

ROGERS AND COMPANY LIMITED

UNITED NATION
GLOBAL COMPACT
COMMUNICATION
ON PROGRESS

2014

an **enl** investment



Focused Energy, Every Day

CEO's Message

Dear Valued Stakeholders,

We are pleased to communicate on progress made towards the ten UN Global Compact principles since our last report in January 2014.

Sustainable Economic Management

After the major structural changes that took place in October 2012, the Group has completed a significant number of strategic adjustments and performance-related initiatives. Over the year under review, the world economy sustained its quest towards recovery driven by improved growth dynamics in advanced economies. Several major emerging economies, including India and South Africa, faced with tightened external financial conditions, delivered lower-than-expected growth rates.

In Mauritius, relatively weak economic growth persisted on the back of ongoing vulnerabilities in its principal export markets and subdued domestic investment. The hotel industry continued to suffer from the more aggressive positioning of competing destinations and the failure to improve the attractiveness of the country. In addition, activities at the Port were adversely impacted by the relatively slow economic activity in Mauritius and the failure to implement long-term structural solutions to consolidate the Port-Louis harbour as a competitive hub. Amidst this international and local business environment, Rogers maintained its declared focus, reinforcing its market position on defined services.

The risk management framework, under the aegis of the Internal Audit department, is being revisited to further adapt to the new autonomous operational model that has been put in place 8 years back. Emphasis is being placed on empowering senior management to ensure tightening of controls and to ascertain that all strategic decisions match the Group's risk appetite.

With the improvements realised over the last two years, the Group is now ready for new developments. Further restructuring of the Group's balance sheet will emerge during the next financial year in order to secure initiatives that will consolidate each service sector. Efforts are currently undertaken to promote regional expansion, and the necessary means with the appropriate partnerships and financing structure are being explored to expand the business reach of the Group.

Maintaining our Social and Environmental Responsibilities

The Group has a dedicated CSR function that actively contributes to the advancement of the Mauritian community. Responsible, sustainable and transparent practices are essential to ensure our long-term growth.

Mauritius' coastal ecosystem has seriously deteriorated over the years and this poses serious threats to our rich marine biodiversity. We have therefore decided to engage in a five-year plan to protect and preserve our coastal resources in line with Maurice Ile Durable. We will commit Rs 50m over the next five-years and in partnership with REEF, an NGO dedicated to the protection and conservation of the marine environment, we will drive focused initiatives to build awareness, educate and support national and community actions towards the protection of our coasts.

The previous financial year 2012-2013 being a nine-month year for the Rogers companies, the 2% CSR contribution was not mandatory. Most of Rogers' companies preferred to retain their CSR fund for upcoming long-term projects in line with the new CSR focal area. Nonetheless, the Group's major project, the mobile education unit, was initiated and started its activities since 15 July 2014.

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.

A handwritten signature in black ink, appearing to read 'P. Espitalier-Noël', with a stylized flourish at the end.

Philippe Espitalier-Noël,
Chief Executive Officer

Focused Energy, Every Day





Focused Energy, Every Day

A diversity of people focused on customer satisfaction with a shared spirit of:

Leadership

Building on Rogers pioneering culture

Agility

Our ability to evolve in an ever changing environment

Dynamism

The focused energy of our people to drive Rogers forward

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

HUMAN RIGHTS

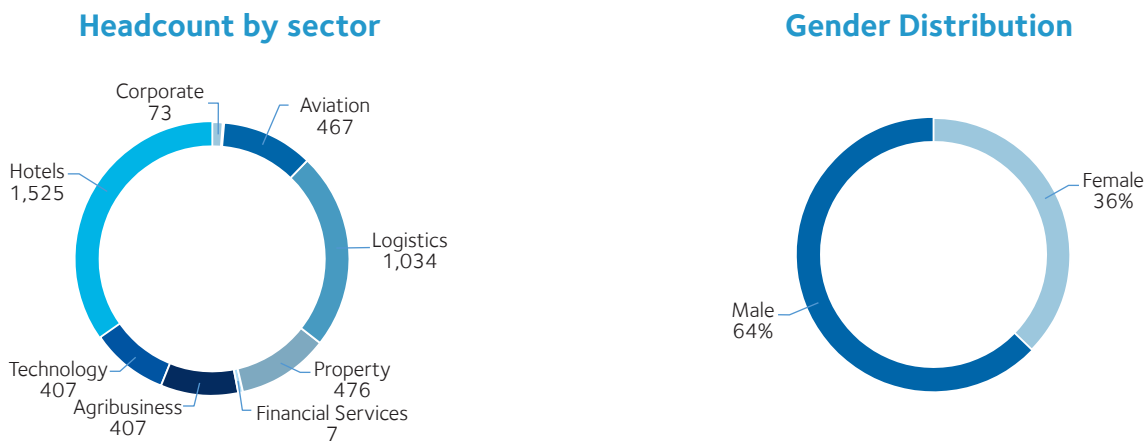
- Principle 1 – Businesses should support and respect the protections of internationally proclaimed human rights; and
- Principle 2 – Make sure that they are not complicit in human right abuses.

OUR HUMAN RESOURCE

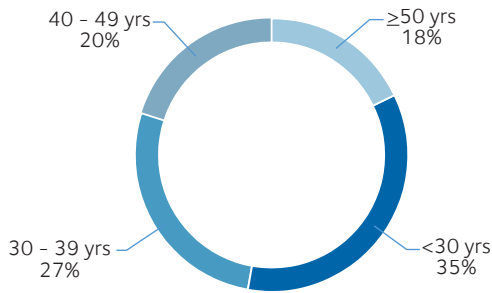
Human Resources in Rogers is about providing people solutions by partnering with business sectors. Rogers currently employs 4,396 employees across 7 business sectors spanning 11 countries. Our employee base is serviced by a dedicated and experienced HR team of some sixty talented individuals. The core philosophy of the human resources team is to help grow the performance and potential of our people while having fun at work.

This year, the Corporate Human Resources team played a key role in rolling out a first ever national employee engagement survey in collaboration with Aon Hewitt in Mauritius. This survey which was run for 4 months covered over 35 companies and has established a national benchmark for employee engagement, as well as engagement behaviours and drivers. The Rogers Learning Centre was also further developed with a view to deliver workshops in a range of new people development topics both internally and externally.

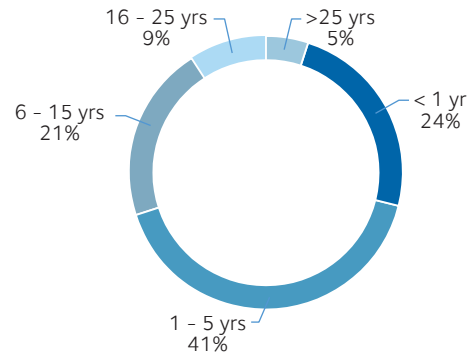
SOME HR METRICS IN ROGERS



Headcount By Age



Headcount By Tenure



SUSTAINING EMPLOYEE ENGAGEMENT

Remuneration policy

Salaries are generally 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 benchmark with practices in the relevant industries. This is used to review and update internal salary scales and benefits bands across the Group. There are no reward schemes in the form of share options schemes at the level of the Company.

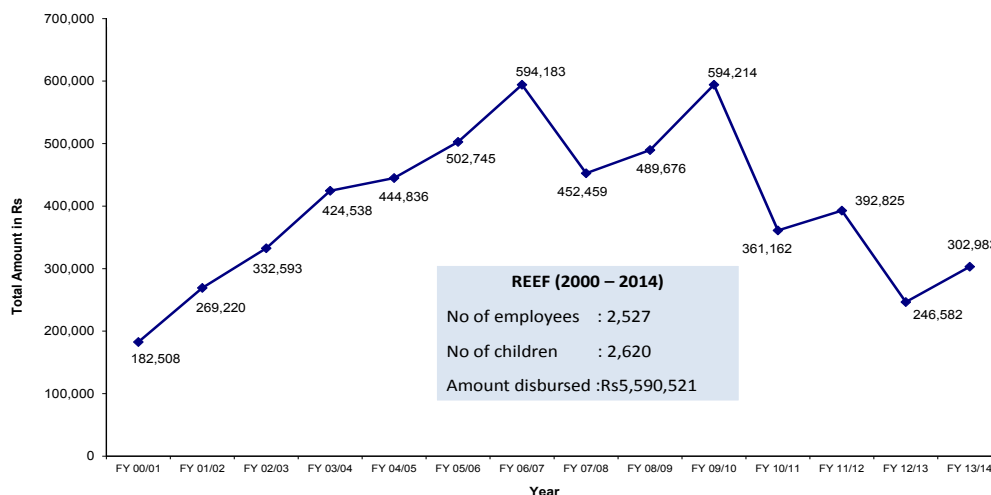
Staff Welfare

All sectors have maintained their budgets and teams of volunteers dedicated to the organisation of staff welfare activities such as awareness sessions, Staff EOY party, Fun day / Sports days, Wellness weeks, Bring and Share and other buzz activities. Employees across all sectors were involved in CSR activities – community development, environment, education – and could where applicable benefit from flexible hours to support the equilibrium between work and employees' family / social lives.

Employee Assistance Programme

The Rogers Employees' Education Fund – the assistance to needy/ deserving children of our employees in their educational advancement/ development. REEF provided 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

Rogers Education Employees Fund



*Note: that the financial year 2013/14 is based on 9 months and that there are now less employees due to the Group's change in structure.

Code of ethics

The Company has formulated a code of ethics which spells out the general obligations and business etiquette employees are encouraged to abide by. A Malpractice Reporting Policy was also adopted in 2010 and an Equal Opportunities Policy has now been adopted by the Company.

Health and Safety policy

Following the adoption of the Safety Management System (ANSI/AIHA Z10-2012), the incident investigation procedure was reviewed and finalised in Dec 2013 before being distributed to safety officers of all group companies for implementation in 2014. It is now used for all incident investigations. All group companies are still deeply involved in this exercise.

LABOUR STANDARDS

Principle 3 – Businesses should uphold the freedom of association and the effective recognition 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 implementing a new state of the art Human Resources Management Information System. This enables the organisation to measure key people management indicators, generating valuable information for decision making as well as strengthening the performance culture.

COLLECTIVE BARGAINING

Rogers Employees enjoy full freedom of association and collective bargaining. Currently, 421 employees of Rogers are affiliated to trade unions across the group.

Number of employees affiliated to trade unions across the group:

AVIATION	126
LOGISTICS	295
TOTAL	421

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

RECRUITMENT PROCEDURES

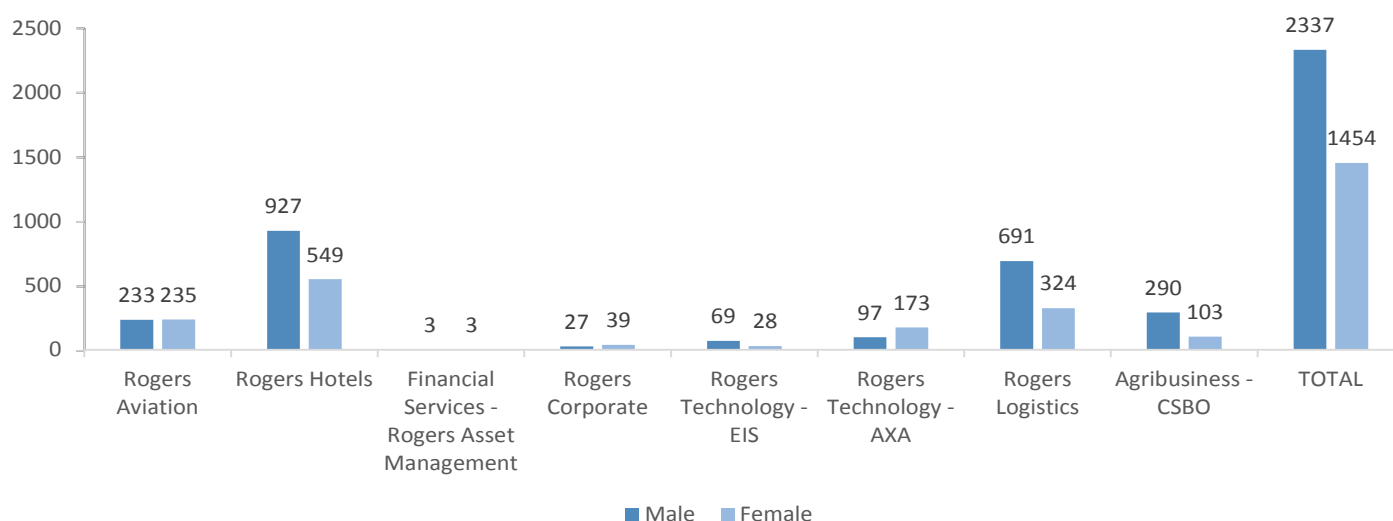
Rogers Recruitment and Selection Policy ensure fair and equal treatment to internal as well as external applications. On employment, employees are required to provide the company with documentation including identification documents/birth certificates and educational qualifications. No one below 16 years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

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

GENDER

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



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, still only five people in the company fall within that category. They are offered equal opportunity for their development and training but no specific policy promotes the inclusion of new handicapped workers. 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.

TRAININGS

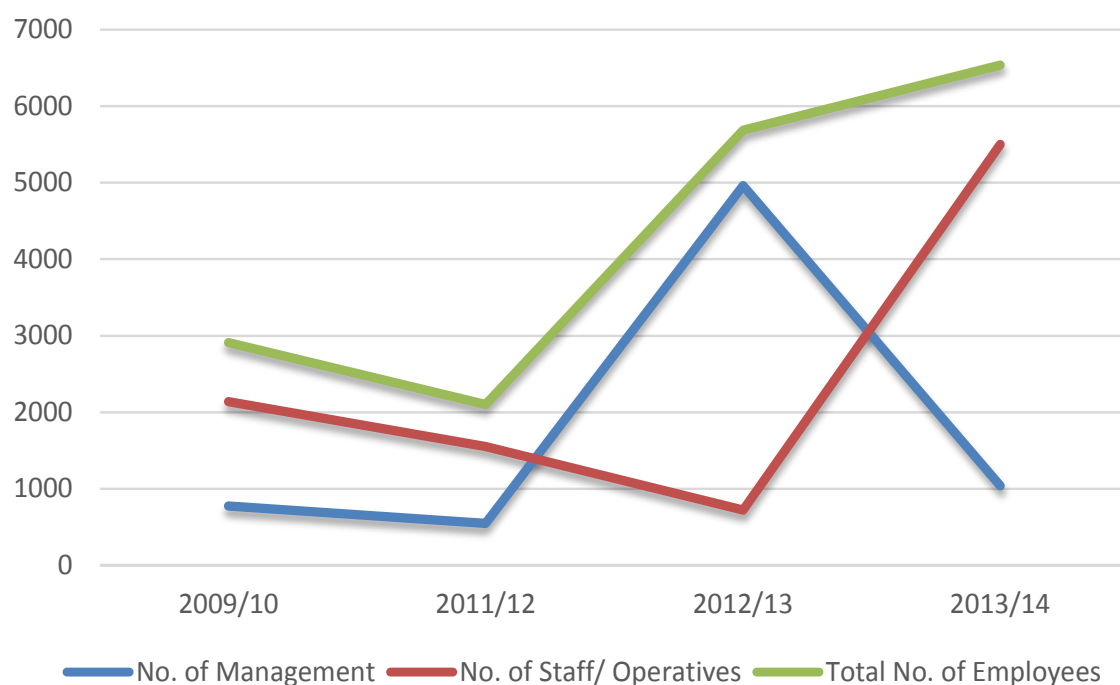
The policy of Rogers is to grow and retain its people through the right mix of training, coaching and motivation. The aim is to promote internal growth and continuously improve the potential of its employees.

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.

Furthermore, several mentoring and coaching courses have been conducted by Rogers Learning Centre during the year 2013/14 so as to:

- Help to transfer knowledge and skills from one generation of workers to next
- Promote a learning culture within Rogers whereby employees across all levels are encouraged to develop and improve their skills constantly
- Create an environment where mentoring and coaching relationships are developed, nurtured and maintained

Training Statistics from 2009 to 2014



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

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 minimize 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 three 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.

THE PROTECTION OF COASTAL RESOURCES.

Up till now the Mauritian islands enjoyed a burgeoning corals ecosystem with varied fish, seaweeds, mangroves and other floras and faunas. However, due to increasing human activities and environmental constraints, our coastal ecosystems are now seriously endangered.

As Rogers' activities intervene on various latitudes, be it by land or sea, the group extends its cooperation towards the preservation of the beauty of our islands, a concern for all.

In order to measure the impact of the Awareness, Education and Actions projects on Mauritian citizens, Rogers conducted a baseline survey which was designed to understand and assess the level of Knowledge, Attitude, Perception and Behavior (KAPB) of a sample of the Mauritian population on local and global environmental issues. The survey was conducted by voluntary responses using an online survey model, from 21 January to 03 March 2014. It was highlighted that 72.29% of the population recognises the degraded shape of the Mauritian Environment of which 98.33% are hopeful that the environment can be saved but that a lot of dedicated energy, effort and commitment had to be invested.

Following the global results of the survey, an action plan was designed to change people's mindset and encourage effective actions. Rogers' partner, namely the NGO REEF Conservation, has undertaken in-depth training of our 3,787 local staff on the coastal ecosystem.

REEF CONSERVATION, OUR MAIN NGO PARTNER

Dedicated to the protection of the Mauritian marine environment through research, restoration, education and training, Reef Conservation is an NGO established in 2004. It employs professional marine biologists, project coordinators, and educators for the management and implementation of projects on conservation of the marine environment. Since its foundation, it has been dedicated to educating coastal communities on the importance of the protection and conservation of the marine environment not only for present but also future generations.

MOBILE MARINE EDUCATION UNIT, A PARTNERSHIP WITH REEF CONSERVATION

The development of marine science and environmental issues at the general public's and students' doorstep while having fun; educating through exploration and discovery are the key objectives of the Mobile Marine Education Unit. The Reef team will transport, for 5 years, its knowledge and marine activities to all Mauritians through schools, community centers, public beaches, shopping malls, and in workplaces. This classroom on wheels is equipped with interactive tools and fun presentations as well as laboratory equipment to foster the educational experience. This mobile unit aims at educating an average of 12,000 citizens most of which being youth.

UPCOMING INITIATIVES

To carry out this ambitious programme, all Rogers' entities are being mobilised in accordance with their respective competencies.

Real estate and Agribusiness – Domaine de Bel Ombre contribute to the rehabilitation of the endemic flora and fauna of the south-west of the island in the protected areas of La Réserve Naturelle de Fréderica, Case Noyale, La Terre des 7 Couleurs and other. They support the development of green jobs in the region.

The Technology sector – EIS aims at protecting the natural inheritance from electronic wastes such as discarded batteries, cell phones, computers or printers. They provide their stakeholders with recycling sensitization and facilities to direct these objects to the recycling agents.

The Property sector – Foresite Property supports the promotion of the Maurice Ile Durable concept through strong educational activities towards the general public through its shopping centers, notably at Phoenix Commercial Centre and Riche Terre Mall. They equally support the activities of NGOs working in the underprivileged regions

The Logistics sector – Velogic favours community development around the harbor by offering a second life to containers landing on the island, by building social houses and by greening the surroundings through simple daily steps such as: recycling paper, plastic, oil or wooden pallets.

The Hospitality sector – Veranda Leisure & Hospitality strives to protect marine life and local communities through awareness campaigns and education of stakeholders living in the hotels' vicinities. The communities will also be encouraged to recycle wastes and find innovative solutions for objects' reuse.

The Aviation sector strives to promote the prevention of coastal and marine pollution. Employees and customers will be educated in recycling and the youth educated towards environmental initiatives.

NETWORKING - PROTECTION OF MARINE TURTLES IN MAURITIUS

Another meaningful work-in-progress project is the setting up of a national network for the protection of the endangered sea turtles of Mauritius. NGOs, beach authorities, Ministry of fisheries and private sectors are planning common actions towards this national commitment.

ANTICORRUPTION

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

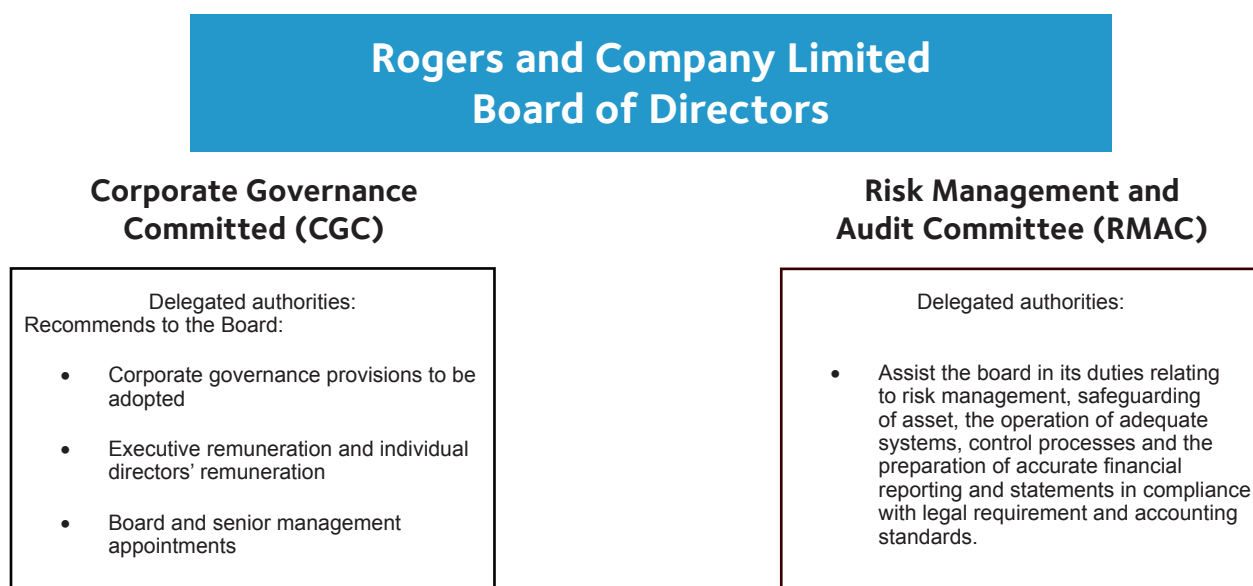
Rogers is committed to working against corruption in all its forms, by adhering to the Code of Corporate Governance for Mauritius and being in compliance with all relevant laws.

COMPLIANCE STATEMENT

For the year under review, the Board of Rogers complied with the Code of Corporate Governance for Mauritius (The 'Code') in all respects

GOVERNANCE STRUCTURE

The governance framework and committee structure set up by the Board of the Company to help it fulfill its obligations are as follows:



With a view to improve the decision making process and accountability within the Group, Rogers has adopted the following governance framework with regards to its subsidiaries:

- separate sub-holding Boards have been set up at Sectorial level;
- separate corporate governance committee and risk management and audit committees have also been set up at the level of Ascencia Limited due to the nature and specificity of its business; and
- the governance, risk and audit issues relating to the business activities of the subsidiaries of the Company operating in the hospitality, logistics, property (excluding Ascencia Limited), aviation, financial services, technology and real estate & agribusiness sectors are overseen by the CGC and the RMAC.

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