- 2 Hotels Brands – Veranda Resorts and Heritage Resorts – The hotels portfolio actually consists of 6 establishments with 686 rooms in the three to five-star segments.
- Luxury villas under Heritage The Villas Brand (Rental and operations management)
- The Seven Colours Spa Brand
- Activities within the Domaine de Bel Ombre:
 - Heritage Golf Club
 - Le Château de Bel Ombre
 - The C Beach Club

MAIN BRAND SECTOR

LOGISTICS

VELOGIC

Velogic is the flagship brand of the Logistics arm of Rogers and Company Limited. Its Corporate and Mauritius Country offices are located inside the Mauritian Freeport Zone, within the harbour region.

Velogic was launched in October 2009 across its 23 offices including France, India, Madagascar, Mozambique and Reunion Island. This 30-year experienced international logistics platform is geared towards extending its supply chain expertise and services within the Indian Ocean region and with the added objective of worldwide expansion.

Velogic offers a comprehensive and integrated range of logistics services under a single roof including:

- Freight Forwarding and Customs Brokerage
- Land Transportation
- Container Services
- Ship Agency Services
- Courier Services
- Perishables Air Shipment Transportation
- Special Sugar Packing and Distribution
- Stevedoring

Rogers is engaged in the following core business domains – Financial services, Hotels, Leisure, Logistics, Property, Real Estate and Agribusiness as well as Travel and Aviation. The footprint of our major local and international brands stretches across 11 territories, with offices in Mauritius, Reunion Island, Madagascar, Comoros, Mayotte, Mozambique, Kenya, South Africa, Singapore, India and France.

MAIN BRAND SECTOR

**REAL
ESTATE &
AGRIBUSINESS**

DOMAINE DE BEL OMBRE

2,500 hectares in the south-west of Mauritius, stretching from the mountains to a turquoise lagoon, Domaine de Bel Ombre is Nature's theatre of dreams. Created in 1765, the estate is a tribute to serenity and natural splendour and is today one of the finest hospitality destinations on the island.

The Domaine offers a huge range of facilities such as deluxe resorts, an 18-hole championship golf course, a fine dining restaurant in the 19th century manor house Le Château de Bel Ombre, a Nature Reserve spread over 3,500 acres, Villas Valriche, the scenic luxury villas with uninterrupted views of the Indian Ocean, sports and tennis club and residents' beach club.

The development of the Bel Ombre region into an integrated nature and tourism destination has evolved further during the past year and a number of projects have been initiated, such as the branding of the region as the Domaine de Bel Ombre and the development of the old factory into a niche convenience shopping centre.

MAIN BRAND SECTOR

**TRAVEL &
AVIATION**

ROGERS AVIATION

The Travel and Aviation service sector of Rogers and Company Limited, a pioneer and leader in its sector, is a one-stop centre in Mauritius and the Indian Ocean region for travel-related services for both passengers and cargo services, including airline representation, ground handling operations, travel agencies and catamaran cruises.

Rogers Aviation has become a leading provider of an integrated range of aviation and travel services in 8 territories in the region, namely: South Africa, Mauritius, Reunion, Madagascar, Comores, Mayotte, Mozambique and Kenya.

Its reputation for efficiency, reliability and professionalism rests on the ability to provide quality, timely and cost-effective solutions to its business partners and customers.

MAIN BRAND SECTOR

PROPERTY

FORESITE PROPERTY

Foreseeing great potential in the property sector in Mauritius, Rogers and Company Limited launched Foresite Property in 2008. The involvement of the Company in real estate development goes back to more than a century. Over the years, it has developed a strong and diversified portfolio of commercial, industrial and office properties.

The Property entity aims at consolidating its portfolio whilst offering expert integrated solutions to an increasingly buoyant Mauritian property market. Foresite Property provides the right depth of experience and functional expertise to meet its clients' needs in terms of Property Management & Development, Facilities Services and Property Investment.

**OTHER
STRATEGIC
INVESTMENTS**

**AIR MAURITIUS
NMH
LAFARGE**

ACTIONS TAKEN AND IMPACT ACHIEVED REGARDING THE UNITED NATIONS GLOBAL COMPACT INITIATIVE

HUMAN RIGHTS

Principle 1 – Businesses should support and respect the protections of internationally proclaimed human rights; and

Principle 2 – Make sure that they are not complicit in human right abuses.

Rogers is committed to supporting and respecting the protection of internationally proclaimed human rights and strives to ensure that the company is not complicit of human rights abuses. Rogers recognises its responsibility in respecting the rights of its people in the workplace and has put in place the following systems and processes to support the human rights principles.

Human Resources Policies have been reviewed at the end of 2009. They bring accountability, reward performance and enable fair promotion among employees. The strategy of Human Resources is focused on recruiting talented individuals, developing key skills and improving employees' performance on the job, while ensuring an engaged workforce. Key initiatives have been developed in the last four years. A comprehensive management model gradually implemented:

- A talent management framework developed in view of growing and emerging key skills and talents
- High profile training courses are regularly organised to build internal competence
- Job levelling for management and staff across Rogers was put in place to measure competencies and coaching requirements
- A Performance Management System (PMS) with the main objectives of managing and rewarding performance in Rogers was introduced. Individual performance is therein aligned with the business strategy, thus cementing the performance culture
- Recruitment and selection policies and practices enforce the non-discriminatory principle when recruiting and selecting employees: "Rogers committed to attracting and retaining high calibre professionals. By means of a thorough and professional recruitment and selection process, we shall aim at recruiting 'the right person for the right job' while ensuring equal opportunities, competence and merit at all times."
- The Job Levelling for all staff and managers across all sectors will be achieved in 2010.

Rogers recognised in its efforts towards Human Resources Management

In December 2011, the Rogers Group has been awarded the overall Winner of the HR Excellence Awards 2011. Organised for the first time in Mauritius by the Human Resource Development Council, this competition saw some 60 organisations participate, to showcase and share their Human Resources and people management practices. The Rogers Group has won 8 other awards in this national competition:

- Best organisation for Learning and Development
- Best organisation for Performance and Recognition
- HR Champion Award
- HR Excellence Award for Strategic HRM
- HR Excellence Award for Learning and Development
- HR Excellence Award for Quality of Work Life
- HR Excellence Award for Performance and Recognition
- HR Excellence Award for Individual HR Leadership

Health and safety at work: a safety culture across the group

SHINE @ Work – Safety Health INvolves Everyone @ Work : The philosophy of Health & Safety in the Rogers Group aims at involving every single employee in the process

Health & Safety is a top commitment of Rogers' Board with the Risk Management and Audit Committee (RMAC) covering Occupational Safety, Health and Environment (OSHE) management throughout the group. Every year the safety structure is reinforced across the group and the regular reporting of OSHE activities to the RMAC ensures harmonization in safety and health practices. The number of Safety and Health officers was thus gradually increased to 8 , to ensure the development of a safety culture focused on the values and ambitions of the group. The OSHE carries out ongoing occupational risk assessment and provides annual evaluativereports and action plans which are submitted to the respective Management teams.

Key performance indicators (KPIs) have been implemented in all companies and the comprehensive set of standardised tools offers the possibility to make informed decisions as regards Health & Safety in the Group. Quarterly OSHE reports to the RMAC and the surveillance of the Risk and Audit department provide the feedback and remedial actions.

In 2011, a 'Train the trainer' session was organised for all safety officers, who in effect have been duly registered as Mauritius Qualification Authority (MQA approved Trainers. The aim being to deliver health and safety training sessions on a regular basis, be it for induction of new recruits and as refresher for employees.

To date procedures are in place in case of fire, cyclone, bomb threat, riots and civil disturbances, faulty electrical installations, flooding, pests, theft, burglary and disabled IT systems. A Security Awareness and Training Policy plan the security requirements according to the needs of the organization and provide a suitable programme to train persons at all levels in security awareness.

Five doctors have been recruited to provide free medical consultation one weekly within the business sectors. Moreover, a wellness week is organised yearly in each sector. It involves awareness sessions, risk assessment exercises and training programmes as well as innovative sports initiation.

Staff Welfare

All sectors have a budget and a team of volunteers dedicated to the organisation of staff welfare activities such as awareness sessions, Staff EOY party, Children's Christmas party, Fun day / Sports days, Wellness weeks, Bring and Share and other buzz activities.

Involvement of CSR activities: Employees across all sectors are involved in CSR activities – community development, environment, education. This is especially the case for the Financial Services sector that has engaged in – a Community Involvement Month where each employee is allocated an off working day to support a community initiative of their choice.

Stress scans were offered to employees through an online electronic tool interpreting the level of individual stress to help better manage same.

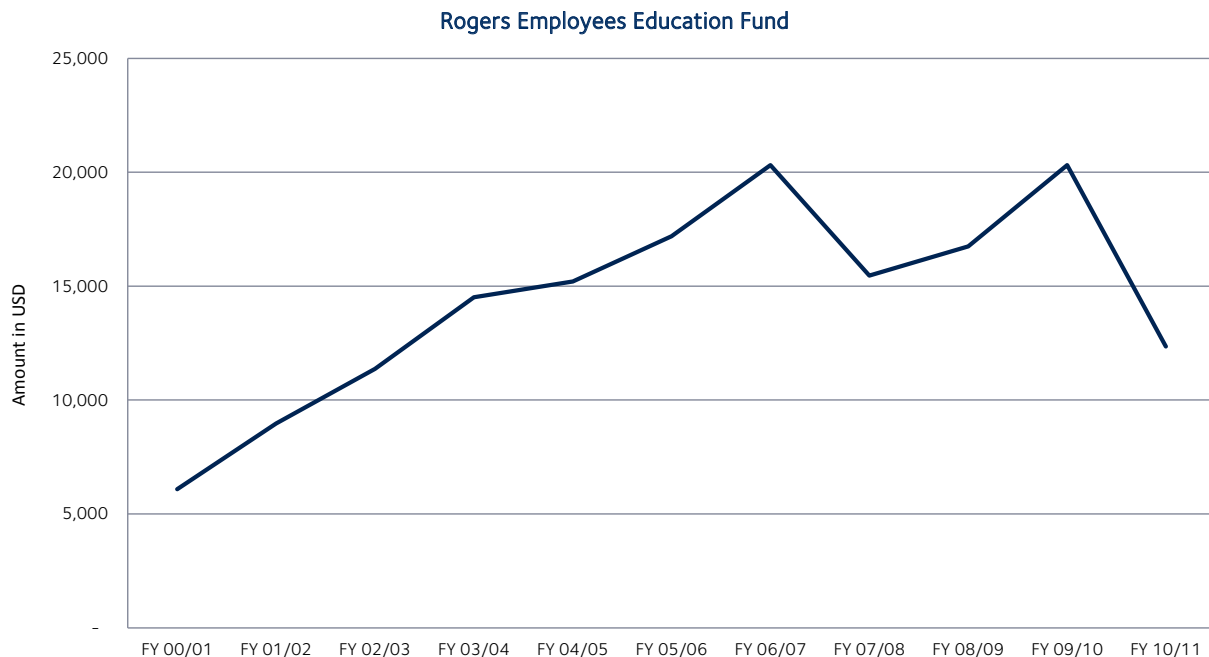
Flexible hours – Foster better work life balance, thus creating a better equilibrium between work and employees' family / social lives

Employee Assistance Programme

This programme enhances the quality of the employee's personal life and addresses issues connected with relationships, family problems and financial worries through:

- Hardship loan – 2 months salary as max loan payable within 12 months

- CIM credit card – discounts for Group employees
- AXA Assistance – assistance to employees while travelling abroad and while paying clinic bills
- Stay interviews / Counseling as and when required by HR professionals – Hard cases referred to external counselors / psychologists
- Family educational support – Rogers Employees' Education Fund – assist needy/ deserving children of our employees in their educational advancement/ development. REEF provides financial relief to employees for expenses directly related to the purchase of books, course material, payment of examination fees, vocational and technical training loans and the payment of interests on loans contracted for tertiary studies. In 2010-2011, 167 children of Rogers employees benefited from the financial support of the Group as part of this scheme.



Open communication

Rogers Management strives to be transparent and accountable towards its stakeholders on directions taken by the business and communicates regularly with them.

- Regular staff briefings / town halls
- Investors' briefings – twice a year.
- Breakfast forums with the Rogers Leadership Team (top 75 managers)
- Rogers newsletter – Network (quarterly)
- Sector newsletters – Le Manifeste (Logistics), La Ravane (Hotels), Zapping (Aviation), Cimphony (Financial sector)
- New office layout promoting openness and open door policy

LABOUR STANDARDS

Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 – the elimination of all forms of forced and compulsory labour;

Principle 5 – the effective abolition of child labour; and

Principle 6 – the elimination of discrimination in respect of employment and occupation.

Rogers promotes equal opportunity without regard to race, colour, religion, age, sex, national or social origin, HIV status, association or sexual orientation. The company strongly disapproves all forms of harassment in the workplace. Furthermore as an employer, Rogers has always adhered to the national labour laws that is the Employment Rights Act (2008) dealing with individual rights of 'workers' and the Employment Relations Act (2008) dealing with the collective labour rights.

Rogers' employees are informed of the various processes concerning Human Resources Strategy, Job Levelling, Sourcing and Selection, Performance and Reward Management, Coaching and Development and Engagement and Retention through the Human Resources Policies documents available on the intranet and disseminated through individual interviews and workshop where needed.

The Human Resources function has engaged in the consolidation of its practices and systems by implementation of a new state of the art Human Resources Management Information System. This will enable the organisation to measure key people management indicators, generate valuable information for decision making as well as strengthen the performance culture.

1) Collective bargaining

Rogers Employees enjoy full freedom of association and collective bargaining. Currently, 284 employees of Rogers are affiliated to trade unions across the group.

Number of employees affiliated to trade unions across the group:

Aviation	58
Logistics	226
Total	284

Four different trade unions are represented across the various sectors of the company: MTPEU, PEEU, UGSAE and Rodrigues Port & Cargo Transport Employee Union.

2) Recruitment procedures

Rogers Recruitment and Selection Policy ensure fair and equal treatment to internal as well as external applications. On employment, employees are required to provide the company with documentation including identification documents/ birth certificates and educational qualifications. No one below 16 years old is recruited in Rogers. Forced and compulsory labour as well as child labour is prohibited by law and our Human Resources staff ensures full compliance. It is also a policy that trainees in Rogers Company receive remuneration for their work.

3) Elimination of discrimination

We value diversity and promote equal opportunities in recruitment and employment. We understand how diversity has helped us to expand our business worldwide and we insist on the application of that policy. Our recruitment policies and procedures aim at preventing discrimination on the basis of race, colour, sex, age, marital status, and pregnancy, national, ethnic or social origin. Rogers constantly strives to eliminate all forms of discrimination in respect of employment and ensures that the opportunities are offered to everybody.

When recruiting, job opportunities are first distributed internally, thus giving current employees career prospects. Subsequently, the job adverts are posted in the media for nationwide circulation.

Gender

Across the Rogers Companies the gender balance is currently as such:

- Board level – 100% Males
- Top Management – 73% Males to 27% Females
- Managers level – 68% males to 32% females
- Overall – 60.5% males to 39.5% females.

To compare: in Mauritius, the gender parity in the labour market is 64% Males to 36% Females. Work is being done to breach the disparity levels.

Disabled persons

It is the policy of the Company that the training, career development and promotion of disabled persons are as far as possible, similar to that of other employees. However, only six people in the company have disabilities.

Although they are offered equal opportunity for their development and training, no specific policy promotes the inclusion of new handicapped workers. A training gap in the education of handicapped people in Mauritius further curtails their inclusion in many fields of employment. That is why Rogers financially supports NGOs that provide for the education and training of disabled people. In 2010-2011, the following organisations were helped:

- Association Autrement Capable Toujours Joyeux
- Care-Co Rodrigues Co. Ltd
- Association Dominique Savio
- Centre d'Education et de Développement pour les Enfants Mauriciens – CEDEM
- Education & Therapy Centre
- Physically Handicapped Welfare Association
- Friends in Hope
- Fraternité Mauricienne des Malades et Handicapés
- OpenMind
- Mauritius Mental Health Association

Moreover, the Rogers Hotels supports the fair trade towards the handicapped community through the selection of its suppliers: Blue Earth, the boutiques' brand of the Hotels sector, selects its suppliers on social criteria and supports the APEIM (Mauritian Parents of handicapped children Association), and Care-Co from Rodrigues Island that both train young handicapped people.

4) Trainings

The policy of Rogers is to grow and retain its people through the right mix of training, coaching and motivation. The aim is to promote internal growth and continuously improve the potential of its employees.

Management has the responsibility of identifying talents at all levels and ensuring that they are motivated, developed and engaged. Performance objectives are set and career paths defined with appropriate training and coaching.

The Company operates an employee development review process, which provides an opportunity for all employees to work with their line manager in planning their personal development for the following year. Performance reviews are conducted annually.

- Three internal Learning centres – Rogers Learning Centre, Cim Learning Centre and the Veranda Training Institute (Hotels)
- Training needs / Development needs are identified through the Performance Management
- Regular TNA audits are also carried out across the various sectors to enable planning of training programs
- Introduction of 'Harvard Manage Mentor', a world class e-learning platform accessible to over 250 managers

across all sectors. Enriched with learning resources from Harvard Business School Publishing, and through an easy web interface, employees at management level can now develop their knowledge and skills at their own pace at the office or from home.

Training Statistics

Fields / Skills	No of Management	No of Staff / Operatives	Total No of Employees	No of hours
Communication	30	125	155	175
Customer Care	188	1,026	1,214	609
Finance	41	63	104	526
Human Resources	71	15	86	701
Information Technology	17	164	181	641
Leadership	13	66	79	209
Management	215	15	230	1,522
Marketing	4	0	4	24
Negotiating	6	0	6	6
Presentation	52	127	179	73
Risk Management	11	0	11	68
Safety & Health	46	223	269	250
Teambuilding	72	155	227	122
Others	9	158	167	365
GRAND TOTAL	775	2,137	2,912	5,290

5) Remuneration and benefits

Salaries are determined by a combination of internal equity, external competitiveness and performance of the employee.

Every two years, remuneration surveys are carried out so as to keep track and benchmark with practices in the industry. This is used to review and update internal salary scales and benefits bands across the Company.

There are no reward schemes in the form of share options schemes at the level of the Company.

The staff remuneration and incentives programme include:

- An annual pay review
- 24 hour Personal Accident cover
- Short term incentive (Performance bonus/Special award)
- Long term incentive (Phantom share value scheme)
- Medical scheme (Rogers Group Provident Association)
- A partial contributory pension scheme (RMPRF)
- Death in service benefit
- 24-Hour Personal Accident Insurance
- Help towards achieving work-related qualifications
- Family education support (Rogers Employees Education Fund)
- Array of leaves (local, sick, compassionate, wedding, study, injury)
- Staff loans without interest (no more than 2 month salary)
- Pension Fund (Rogers Money Purchase Retirement Fund)
- Seasonal gift for every employee at Christmas
- Sector wise benefits – e.g. complimentary room nights
- Air Tickets / Overseas benefits (for Managers)

ENVIRONMENT

Principle 7 – Businesses should support a precautionary approach to environmental challenges;

Principle 8 – undertake initiatives to promote greater environmental responsibility; and

Principle 9 – encourage the development and diffusion of environmentally friendly technologies.

Rogers, as a historical partner to the development of Mauritius, is very conscious of the risks associated with island states in the current environmental changes. We are committed to sustainable planning and effective actions to minimise the impact of our activities on the environment.

All our companies are following national guidelines and laws concerning waste management and pollution prevention. Nonetheless, in the last two years, increasing initiatives have emerged among our people to go beyond national requirements. A movement of environmental awareness is stimulating actions such as waste recycling, environmental cleaning, composting, endemic species restoration and energy saving

Rogers is working towards more consequent measures towards energy management at group level in the future, notably to reduce the carbon footprint across the Group. To achieve this, the Company has, via its health and safety department, developed a baseline and framework to measure its carbon footprint and identify areas for improvement.

Some companies in the Group have taken specific commitments depending on their business needs. Heritage Awali Golf & Spa Resort thus adopted an environmental charter stating the different measures to be taken in the next years regarding water, energy consumption, waste sorting, biodiversity and green purchases.

1) Reducing use of resources and respect of the environment

Blue Earth Boutique has banned any sales of product made from corals or shells, even imported, in respect of marine biodiversity.

Veranda Group has been implementing basic measures to ensure better water, electricity and gas management as well as to prevent the wastage of resources in general. These initiatives were conducted by the Maintenance department with the support of the Quality, Health and Safety departments as well as the commitment of hotel managers.

Water

Veranda and Heritage Resorts Hotels have installed flow-reducing valves in all rooms to reduce the water flow and subsequently consumption without hindering the comfort and hygiene of clients. Water consumption per day per room has reached the level of 0.68 sq.m3. as compared to the International average of 1 sq.m3. All our hotels are fitted with waste water recycling plants that allows for 80% of the grey water to be used for tendering green areas. Furthermore, to reduce the laundering of towels, customers are encouraged to signify their wish to save on linen washing frequency.

Energy

An important pilot project was initiated at Veranda Paul & Virginie Hotel, to control energy demand and reduce power consumption by 20% through the installation of:

- a monitoring system on all electric motors (compressors, pumps, refrigerators, extractors) and the network of air conditioning (temperature program, sprinkler and power management start-up)
- energy-saving bulbs in all rooms, public areas, kitchen, canteen and reserves.
- micro switches on all rooms' doors and windows that automatically cuts off the air con after 2 minutes of an opening.

Guest rooms at Heritage Awali are equipped with key cards that control the electricity. When the card is removed, electricity is switched off. The glass doors that open onto the terrace also are equipped with switches that automatically turn off the air-conditioning. The gardens now have at least 50% LED lighting controlled by a photo-sensitive switching system, limiting energy consumption to what is only strictly necessary. Water heaters provide hot water to the C Beach

Club and the Verandan Palmar Beach Hotel.

This policy towards energy saving will gradually be extended to other hotels of the group upon renovation time.

Currently, the temperature level of all rooms is blocked to a minimum of 22 degrees Celsius. Air conditioning energy is thus controlled.

The spirit of environmental sustainability is, also, driving all renovation works of the Property sector. Offices are now designed to maximise natural light (open space), new individual air conditioners allows for a better control in line with localised needs and energy saving campaign teach the environmental friendly actions.

Consumables – paper

In the Veranda Group, the staff awareness for the use of double-sided paper and reduction of printing to a minimum has resulted in a reduction of consumption by the administrative headquarters by approximately one third. Brochures for the hotels group were rethought and re-design to 2 brochures and the supplementary factsheets are available electronically on the group's websites. Paper bags used in the activities of marketing and communication were replaced by reusable canvas bags or baskets.

In Rogers Corporate Office, a similar effort aimed at reducing the paper consumption resulted in a percentage saving of 25%.

2) Reusing, Sorting and Recycling

In Heritage Le Telfair Golf and Spa Resort, recycled glass bottles and bottle containers have replaced all plastic in restaurants and rooms, while at the Heritage Awali Golf and Spa Resort, plastic and aluminium cans have also been replaced at the points of sale. They also have begun composting their green waste according to the recommendations of experts from the University of Mauritius. Heritage Awali also launched recently, a state of the art composter to deal with its kitchen waste. This is a first in Mauritius for this type of professional equipment. Forty members of the staff from Heritage Resorts at the Domaine de Bel Ombre were trained to use the new equipment from Sweden. In six months the results will be assessed and then the project will be rolled-out at all Heritage Resorts.

Waste sorting had been introduced two years ago within the group, despite a difficult local context (no national system for the sorting, collection and recycling of waste in Mauritius), but the process has been slowed due to this context.

However, Heritage Resorts supported in 2011 the setting up of a recycling community unit in the south of Mauritius. This unit, 'Plankton', is now operational and collects plastic, glass and paper from hotels of the region and from the community. Glass is processed and sold: glass aggregates will be sold on the local market for swimming pool filtering, decoration purposes... Plastic and paper are compacted and then sold for recycling and exportation respectively. This initiative of Bel Ombre Foundation for Empowerment aims both at the environmental protection and job creation in this deprived area.

Rogers Corporate Office, Rogers Aviation and Foresite Property have implemented a policy wherein all office equipment and furniture are recycled through NGOs for a second life or as one of their fundraising activities.

All Office stationery is printed on eco-friendly recycled paper.

Two years ago, the Veranda Resorts hotels have launched a cause branding initiative on the sale of bottled water to complement their financial support to Reef Conservation. The four Veranda Resorts hotels have made a commitment to deduct a token amount from their profit margin on every bottle of water sold in aid of Reef Conservation.

ANTI-CORRUPTION

Principle 10 – Businesses should work against corruption in all forms including extortion and bribery.

Rogers is committed to working against corruption in all its forms, by adhering to the Code of Corporate Governance for Mauritius and being in compliance with all relevant laws.

Open communication

The Company communicates to shareholders through its Annual Report which is also available on the Rogers website, Investors' News, publication of unaudited quarterly results, dividend declaration and its Annual Meeting of Shareholders. The Senior Management Team meets the investor community twice annually to brief them on the Group strategy, financial performance, investments and disinvestments.

Code of ethics

The Company has formulated a code of ethics which is handed over to each employee upon joining the organisation. The code of ethics spells out the general obligations and business etiquette employees are encouraged to abide by. A Malpractice Reporting Policy was also adopted by the Company in 2010. To date, no breach of ethics or any malpractice was reported.

The governance framework and committee structure set up by the board of directors of the Company to help fulfil its obligations are as follows:

- the board of directors of the Company is assisted by two sub committees namely the Corporate Governance Committee (the CG') and the Risk Management and Audit Committee (the RMAC);
- separate sub-holding boards of directors have been set up at the level of each sector;
- separate corporate governance committees and risk management and audit committees have also been set up at the level of the real estate and financial services sectors due to the nature and specificity of these sectors;
- the governance, risk and audit issues relating to the business activities of the subsidiaries of the Company operating in the hotels, leisure, logistics, property (excluding Ascencia Limited) and travel and aviation sectors are overseen by the CGC and the RMAC; and
- a corporate governance committee and a risk management and audit committee have been set up at the level of Ascencia Limited, a subsidiary of the Company, given its listing on the Development and Enterprise Market of the Stock Exchange of Mauritius Ltd.

Board Committees

The Board meets about eight times a year to approve the Group's budget, examine all statutory matters, review the Group's performance, monitor revised quarterly forecasts, receive the Report of the Chief Executive on key issues affecting the Group and consider strategy updates and reports from the Chairpersons of each of the principal Board Committees.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate. All directors have access to the services of the Company Secretary and her team. The Board has delegated specific responsibilities to two Board Committees that have access to independent expert advice at the expense of the Company. They are:

1. The Board Corporate Governance Committee is:

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

- Making recommendations to the board on new board appointments.
- Reviewing through a formal process the balance and effectiveness of the board.
- Developing a policy on executive remuneration and for fixing the remuneration and benefit packages of individual directors, within agreed terms of reference.
- In relation to the remuneration of non-executives make recommendations to the full board.

2. The Board Risk Management and Audit Committee (RMAC) ensures that:

- all risks are reviewed and managed to an acceptable level in the business;
- all internal accounting, administrative and risk control procedures are designed to provide on-going assurance that assets are safeguarded; and
- transactions are executed and recorded in accordance with the Company's policy.
- It also reviews:
 - Important accounting issues;
 - Changes in legislation that will give rise to changes in practice;
 - Compliance with regard to specific disclosures in the financial statements; and
 - Quarterly, preliminary and annual reports as well as any other financial reports.

The RMAC reviews important accounting issues, changes in legislation that give rise to changes in accounting practice, compliance with regard to specific disclosures in the financial statements and interim and annual reports as well as any other financial reports.

It has a charter covering internal audit, risk management, external audit, financial statements, health, safety and environmental issues, and transgression of the code of ethics.

The Board has established a Risk and Audit Department that works closely with the external auditors to further ensure the highest level of service to the Group and reports to the RGPM.

This well-established internal audit department (5 managers and 3 staffs) monitors compliance with policies and procedures throughout the Group. They use a risk-based methodology to ensure quality assurance through internal control. It is the responsibility of the Board to ensure that appropriate controls are in place and to monitor their effectiveness.

Management is accountable to the Board for the design, implementation and monitoring of the risk management process. It has the responsibility to maintain the risk register as a living document. This ensures early risk recognition, the evaluation of its potential impact and the taking of corrective actions.

Other measures:

- The directorships of the directors of Rogers in other listed companies as well as their direct and indirect interests in the ordinary shares of the Company are listed in the annual report.
- The Hotels sector has instituted a central buying system for all hotels to control and prevent bribery on local level.
- Companies have the freedom to choose the best goods and services for their business, irrespective of whether they are equally offered by a company within the group. Thus encouraging a fair and transparent competition.

Our activities towards this principle outside the company:

Rogers supports Transparency Mauritius, affiliated to Transparency International, in its view to reduce corruption in the country.

EXTERNAL CSR INITIATIVES

'CSR' in Mauritius

In Mauritius, CSR initiatives are compulsory since July 2009. 2% of the Profit After Tax of Mauritian Companies are allocated on approved programmes that contribute to the social and environmental development of the country, namely:

- Socio economic development;
- Health;
- Leisure and sports;
- Environment;
- Education & training; and
- Catastrophe.

Companies can carry out their own projects, finance the project of an approved NGO, implement an approved programme with the National Empowerment Foundation or implement projects with public sector organisations. Any unspent CSR money has to be remitted to the Mauritius Revenue Authority.

Rogers and other private companies have collaborated to produce the CSR Guidelines that were issued to prevent any misuse of CSR funds. Indeed, companies and NGOs have to report on the use of CSR funds to the National CSR Committee.

New government regulations regarding the CSR guidelines have been promulgated at the beginning of 2011. Half of the mandatory CSR Budget was to be used towards the welfare of Vulnerable Children, for the Eradication of Absolute Poverty and/or Social Housing. In view of the difficult economic context and of the social difficulties faced by the population, Rogers chose to readjust its program to participate in this national effort.

As a result, the HIV&AIDS budget was halved and a substantial amount was allocated to vulnerable children projects and for projects in poverty zones. Rogers also gave special support this year to a few NGOs which, in this context of economic downturn and new CSR regulations, were facing severe financial hardships and contemplating closure.

Rogers Group's Project: Moving Forward in the fight against HIV&AIDS

In 2007, following a review of the impact of Rogers' involvement in society, the Group's management reinforced its contribution to the country's social and environmental development. It was decided that the Group's companies would allocate 2% of their Profit after Tax (PAT) to social responsibility programmes wherein half of this amount would be devoted to a common group focus.

Rogers defined its target through wide consultations with stakeholders followed by a qualitative study on youth and HIV. Considering that the youth are the future of our country, Rogers then assigned Rs.20 million for the period 2007–2010 to programmes aimed at informing and educating young Mauritians aged 15–24 years old about HIV/AIDS. The 2007 statistics were alarming: 2% of the population were estimated to be living with HIV/AIDS, that is, thrice as much as in Europe. Moreover, one fifth of the known HIV population in Mauritius was in the 15–24 years age group.

Rogers teamed up with experienced field specialists in the fight against HIV/AIDS through yearly calls for proposals.

The projects funded by Rogers in 2007–2010 aimed at reaching youth from all backgrounds and in various settings: prevention campaigns in schools, peer-to-peer programmes, value-based education, community projects, and actions targeting parents as well as innovative projects.

Rogers developed a web of contacts with national bodies and the Multisectoral Committee on HIV/AIDS. The Company was elected to represent private sector interests on the Country Coordinating Mechanism–Mauritius for the Global Fund and invited to form part of the United Nations Joint Group Meeting on HIV/AIDS.

In 2008, halfway through the programme, a national study was undertaken to assess the knowledge, attitudes, behaviours and beliefs related to HIV/AIDS among young Mauritians aged 15 to 24 years old. The youth were better informed about the virus, yet they still felt immune to it: only 6% considered themselves at risk of HIV infection. Hence, the company changed its CSR criteria to encourage behaviour change among the target population.

In 2010, Rogers selected innovative projects promoting interactions between youth and adults. Additionally, having learned from its partners in the HIV/AIDS field, the Company launched its own initiatives and ran national campaigns.

At the three years term, Rogers had invested Rs.22million in HIV prevention among the next generation. 61 projects were funded and an average of 462,000 persons reached. A qualitative study was conducted mid-2010 to determine the programme's impact. The results were as follows:

- ✓ Knowledge: "the youth are now well informed about HIV; they demonstrate no misconceptions about the transmission of HIV/AIDS"
- ✓ Attitude: "they are more tolerant towards people living with the virus".
- ✓ Beliefs: "they acknowledge that HIV can affect anyone, including themselves"
- ✗ Behaviour: "They, however, engage in risky behaviours exposing themselves to HIV transmission"

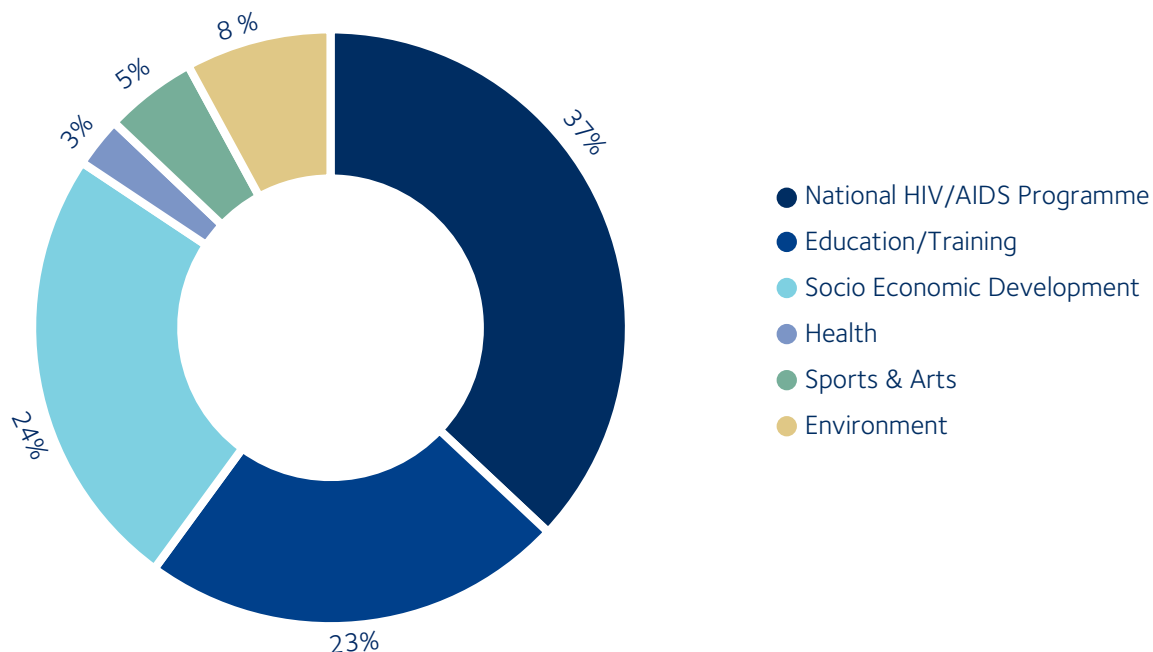
Rogers then furthered its commitment for 2010–2013 towards the younger generations by focusing on the education and training of adults who are most able to influence behaviour change. The aim is to educate parents, peers, educators, doctors and religious leaders to serve as positive role models thus encouraging safer behaviours. Since 2010, innovative projects have been set up:

- 6,000 Parenting Packs have been compiled and distributed. This tool aims at developing dialogue between parents and children on sexuality and is composed of:
 - A french DVD "Le Bonheur de la Vie", comprising of a series of 20 5-minute cartoons on reproduction and sexuality.
 - A leaflet "My child is homosexual"
 - A practical guide on how to answer a child's questions on sexuality, written by the Indian Ocean Commission
 - A comprehensive pamphlet on HIV/AIDS in Mauritius
 - A pocket guide for "Boys and Girls" using simple texts exploring physical changes, sexual development, sexually transmitted infections, safer sex and contraception.
- Seventeen local representations of La Cage aux Folles theatre play were financed so as to stimulate dialogue around sexual differences in Mauritius. Homosexuality being a heavy taboo, this well-known theatre play approached the subject with humour and emotion .
- Further support was offered to stakeholders towards their various projects:
 - Capacity building of NGOs: conferences and specific trainings
 - Advocacy Support to local, regional and international efforts against HIV&AIDS: partnerships with local authorities, other companies and NGOs
 - Prevention of HIV/AIDS among adults in the workplace through: interactive theatre plays (theatre of the oppressed), informative session on HIV&AIDS and homosexuality and through peer educators.
 - Training of medical and paramedical staff on HIV&AIDS through a peer educator's project among nurses and paramedical staff of public hospitals; the promotion of the new national HIV testing guidelines.
 - Prevention of HIV&AIDS of the adults in the community:
 - Prevention of HIV&AIDS among young people

Eight criteria of selection:

- relevance of the project to the goals
- expected impact
- practical application in the context
- quality of the methodology
- follow-up and evaluation process
- capacity of the organisation to deliver the project
- cost effectiveness of the operation
- the organisation's credibility

Repartition of the CSR Funds - Year 2010-2011



CSR activities in Rogers by sector

• Hotels

VLH is committed to the mitigation of the impact of its operations on the environment. They initiated various projects on their premises and participated with NGOs in the development of the surrounding community and the protection of the lagoons.

As such Veranda Grand Baie Hotel sponsored the education of 40 Grand-Bay families in kitchen gardening and food security practices. Veranda Paul & Virginie Hotel & Spa and Veranda Pointe aux Biches Hotel have been financing three ZEP and ANFEN schools in the North for several years and, in the south, Heritage Resorts has taken over the contribution of a project of Safire NGO in favour of 30 street children.

Moreover, VLH is the main partner of two projects aiming at, concurrently, protecting the environment and creating jobs. The first consists in the construction of the training centre of the REEF Conservation NGO followed by the training of the first 12 Marine Eco Guides of Mauritius. The second is Plankton, the first community recycling plant, conceived by the Bel Ombre Foundation. The aim is to turn the waste collected in the villages and hotels into second-life products. This innovative project entails both environment protection and job creation. The major challenge is to transform the Bel Ombre community in one proud to make a living through waste sorting waste and recycling.

• Property

Driven by its vision of a healthier Le Morne Village, Foresite Property, kicked-off its CSR calendar with Le Morne Government School Feeding Programme. The project, an initiative of Service d'Ecoute Et de Développement/Caritas de Chamarel, significantly impacted the level of absenteeism previously recorded through the distribution of a meal twice weekly over a 6 months period. Nutrition being a major need of the region, Foresite Property cosponsored the Home Gardening project with the Ministry of Women and SEED de Chamarel. 120 households from Le Morne and surrounding villages benefited from the training of Mouvement d'Autosuffisance Alimentaire and are now able to produce their own vegetables for consumption and resale. Furthermore, to protect the environment, Foresite Property, through its property fund Ascencia, also contributed to the protection of the Mauritian Pink Pigeon with the collaboration of the Mauritius Wildlife Federation.

- **Financial Services**

Cim CSR programme focussed its activities and contribution on three main areas, namely: education for the vulnerable groups and for school children, with Oasis de Paix, ZEP Barkly, Junior Achievement Mascareignes and Lakaz Zen afterschool project; the protection of the environment with the Mauritian Wildlife Foundation and PAWS, and the fight against drug addiction, amongst youth and women with La Chrysalide and the Centre D'Accueil de Terre Rouge.

Employee involvement in Cim's CSR activities is a crucial component of Cim CSR philosophy. As such, the second edition of Cim Run, Ride and Walk for Charity was organised where some four hundred employees participated in order to raise awareness and funds for SACIM, an NGO helping children needing foreign surgical interventions.

- **Logistics**

Velogic continued its commitment towards the youth through sports, education and community development.

Three football training schools in Roche Bois received the support of Velogic through Fondation pour la Formation au Football and had the opportunity to show their progress in an inter-club tournament.

They supported education through l'Atelier Sa Nou Vize in Rose-Belle, le Centre Agricole Frère Rémi in Rodrigues and ANFEN schools throughout the country. Theatre training for 30 Mouvement pour le Progrès de Roche Bois youth aimed at improving self-esteem and impact school performance.

Furthermore, the needle exchange modified container of Collectif Urgence Toxida was upgraded and basic medical services are now available in Roche Bois for the targeted community.

- **Travel & Aviation**

Rogers Aviation CSR programme is linked to its core product- "travel as a lifestyle".

The commitment is on helping the community through organisations that fight lifestyle related diseases like cancer and diabetes.

Thus a Colposcope was purchased to provide access to critical breast and cervical cancer screening services for the needy of the NGO Link to Life. Furthermore, leaflets were printed and distributed as part of Link to Life's breast cancer awareness campaign.

Rogers Aviation sponsored the setting up of a Pre-primary facility at Cité Flamboyant, Richelieu in partnership with Soroptimist and the upgrading of Oasis de Paix - ANFEN School and some extracurricular activities. As well as the education of 35 handicapped children at Open-Mind and Education and Therapy Centre.

- **Real Estate and Agribusiness**

In addition to their support to the Bel Ombre Foundation for Empowerment (BOFE), Compagnie Sucrière de Bel Ombre Ltd and Case Noyale Ltée mainly focused their CSR initiatives around contributions in education and sports with the financing of an extension of the school premises of St Jacques RCA School at Chamarel and of Atelier de Formation Joie de Vivre- ANFEN; the creation of a new football pitch for Saint Esprit College at Black River; the sponsorship of the 2nd Division Baie du Cap Volley Ball team, recently promoted in first division; and other help to Old Age associations and physically handicapped persons in the south region.

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