



UNITED NATION
GLOBAL COMPACT
2016

Rogers

More than a century ago, the vision of our predecessors laid the groundwork for turning us into key players in the present Mauritian economy.

Today, we are over 4,500 people sharing the same vision and zeal. In every action we take, **we strive for higher levels of performance**. From being instrumental in the creation of the country's hospitality industry to leading the establishment of our national carrier, Air Mauritius, whilst pursuing our swift expansion across the globe, **it is that same focused energy that drives us forward**.



Energy drives everything.



Rogers at a Glance

53

Offices in
13 countries

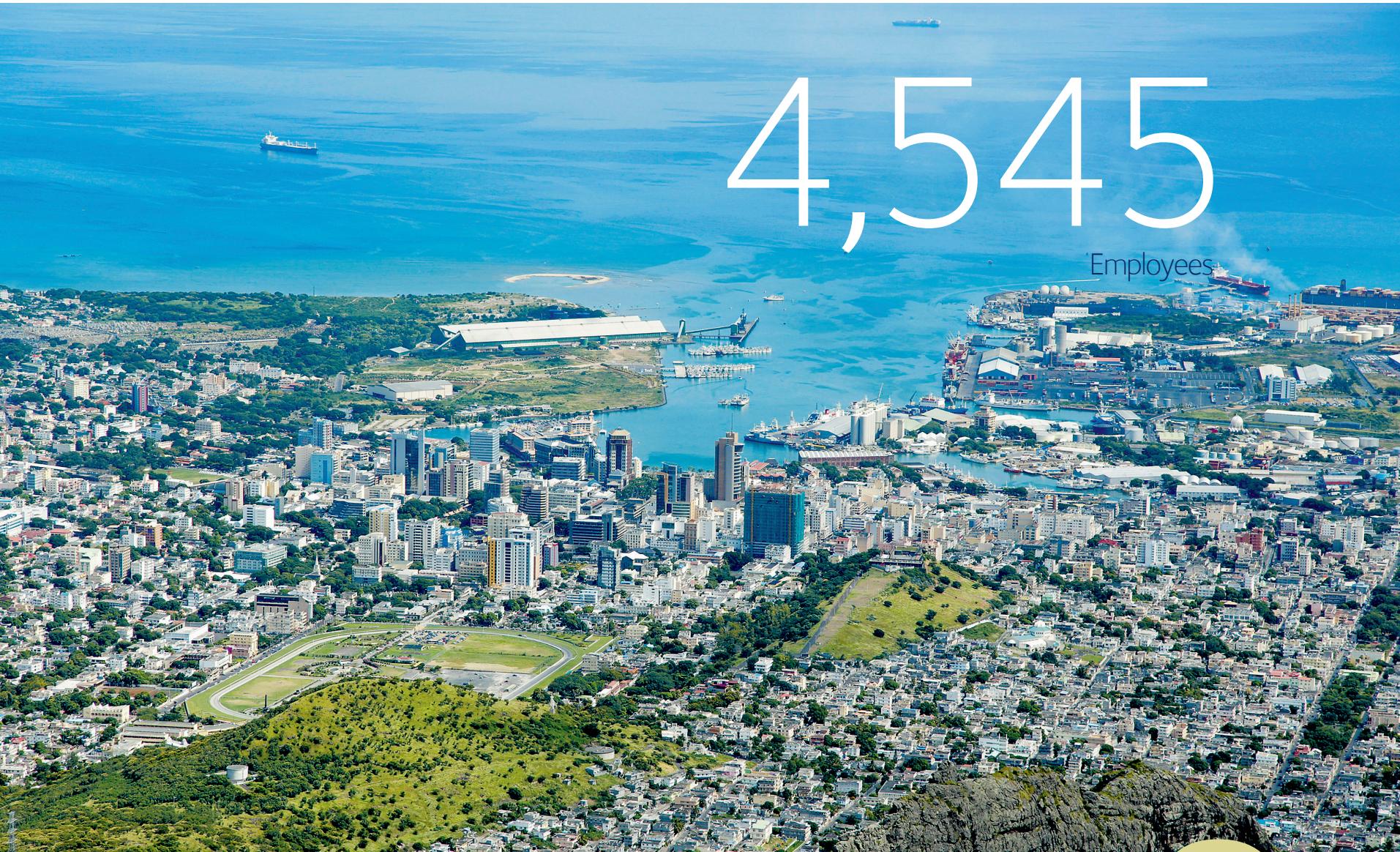
Corporate Profile

Rogers and Company Limited is a listed international services and investment company with specialist expertise within 4 markets: FinTech, Hospitality, Logistics and Property. Our operations within each served market are organised into sectors with 53 offices across 13 different countries.

Since our establishment in 1899, we have shown entrepreneurial zeal which is at the heart of the economic development of Mauritius. Our Company played a notable role in the creation in 1962 of the leading hotel group on the island, Beachcomber Hotels, and in 1967 of the national carrier, Air Mauritius.

Rogers has also spearheaded the inception of the logistics sector in 1975, the Global Business sector development in 1992 and the business process outsourcing industry since 1999.

In 2004, the Domaine de Bel Ombre inaugurated two Heritage luxury hotels and a championship golf course in unique surroundings. The Domaine has since developed further with nature tourism activities and Villas Valriche, a luxury residential estate counting among the largest IRS schemes on the island.



4,545

Employees

Rs m **8,167**

Our commercial property arm, Ascencia was listed in 2008. The following year, the logistics businesses were grouped under a single organisation and brand, Velogic.

Our equity base was restructured in 2012 in a material transaction that saw ENL Land acquire a majority stake in the Company while spinning off Cim Group.

Our Company upholds the importance of responsible, sustainable and transparent practices in promoting growth of the business and its role in the region. We firmly believe that our long-term success rests on our corporate values of Leadership, Agility and Dynamism, which are driven by a skilled and diverse workforce of over 4,500 direct employees. The Group's investments contribute to providing employment to more than 10,000 people.

Total revenue



Regional Force

Rogers continues to expand by serving clients at an international level and ensuring that the expected benchmarks and productivity are delivered. Opportunities to further develop our services in our four served markets are real.

SOUTH AFRICA

REUNION ISLAND

MAURITIUS

COMOROS

INDIA

SINGAPORE

GERMANY

UK



Group Structure

Rogers



Note 1: Travel was reported as Aviation up to 30 June 2016.

Note 2: Property Investments was reported as Property up to 30 June 2016.
Note 3: Property Development & Agribusiness was reported as Real Estate & Agribusiness up to 30 June 2016.



Interview with the CEO Philippe Espitalier-Noël

The CEO of Rogers reviews the financial year that has gone by and outlines the Group's performance, strategy and key priorities going forward.

How would you reflect on the year that just passed?

During the financial year 2015-2016, we continued to see modest and uneven growth in the global economy. At a national level, the hospitality sector at large has benefited from the spillover effects of growth in tourist arrivals. However, the renegotiation and signing of a protocol amending the 33-year-old India-Mauritius tax treaty will have a non-negligible impact on our position as a preferred jurisdiction to invest in the Indian market and on our past model for the Global Business sector.

The international scene was largely dominated by the decision of the United Kingdom to leave the European Union. Although the full picture of the post-Brexit landscape is yet to emerge, we are already experiencing the impact of a weakening GBP in our hotels and sugar packing activities.

In spite of the macroeconomic context, the overall performance of the Group has been in line with expectations. Revenue has improved by 14% to Rs 8,167 million during the past year and profit levels for most of our operations have witnessed satisfactory growth.

From a strategic perspective, we continued to advance our growth strategy and develop our leadership talent to ensure Rogers is well-positioned for long-term success.



How is corporate responsibility and sustainability relevant to the future strategy of the Group?

I must say that to date, our CSR approach and programmes have met the targets that were set for the benefit of all our stakeholders. We have decided to focus our efforts on one specific cause at a time – the fight against HIV/Aids from 2007 to 2013 and currently the protection of our coastal and marine ecosystems – to increase our chances of bringing about meaningful change.

In so doing, we feel that we have provided valuable support to public authorities and other relevant parties including NGOs and our own people within the Group in addressing these issues; we have in the process gone beyond the mandatory 2% CSR spend whenever possible and where it made sense. Our initiatives involve a long-term commitment to make a difference. We regret the recent changes announced to the CSR framework and are concerned that this could stall the progress made and could prevent us from achieving our targeted impacts.

The Group has also rolled out a new communication campaign – ‘Focused Energy, Every Day’...

‘Energy drives Everything’ is not just another slogan. This new campaign is a reaffirmation of the identity of our Group and our brand’s DNA, embodying our values, our financial strength and vision for the future.

It is the Energy deployed by our people that is making the difference. Rogers is now an international investment and services company whose strength stems from the energy of a unified, competent and well-balanced team. This campaign is commensurate with our ambitions and projects a clear image of our dynamic brand both internally and with our partners, clients, investors and the public at large through expressing the energy that has been driving us for more than a century.

Major developments have been announced recently for the Domaine de Bel Ombre. Could you tell us more about this?

A quantum shift has been under way since the turn of the millennium to transform the Domaine from a traditional sugarcane-growing region into a preserved high-end tourism, leisure and cultural destination.

Some Rs 12 billion have already been invested to date and we are rolling out a compelling vision and an ambitious three-year plan towards 2020. The roadmap for achieving a balanced and sustainable economic, environmental, social and cultural development through an integrated string of concrete actions is being implemented.

This comprehensive programme will provide an integrated approach to the planning, management and promotion of the land and marine environment of Domaine de Bel Ombre to balance the conservation of natural resources with the impact of human activities. An Interactive Land and Marine Resource Centre will be deployed in conjunction with new experiences for visitors while ensuring sustainable use and conservation of the rich biodiversity of the area.

A lagoon management plan will also serve as a blueprint in managing and restoring the marine environment in consultation and cooperation with the surrounding community, marine biologists, hoteliers and other stakeholders. This will be coupled with land biodiversity conservation efforts encompassing such initiatives as the development of several nature trails, a biodiversity corridor along the course and estuary of Citronniers River, a native tree arboretum, the removal of invasive species to make way for native riverine ecosystems as well as the enhancement of existing mangrove areas.

This is a wide-scale project with a real estate component and includes the development of a second golf course that will be complementary to our award-winning Heritage Golf Club. To fulfil the vision to create unique experiences and distinctive values for Domaine de Bel Ombre, we highly value meaningful stakeholder dialogue and concerted action.

To conclude, what are your key priorities and expectations going forward?

We are working diligently on pursuing our strategic vision, which is centred on consolidating our position in our four served markets, which are FinTech, Hospitality, Logistics and Property. We are committed to building on the strength of our valuable experience and established competence within these markets, and we will put in the necessary resources to grow the depth and size of each of our sectors. The rationale of this is to provide the adequate level of managerial attention and the required means to our activities in each of our served markets in order to achieve a balanced development.

We have well-developed entrepreneurial capabilities in each of these markets and have become more nimble and agile. We are backed in our endeavour by the support of our parent company, the ENL Group, which also provides us with the flexibility required to achieve our long-term goals. Our capability for swift decision-making is helping us greatly in consolidating our businesses.

The development of Rogers continues to be focused on achieving balanced revenue generation from domestic and international clients. Our philosophy is to improve our productivity and performance against international benchmarks. We have significant development plans in the short term for each of our sectors and are creating additional capacity to support our ambitions for 2020.

I am confident that we can deliver even greater success in the future.

A photograph of a whale breaching in the ocean. The whale's white underbelly and dark upper side are visible as it leaps out of the water. In the background, there is a large, dark, rocky island or peninsula extending into the sea. The sky is blue with some white clouds.

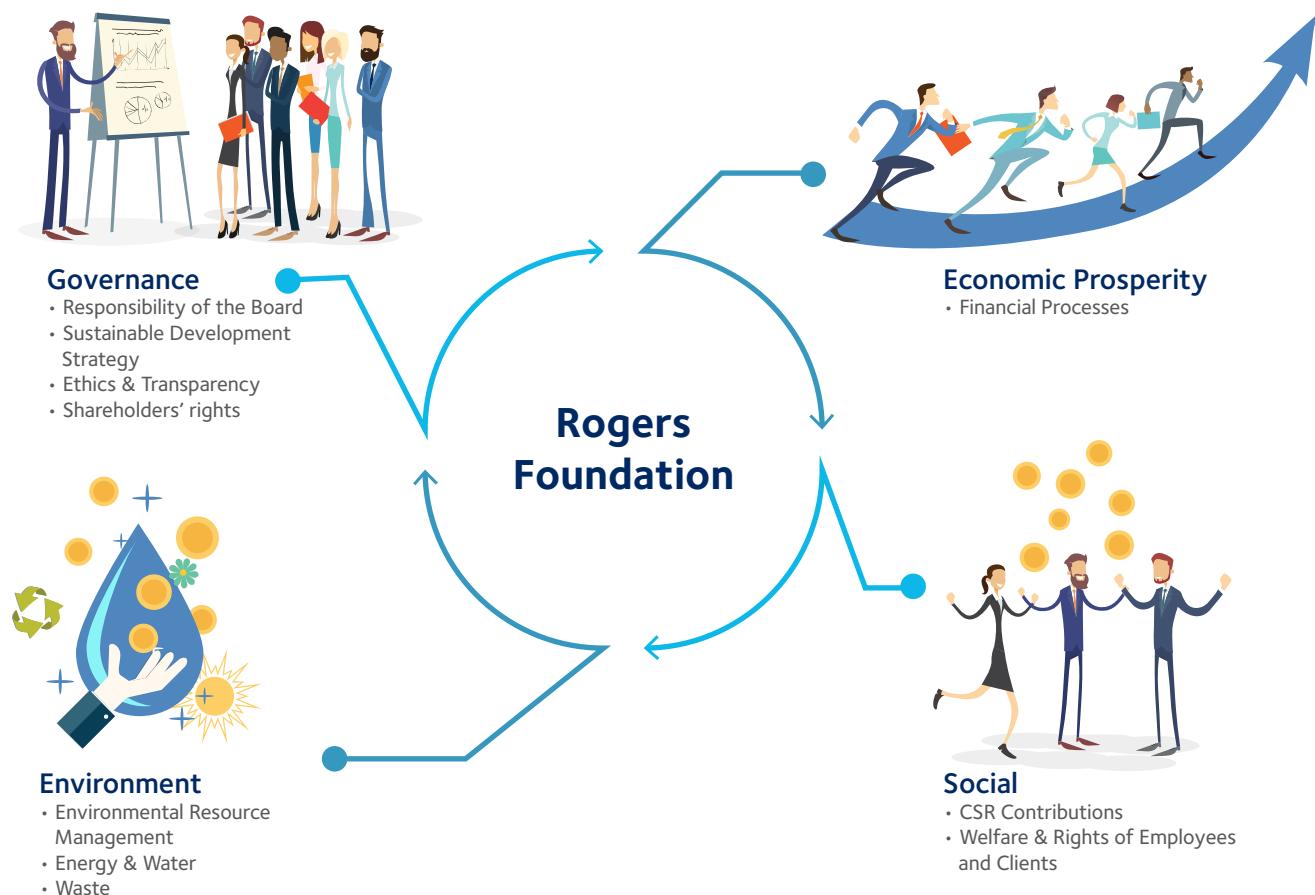
Energy drives sustainability.

Corporate Social Responsibility

Sustainable Development

Our Strategy

During the year under review, the companies within the Rogers Group have scaled up their social and environmental responsibility efforts through an increased number of projects and programmes. Where the Corporate Social Responsibility (CSR) funds derived from the 2% comprehensive income proved insufficient, additional resources were budgeted or alternative means were used to support environmental and social causes. Moreover, Rogers focused its attention on developing and planning sustainable projects that will demonstrate our strategy to do business differently: by walking the talk in order to strike a balance between economy, environment and society.



Programme for the Protection of the Coastal Areas of Mauritius

The Rogers Group continued its involvement in projects geared towards promoting Awareness, Education and Support in order to reduce the negative human impact on the environment of coastal areas:

Mobile Marine Education Unit – Third Year of the 'Bis Lamer' Project with Reef Conservation

The NGO, Reef Conservation remains our main partner in the Protect our Coast strategy with its team of professional marine biologists, project coordinators and educators.

'Bis Lamer' is a class on wheels equipped with interactive tools and laboratory equipment. To date, the project has exceeded its target in terms of education about marine and environmental issues, having reached 10,768 students and 4,346 adults. Some 125 schools and 70 public areas such as community centres, shopping malls and beaches were visited. Moreover, 52% of Rogers' staff have received training courses on marine and lagoon life.

Domaine de Bel Ombre Lagoon and Land Survey

Sustainable development and environmental stewardship come with the responsibility of carefully studying and assessing the ecosystems of a region such as Bel Ombre before moving on with rehabilitation projects. Reef Conservation's biologists, Diospyros' ecologists and the Mauritian Wildlife Foundation's conservationists were contracted to evaluate the land and marine fauna and flora and propose appropriate protective and restorative measures. The main upcoming projects are a lagoon management plan, a biodiversity corridor and an interactive research centre on coastal ecosystems.

Community Involvement & Permaculture

The sustainable development plan for Bel Ombre necessarily contains a significant social component. Consultations were organised with all the stakeholders in the region and environmental consultants specialized in permaculture and community involvement were also contracted to take on board the input of the inhabitants of Bel Ombre. This enriching exercise has allowed to bring out the dreams of the villagers for their region and the idea to recreate a typical Mauritian village to showcase local savoir-faire.

National Museum & Porlwi by Light

Various media are required to effectively spread the message about protecting our coasts among the population. The movie dedicated to the history of our extinct national bird, the dodo benefited from the crowd-pulling effect of Porlwi by Light, which additionally contributed to rekindle visitor interest in our Natural History Museum and the Blue Water exhibition. The Lagoon Dos and Don'ts panels on the museum's ornate gates were also viewed by hundreds.

Protection of Marine Turtles in Mauritius

The national network for the protection of endangered sea turtles on the Mauritian shores, composed of NGOs, private sector and relevant authorities, has worked tirelessly to educate coastal populations while tightening the enforcement net against poachers. A child education leaflet has already been finalized and released in schools.

Beach Clean-Up Series

Educating beach users about proper litter disposal is part of the necessary efforts to protect the lagoon and its marine life. Youth United for Environment with the support of Rogers, Heritage Resorts and CSBO staff organised a beach clean-up event at Le Batelage, Bel Ombre. This trash collection initiative had an educational aim and served to support 'Stop Polisyon', a song in Mauritian Kreol launched at Rogers House in April by the Vice President of the Republic. The clip is regularly shown on national TV and can be viewed on YouTube at

<https://youtu.be/qVbsRdtFD8s>

Global Women's Forum

The Women's Forum Mauritius was a tremendous opportunity for mobilising support for driving a game-changing agenda for the sustainable economic, environmental and social development of the Domaine de Bel Ombre. This region is facing environmental threats such as climate change, which is inextricably linked to coastal and marine resilience. The serious deterioration of our island's coastal ecosystems and the challenges posed by sea-level rise and coastal erosion have prompted us to seek support for our planned projects to set up a biodiversity corridor along Citronniers River's course, create an Interactive Land and Marine Resource Centre and implement a lagoon management plan.

Sponsorship of Cité Sainte Catherine in Collaboration with ENL and FAIL Foundation

Following the completion of the OLEA project, which provided support to 50 impoverished families in the Moka region, a new poverty alleviation programme has been launched at Cité Sainte Catherine, Saint Pierre. Building on the experience acquired from OLEA, Rogers has teamed up with ENL and FAIL Foundation to design and support a 3-year Integrated Community Development Programme involving 250 families within this poverty-stricken region.



CSR in our Sectors

Other Initiatives carried out by our Business Units

Aviation

The Aviation Sector has supported ongoing efforts for the prevention of coastal and marine pollution in Mauritius and has provided training to its employees on this important issue.

Hotels

Heritage Resorts has worked with children supported by the NGO, Caritas in the South: 154 kids received value education sessions combined with an introduction to golf or foot-golf. Outings to Casela and Curious Corner of Chamarel were organised and support was given to a dance academy. Clothes and bed/bath linen were also donated before and after a flooding event in Bel Ombre. Similarly, Veranda Leisure & Hospitality has supported the elderly under the care of the Human Service Trust in the North through the donation of clothing and linen and has provided vulnerable children with an after-school teacher and a football trainer. To improve the environment, the Grand Gaube beach was cleaned up and efforts were made in conjunction with the NGO, PAWS to encourage the sterilization of stray dogs and cats.

Logistics

Velologic has improved existing procedures for the management of industrial waste and risks linked to the business sector's activities. The staff were trained in waste sorting by Mission Verte and guided in implementing a comprehensive waste management system. Contributions to the community were also made in the fields of arts, sports and vocational training of disadvantaged youth through the following NGOs: Atelier Mo'zar, Faucon Flacq Sporting Club, Foundation for Excellence in Sports and Educational and Vocational Foundation.

Property

Ascencia has continued its support to the seabird translocation project of the Mauritian Wildlife Foundation (MWF). The restoration of a lost seabird community on Ile aux Aigrettes is a long-term commitment that aims to ensure the survival of threatened seabird species. The MWF's scientists are improving the knowledge on this challenging reproductive method and on the species visiting our islands.

Real Estate and Agribusiness

Compagnie Sucrière de Bel Ombre is a signatory to an agreement for the establishment of a Protected Area Network covering its reserves at Frederica, Case Noyale and Seven Coloured Earth. An additional 2.8 hectares of endemic flora was restored during the period under review; to further educate its staff on the importance of such rehabilitation works, a team building activity was organised wherein invasive 'vanille marron' plants were removed. Moreover, opening these unique, preserved forest grounds for trail running and cycling events is a way to share its value and beauty with the general public. Other initiatives supported were the upgrading of a sheltered activity area at Saint Jacques RCA in Chamarel, an Adolescent Life Skills Education Programme and other projects targeting vulnerable groups.

Technology

The efforts at EIS are focused on reducing their resource use by replacing all light bulbs with energy-saving models and going paperless for meetings and newsletters. In addition, they have invested in employee well-being and career development through providing additional study leaves, offering the services of an in-house doctor as well as organising recreational activities.



Energy drives people.

Corporate Office

The Rogers Corporate Office covers a range of functions such as Marketing & Communication, Finance and Investment, Human Resources, Legal, Projects and Development as well as Internal Audit and Risk Management. All these functions are essential to growing each sector and reinforcing our competitive strategy through portfolio initiatives, executive influence and specific shared services.

MARKETING & COMMUNICATION

The Marketing & Communication Department develops and executes the internal and external communication and marketing strategies of Rogers. The department is responsible for events planning and management as well as applying the relevant traditional offline and online tactics to maintain an appropriate level of engagement with stakeholders including business and trade journalists, industry and financial analysts, investors, shareholders, customers, employees, and the community at large.

FINANCE AND INVESTMENT

The Finance and Investment Department ensures that the Group's financial reporting and compliance meet the requirements of International Financial Reporting Standards (IFRS) and all relevant legislation. In addition, it provides support both to the Corporate Office and to the Group's sectors in accounting, taxation, treasury management, investment appraisal, project finance and strategic initiatives.

HUMAN RESOURCES

Rogers employs 4,545 people across 53 offices in 13 countries. Having a skilled and engaged workforce is key to successfully driving our business strategy. The Corporate Human Resources (HR) Department provides human capital solutions to the business sectors, including overseeing effective recruitment and onboarding of talented individuals, developing critical skills, sustaining engagement at work and facilitating change initiatives within the Group. The Corporate HR team also delivers external human capital consulting services ranging from learning and development solutions to engagement surveys, and organisation development interventions.

LEGAL

Rogers Legal acts as the backbone of the Group with regards to legal, regulatory and compliance matters. It assists the Group on all strategic projects including advising on investments and disinvestments, drafting and vetting of contractual documents and registration and renewal of brands. In concert with external lawyers, it ensures that the legal interests of the Group are safeguarded.

RISK AND AUDIT

The Risk & Audit Department provides assurance to the Board that adequate controls are in place to safeguard the Group's income and assets. In addition, it ensures that risks are identified, assessed and mitigated so as to enable operational and financial success. A risk-based internal auditing approach is used to determine the most efficient use of the department's resources and to ensure that the most significant residual risks are addressed as a matter of priority. In addition, the department acts as a business advisor and assists Management where possible in achieving its strategic goals.

Our People

HR Demographics

4,545

Employees
13 Countries
4 Served Markets



90%

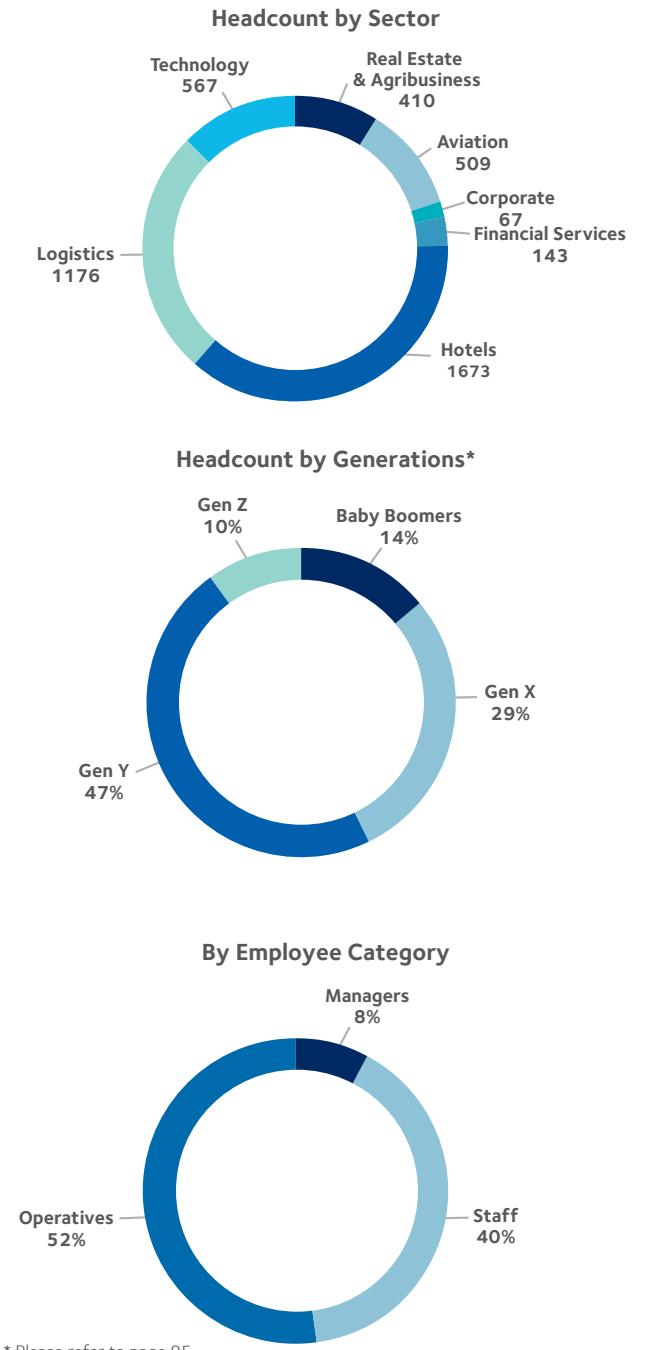
of our workforce is based in Mauritius

60%

of our employees are below 35 years



Rogers expanded its employee base by **3%** in the past year

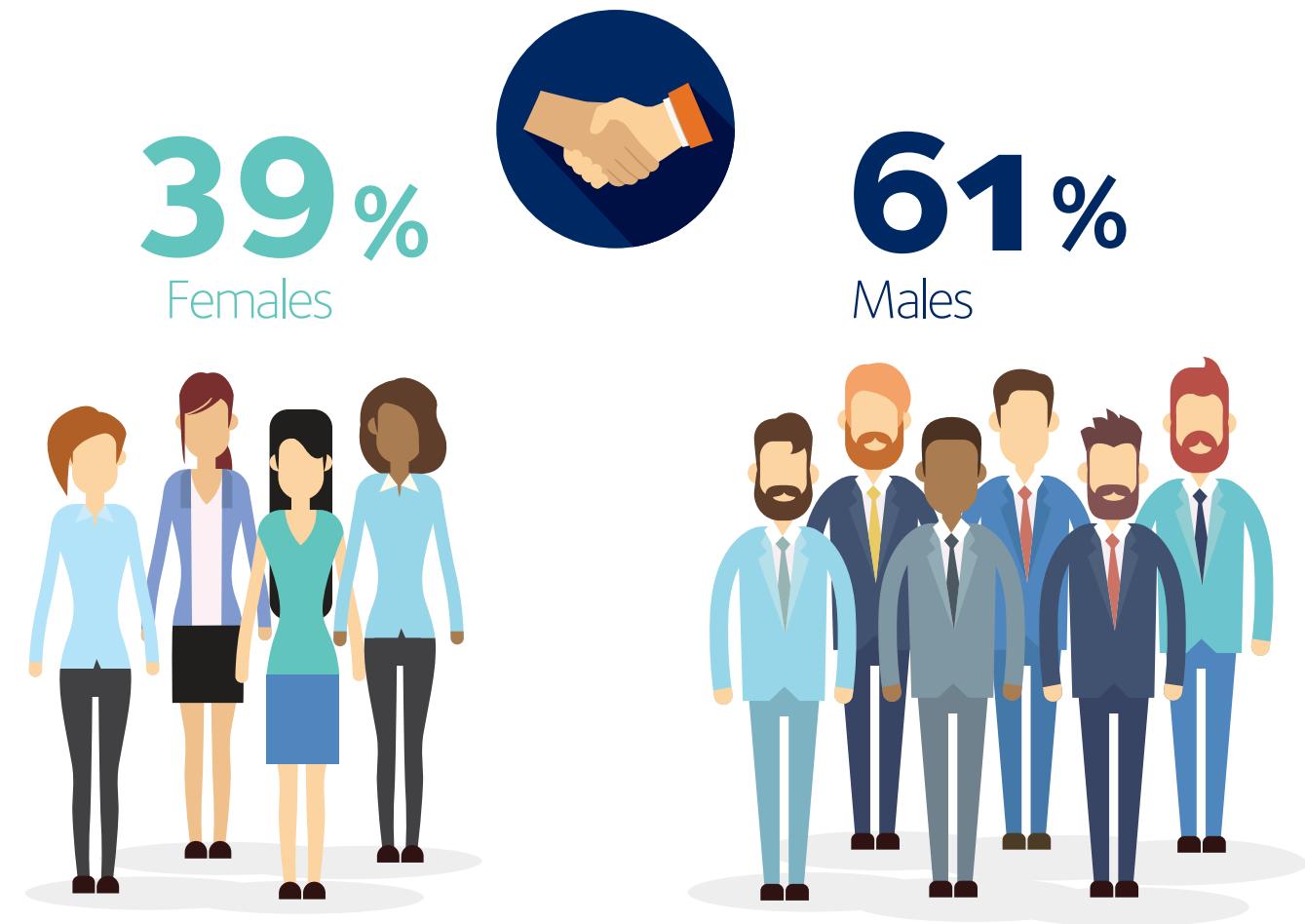


* Please refer to page 85.

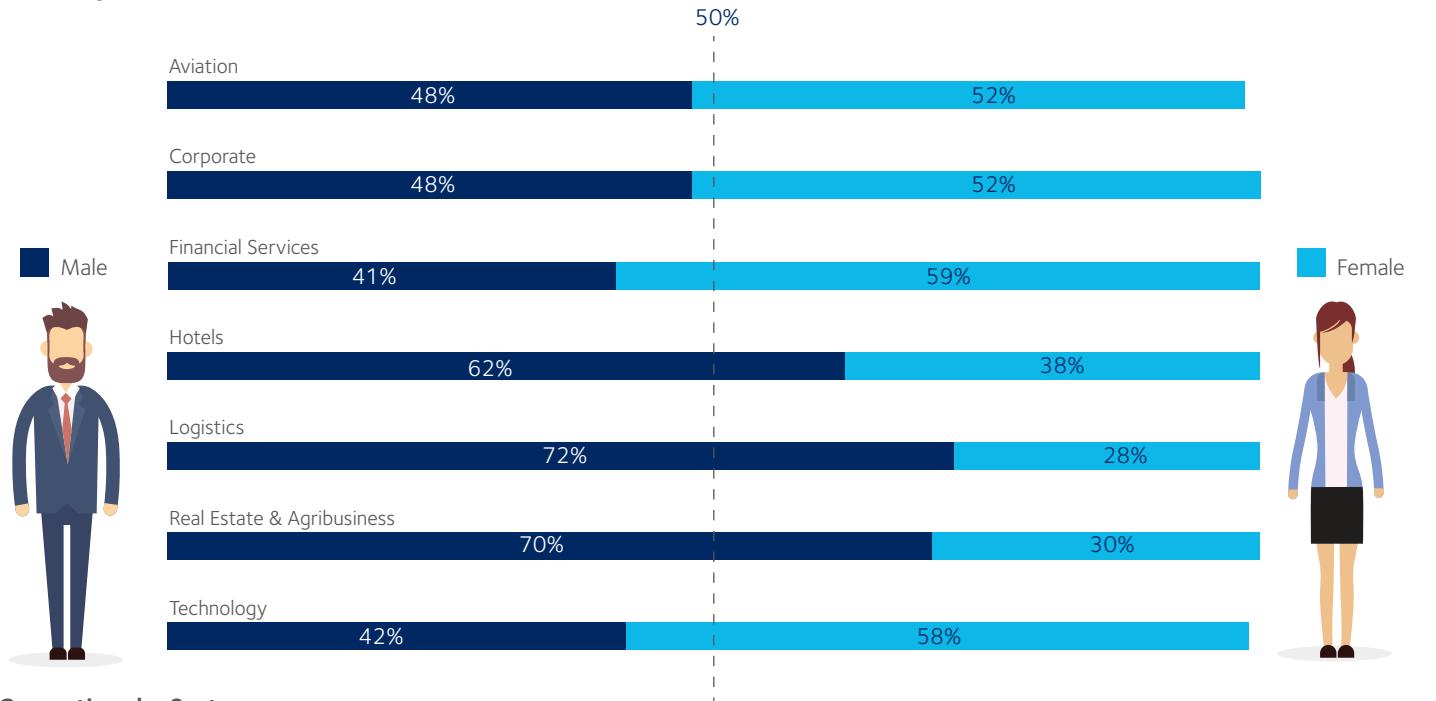


Our People

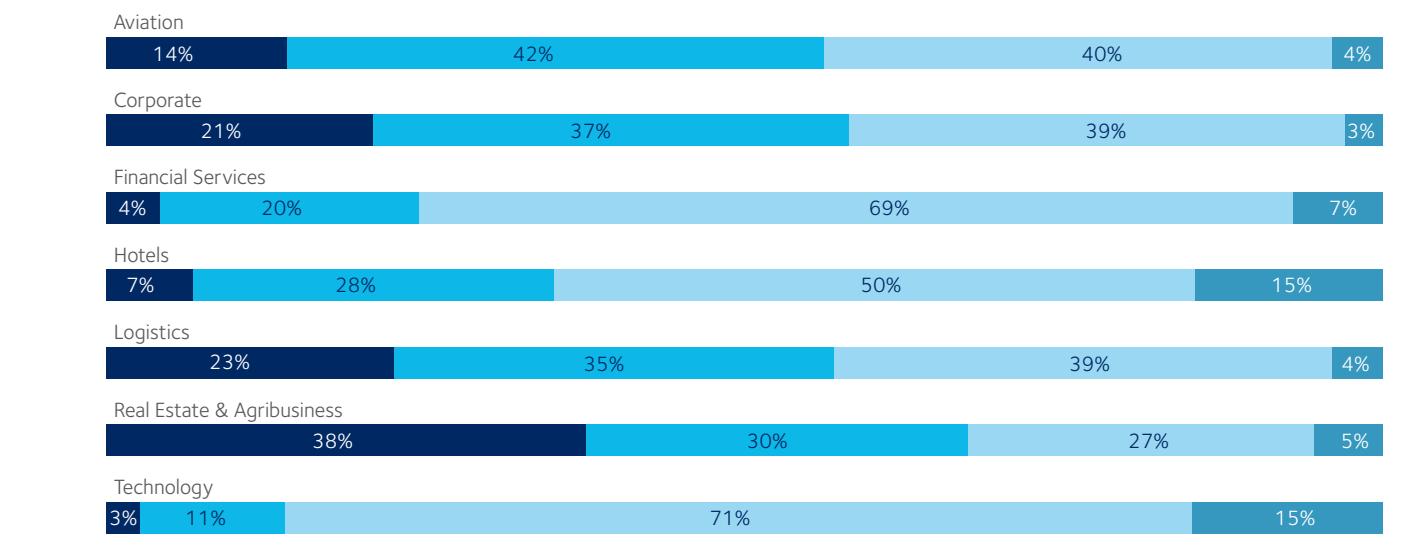
Gender Distribution



Gender by Sector



Generations by Sector



* Baby Boomers (From 1941 to 1964) Gen X (From 1965 to 1979) Gen Y (From 1980 to 1994) Gen Z (From 1995 to 2010)

Our People

HR Development



2,500

Employees trained for
a total of 43,500 man-hours



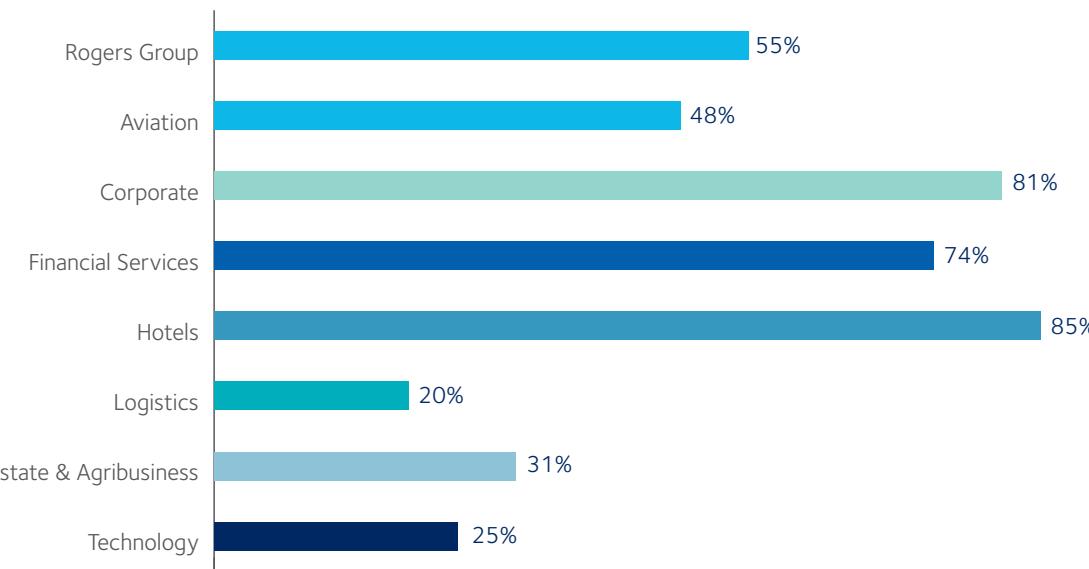
Rs 22m

Invested in Training & Development across the Group

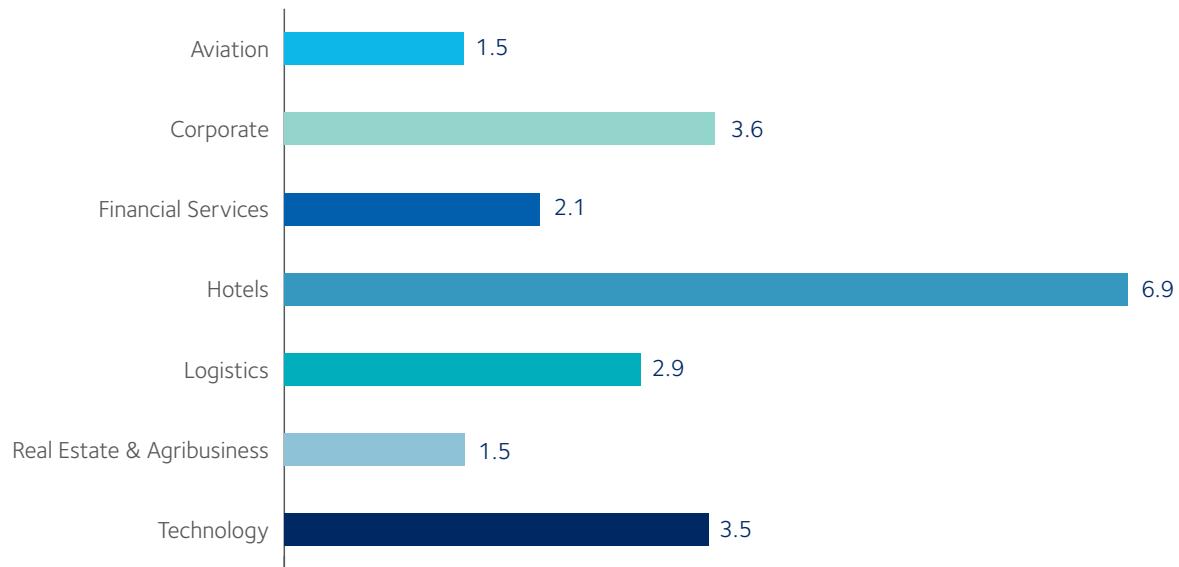


Our investments in training covered
55% of our employee base

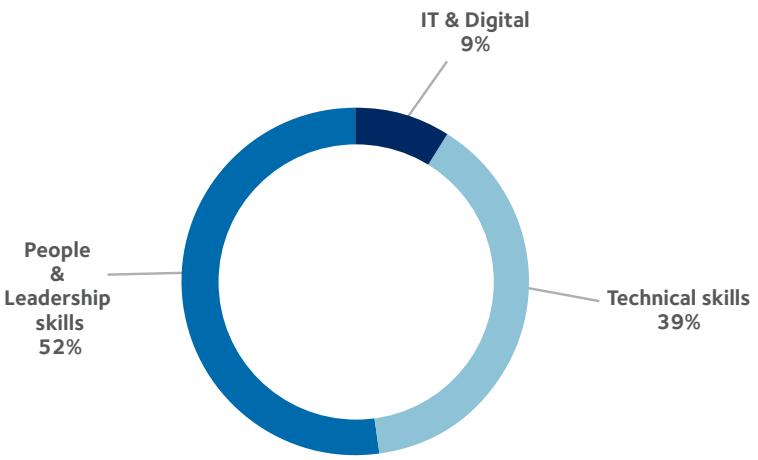
% Employees Trained by Sector



Training Investment by Sector (Rs m)



Training Investment by Focus Area





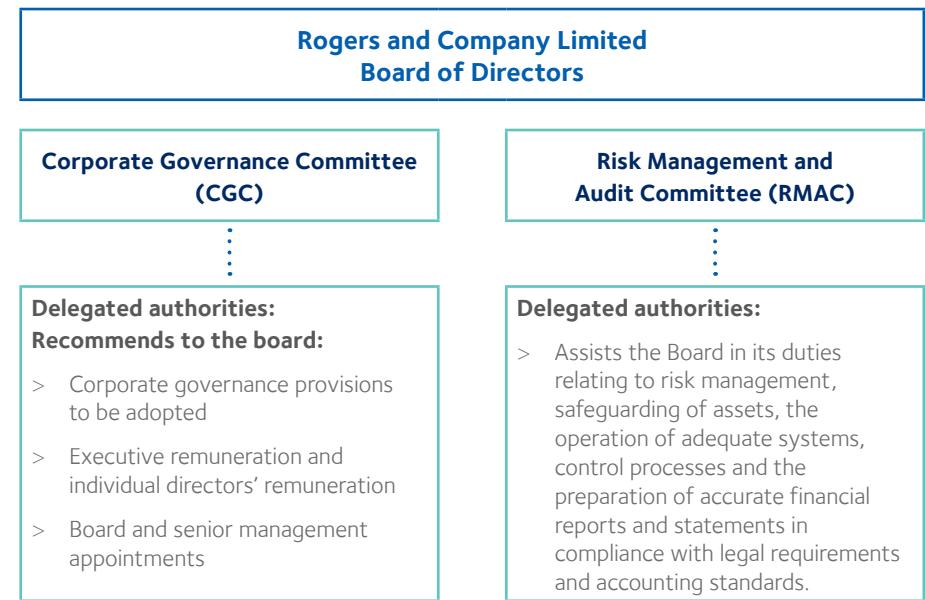
Corporate Governance Report

1. COMPLIANCE STATEMENT

For the year under review, Rogers and Company Limited ("Rogers" or the "Company") has complied with the provisions of the Code of Corporate Governance for Mauritius (the "Code").

2. GOVERNANCE STRUCTURE

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



With a view to improving 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 and Risk Management and Audit Committees have also been set up at the level of Ascencia Limited due to the nature, size and specificity of its business; and
- the governance, risk and audit issues relating to the business activities of the subsidiaries of Rogers operating in the hotels, logistics, property (excluding Ascencia Limited), and Fintech sectors are overseen by the CGC and the RMAC.

3.2 Share Ownership

As at 30 June 2016, the Company had 2,613 shareholders.

A breakdown of the categories of shareholders and the share ownership as at 30 June 2016 are set out in Tables 2 and 3 respectively.

Table 2: Breakdown of shareholders by category

Category	Number of shareholders	Number of shares owned	% of total issued shares
Individuals	2,238	35,706,390	14.17
Insurance and assurance companies	20	15,863,432	6.29
Pensions and provident funds	54	27,708,704	10.99
Investment and trust companies	40	21,319,271	8.46
Other corporate bodies	202	151,447,503	60.09
	2,554*	252,045,300	100.00

* The above number of shareholders is indicative, due to consolidation of multi-portfolios for reporting purposes. The total number of active shareholders as at 30 June 2016 was 2,613.

3.3 Ownership Restrictions

The constitution of Rogers provides that no shareholder, other than those existing before its adoption, shall hold more than 10% of the issued share capital of the Company without the prior authorisation of the Board.

3.4 Shareholder Communication and Events

Rogers communicates with its shareholders through its Annual Report, Investors' News, published unaudited quarterly results, dividend declarations and Annual Meeting of Shareholders. The Executive Team of Rogers meets the investor community twice yearly to brief them on the Company's strategy, financial performance, investments and disinvestments.



3.5 Dividend Policy

Rogers has no formal dividend policy. Payment of dividends is subject to the profitability of Rogers, its foreseeable investment, capital expenditure and working capital requirements.

4 BOARD

4.1 Composition of the Board

Rogers was headed by a unitary Board comprising twelve Directors.

The Chairman of the Board is elected by his fellow Directors and is responsible for leading the Board and its effectiveness. The functions and responsibilities of the Chairman and Chief Executive are separate. The Chief Executive is contractually responsible for:

- a) developing and recommending the long-term vision and strategy of the Group;
- b) generating shareholder value;
- c) maintaining positive, reciprocal relations with relevant stakeholders;
- d) creating the appropriate human resources framework to identify the right resources, train them, drive them to higher performance and maintain a conducive team spirit;
- e) formulating and monitoring budgets and financials of the Group; and
- f) establishing the optimum internal control and risk management framework to safeguard the assets of the Group.

The Board has a broad range of skills, expertise and experience ranging from accounting, banking and commercial to tourism, logistics, financial and legal matters.

In line with the Code, all Directors stand for re-election on a yearly basis.

4.2 Role of the Board

The Board is accountable and responsible for the performance and affairs of the Group. Its role includes the determination, review and monitoring of the Group's strategic plan, monitoring of the Group's financial performance against budget, approval of key acquisitions/disposals and capital expenditure. The Board is also responsible for the Group's risk management and internal control processes.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate. Directors are expected to attend each Board Meeting and each meeting of the Committees of which they are members, unless there are exceptional circumstances that prevent them from so doing. The Chairman and the Chief Executive, in collaboration with the Company Secretary, agree the meeting agendas to ensure adequate coverage of key issues during the year.

4.3 Board Charter

The Board is of the view that the current legislation, rules, guidelines and Code already defines the responsibilities of the Directors and there is no need to adopt a Board Charter which will be a repetition of these duties and responsibilities.

4.4 Director Induction and Board Access to Information and Advice

On appointment to the Board and/or its Committees, Directors receive a comprehensive induction pack from the Company Secretary and an induction programme is organised to introduce the newly elected Directors to the Group's businesses and Senior Executives.

All Directors have access to the Company Secretary and to the Senior Executives to discuss issues or to obtain information on specific areas or items to be considered at Board meetings or any other area they consider appropriate.

Furthermore, the Directors have access to the records of the Company and they have the right to request independent professional advice at the expense of the Company. The Board and its Committees also have the authority to secure the attendance at meetings of third parties with relevant experience and expertise as and when required.

4.5 Board Performance Review

A Board evaluation exercise was carried out in June 2016 in the form of a questionnaire covering such aspects as the performance of the Board, its procedures, practices and administration. The outcome of the exercise was considered by the Corporate Governance Committee in August 2016 and thereafter by the Board in September 2016. Whilst the evaluation has underlined the Board's areas of strengths, this exercise has also helped identify areas for improvement, the implementation of which has been planned for the second quarter of the financial year ending 30 June 2017. Overall, the Directors were of the opinion that the Board functioned well.



4.6 Interests of Directors

All Directors, including the Chairman, declare their direct and indirect interests in the shares of Rogers. They moreover follow the Model Code for Securities Transactions as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules whenever they deal in the shares of the Company.

4.7 Indemnities and Insurance

A directors' and officers' liability insurance policy has been subscribed to and renewed by Rogers. The policy provides cover for the risks arising out of the acts or omissions of the Directors and Officers of Rogers Group. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

4.8 Share Option Scheme

There is no employee share option scheme at the level of the Company.

5 BOARD COMMITTEES

The Board has set up a Corporate Governance Committee and a Risk Management and Audit Committee to assist in the discharge of its duties.

The functions and responsibilities of each committee are outlined in the committee's written terms of reference which have been approved by the Board. These terms of reference meet the requirements of the Code and are reviewed each year. They are available on the Rogers' website.

The Chairmen of both committees report orally on the proceedings of their respective committees at the Board meetings of Rogers. The minutes of the meetings of the RMAC are included in the Board pack distributed to Board members in advance of Board meetings.

A summary of the key responsibilities of these committees as well as their composition are set out in Table 8.

Table 8: Key Responsibilities of Committees and their Composition

Committee	Key Responsibilities
Corporate Governance Committee (also serves as Remuneration and Nomination Committees)	<ul style="list-style-type: none"> (a) Make 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. (b) Ensure that the disclosure requirements with regard to corporate governance, whether in the Annual Report or other reports on an ongoing basis, are in accordance with the principles of the applicable Code of Corporate Governance. (c) Make recommendations to the Board on all new Board appointments. (d) Review through a formal process the balance and effectiveness of the Board. (e) Develop a policy on executive remuneration and for fixing the remuneration and benefit packages of individual Directors, within agreed terms of reference, to avoid potential conflicts of interest. (f) In relation to the remuneration of non-executives, make recommendations to the full Board.

Committee	Key Responsibilities
Risk Management and Audit Committee	<ul style="list-style-type: none"> (a) Ensure that: <ul style="list-style-type: none"> • 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 ongoing assurance that assets are safeguarded. • Transactions are executed and recorded in accordance with the Company's policy. (b) Review: <ul style="list-style-type: none"> • Important accounting issues. • Changes in legislation that will give rise to changes in practice. • Compliance with regard to specific disclosures in the financial statements. • Quarterly, preliminary and annual reports as well as any other financial reports.

6 STATEMENT OF REMUNERATION PHILOSOPHY

6.1 Non-Executive Directors' Remuneration

The fees paid to Non-Executive Directors have been recommended to the Board by the CGC (acting as the Remuneration Committee) based on a survey carried out by an independent consultant in 2004. Such fees have since been reviewed in 2007 and anew in December 2012.

The fees are calculated in the following manner: (a) a basic monthly fee; and (b) an attendance fee. Committee members are paid a monthly fee only. The Chairman of the Board and the Chairmen of the Board Committees are paid a higher monthly fee.

6.2 Executive Directors' Remuneration

The Executive Directors are not remunerated for serving on the Board and its Committees. Their remuneration package as employees of the Company, including their performance bonus are aligned to market rates.

The performance bonuses which are payable are subject to the performance of the Company as well as the job holder and could go up to 50% of the annual basic salary.

6.3 Employee Remuneration

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.



Risk Management and Audit Committee Report

8. OTHER GOVERNANCE MATTERS

8.1 Profiles of Senior Executives

Are detailed in the Annual Report 2016.

8.2 Statement of Interests of Senior Officers (excluding Executive Directors)

Are detailed in the Annual Report 2016.

8.3 Code of Ethics

Rogers has adopted 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 been adopted by the Group. No breach of ethics or malpractice was reported for the year under review.

8.4 Health and Safety Policy

The ANSI/AIHA Z10-2012 safety management system (SMS) is being used currently across the Group. As there are demands for more internationally recognised SMS from partners abroad, the Company is evaluating the impact and relevancy of switching to ISO 45000 standard.



"The Group is characterised by a high risk awareness culture and the RMAC continues to play a key oversight role for the Board."

Dear Shareholder,

On behalf of the Risk Management and Audit Committee (RMAC), I am pleased to present the report for this financial year 2016. This report details the roles and responsibilities of the Committee and the work carried out during the year. I trust that it will be valuable to shareholders and stakeholders in their appreciation of the accomplishment of the Committee's objectives.

The Group is characterised by a high risk awareness culture, established by strong processes and efficient decision-making, which aims at assisting in the identification and management of risks. The RMAC has continued to play a key oversight role for the Board by placing significant emphasis on sustaining the standard of the financial reporting process, as well as assessing Management's judgement on major accounting treatments and the work carried out by third parties.

We have considered a number of challenges from the Group's businesses by placing significant focus on safeguarding the effectiveness and independence of the internal and external audit processes. Special consideration was given to improving the Group's internal control, governance and risk management systems.

A high-level review of strategic risks was undertaken this year whereby sectors have updated their risk registers to reach the 'Top 5' risks. The impact on our risk landscape is closely being scrutinised and monitored by Management and its aim is to provide an update on the identification and mitigation strategies of risks. Through the Group's Business Risk Registers, we reviewed Management's plans and mitigating actions to ensure that all key risks are appropriately and systematically prioritised, resourced and treated. RMAC members use their experience gained in other businesses to challenge and advise Management and in this way, key risks

are constantly monitored whilst mitigating actions are taken with the collaboration of Management and our internal audit team.

The RMAC continues to review closely any control failures identified in internal audit reports or otherwise and monitors the progress on Management's implementation of recommendations and action plans. Where required, sectorial Chief Executive Officers are welcome to give an insight on challenges faced and the strategies used to manage those risks. The detection of a fraud of Rs. 9.5 m (P&L impact) at one of the Group companies during the year was satisfactorily and promptly dealt with by management. This isolated breakdown in one of the internal controls in place highlights the need for Management to remain vigilant at all times.

The progress made towards the achievement of the Group's strategic plan is also measured. In its work, the RMAC has sought to balance independent oversight of the business with the support and guidance of Management.

The progress from last year shifted towards creating a greater awareness on financial controls so as to improve the internal control environment. Events occurring during the year that are below the risk threshold are dealt with by Management and if needed, a management presentation is made to the members of the RMAC for their understanding and to provide assurance that such risks have been remedied and will not occur again.

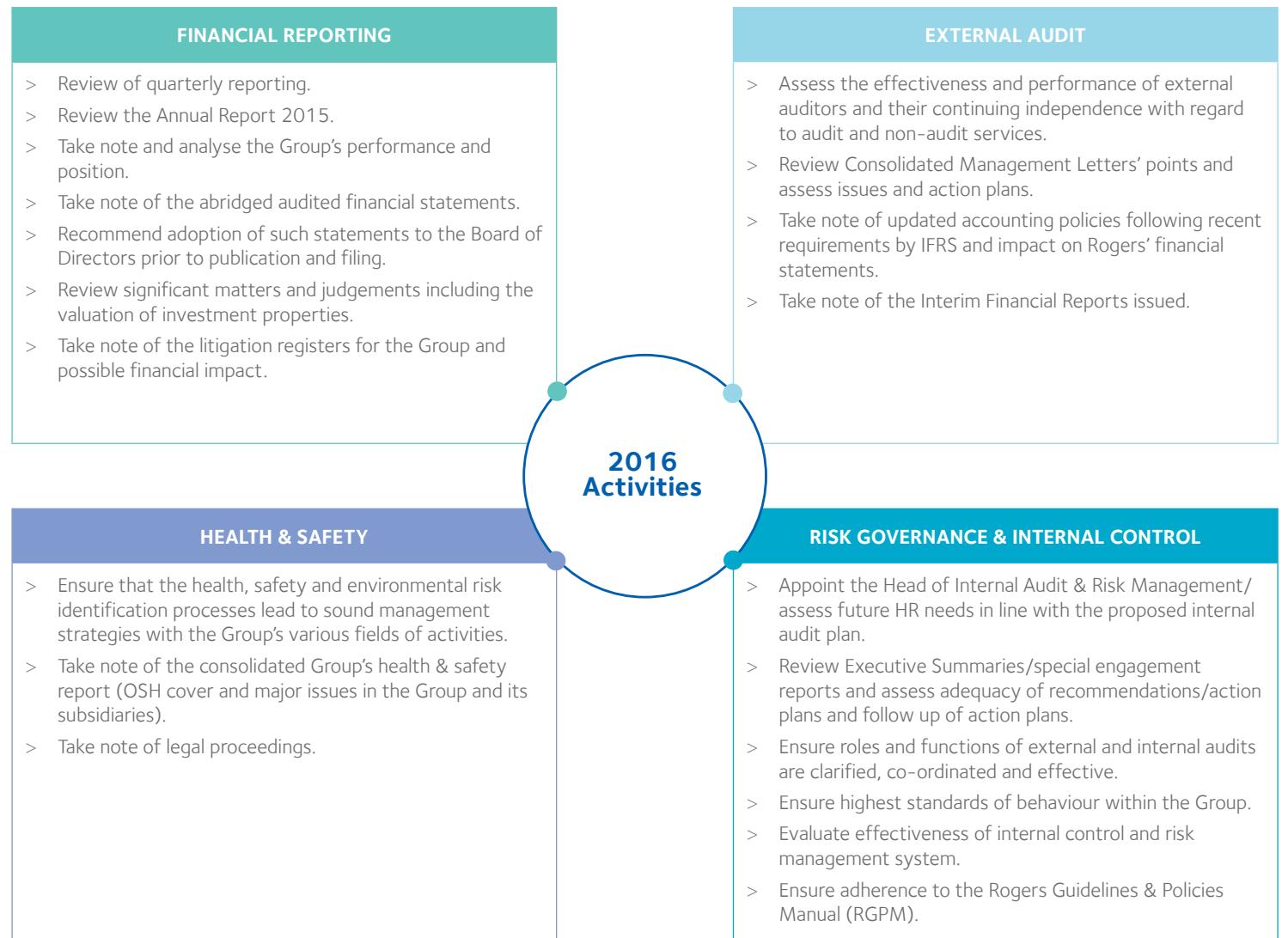
We have taken cognizance of the new Code of Corporate Governance for Mauritius (2016) which encourages high-quality corporate governance with greater flexibility coupled with the methodology "apply and explain". The first time application of the Code for Rogers will fully be implemented during the financial year 2017 and we are planning to update the RMAC charter accordingly.



2016 in overview

The RMAC carried out its duties as required by Section 3 of the charter of the RMAC and in accordance with its annual plan adopted to manage the discharge of its responsibilities. The schedule of business covers the key areas within the Committee's remit and ensures that members have the information they need to give proper consideration to all matters brought before them.

Set out below are some highlights for the financial year 2016.



Outlook & Conclusion

Based on the activities carried out in 2016, the RMAC believes that there were no material shortcomings in the design and effectiveness of internal controls, governance and risk management during the year. The RMAC discharged its responsibilities according to its mandate. Looking ahead, the RMAC will remain focused on the audit, assurance and risk processes across the Group and maintain its oversight of financial, environmental and other regulatory requirements. The takeaways for the financial year 2017 will be anchored on:

- Monitoring the mutual relationship with the internal audit function by providing oversight of internal audit;
- Supporting independence and developing a highly competent internal audit function aligned with the needs of corporate governance and mutually determine important risks and objectives;
- Supporting the risk management work achieved so far and the progress in maturity;
- Setting risk tolerance and risk appetite measures and targets for the Group;
- Establishing a risk reporting and escalating protocol for most critical and lowest risks;
- Evaluating the effectiveness of the RMAC; and
- Setting the foundation for an integrated reporting framework.

On behalf of the RMAC and in my personal name, I wish to thank the CEO and the Management of all the Group's businesses, our external auditors, BDO & Co., the internal audit team and the RMAC members for their contributions which have enabled the Committee to discharge its duties and responsibilities to the best of its abilities.

On behalf of the RMAC,

Alain Rey

Chairman, Risk Management and Audit Committee

31 August 2016



Risk Governance & Internal Control

Risk Management

"At Rogers, we believe that **effective risk management** is critical to the achievement of our strategic objectives and the long-term sustainable growth of our business".

Philippe Espitalier-Noël, CEO

RMAC structure and effectiveness

The RMAC aims at enhancing the diversity of its members' area of expertise. It operates within a formal charter: It is chaired by an Independent Non-Executive Director along with other members who are also Independent Non-Executive Directors. They are chosen on the basis of their corporate leadership skills, experience and expertise which they acquired by holding senior office in businesses. They discharge their duties to the best interest of the Group as a whole.

RMAC

Permanent Members

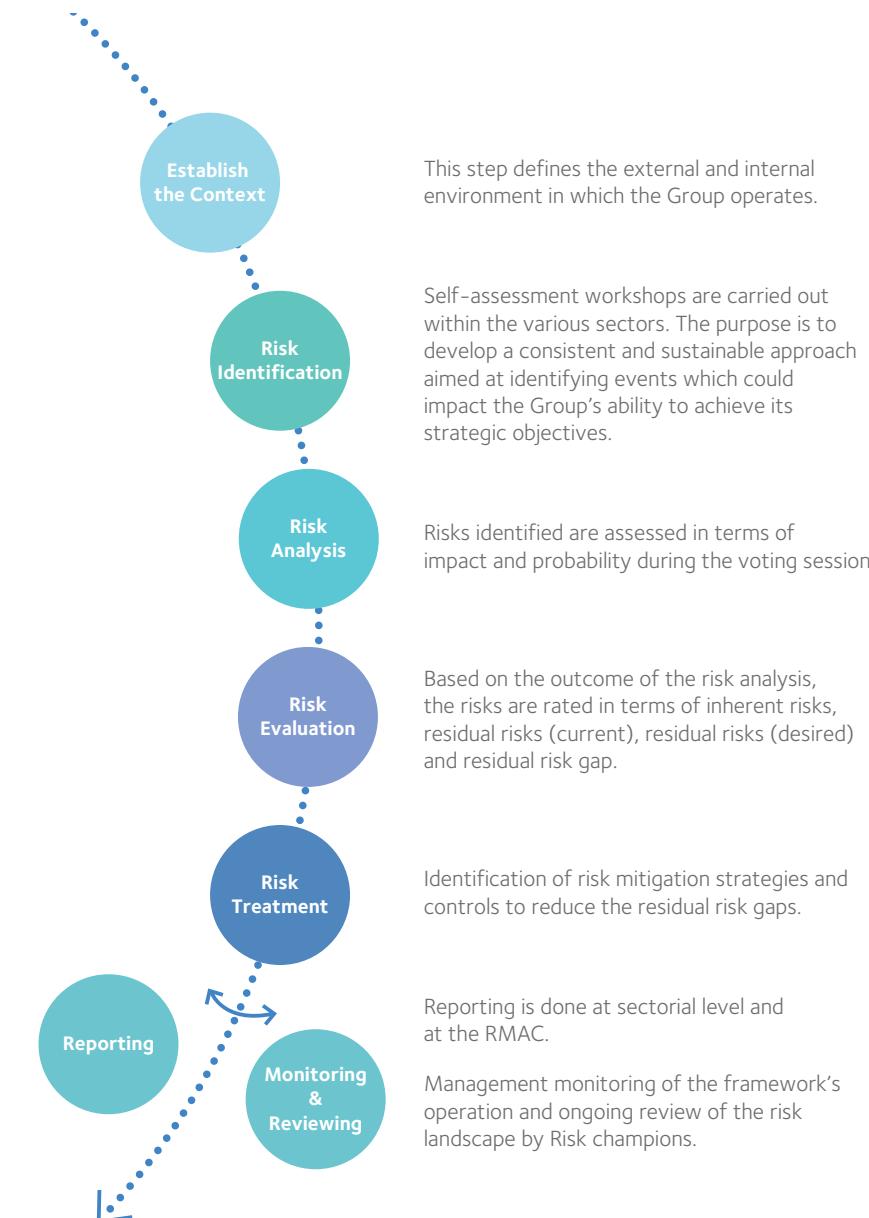
- Alain Rey
- Philippe Forget
- Vivian Masson
- Patrick de Labauve d'Arifat

In Attendance

- Chief Finance & Investment Executive
- Head of Internal Audit & Risk Management
- External auditors
- Sectors' Chief Executives
- Sectors' Chief Finance Officers
- Health & Safety Manager

	EXPERIENCE	SKILLS	ATTENDANCE
Financial			
Regulatory			
Capital markets			
Legal & Regulatory			
Mergers & Acquisitions			
Agriculture & Agro-Industry			
Risk Management			
Wide base of Non-Executive Director experience			
Strategy			
Financial acumen			
Governance			
Statistical science			
Research & Development			
International business			
Attendance			
	Q1 Q2 Q3 Q4	Member since	
Alain Rey	● ● ● ●	07-Dec-12	
Philippe Forget	● ● ● ●	10-Dec-15	
Vivian Masson	● ● ● ●	10-Dec-15	
Patrick de Labauve d'Arifat	● ● ● ●	23-Jan-13	
Gilbert Espitalier-Noël	● ● ● ●	Resigned (9-Jul-15)	
Guy Adam	● ● ● ●	Co-opted	
Ziyad Bundhun	● ● ● ●	Co-opted	
Naderasen Pillay Veerasamy	● ● ● ●	Co-opted	

Right balance of skills, experience and expertise to make a meaningful contribution to the Rogers Group



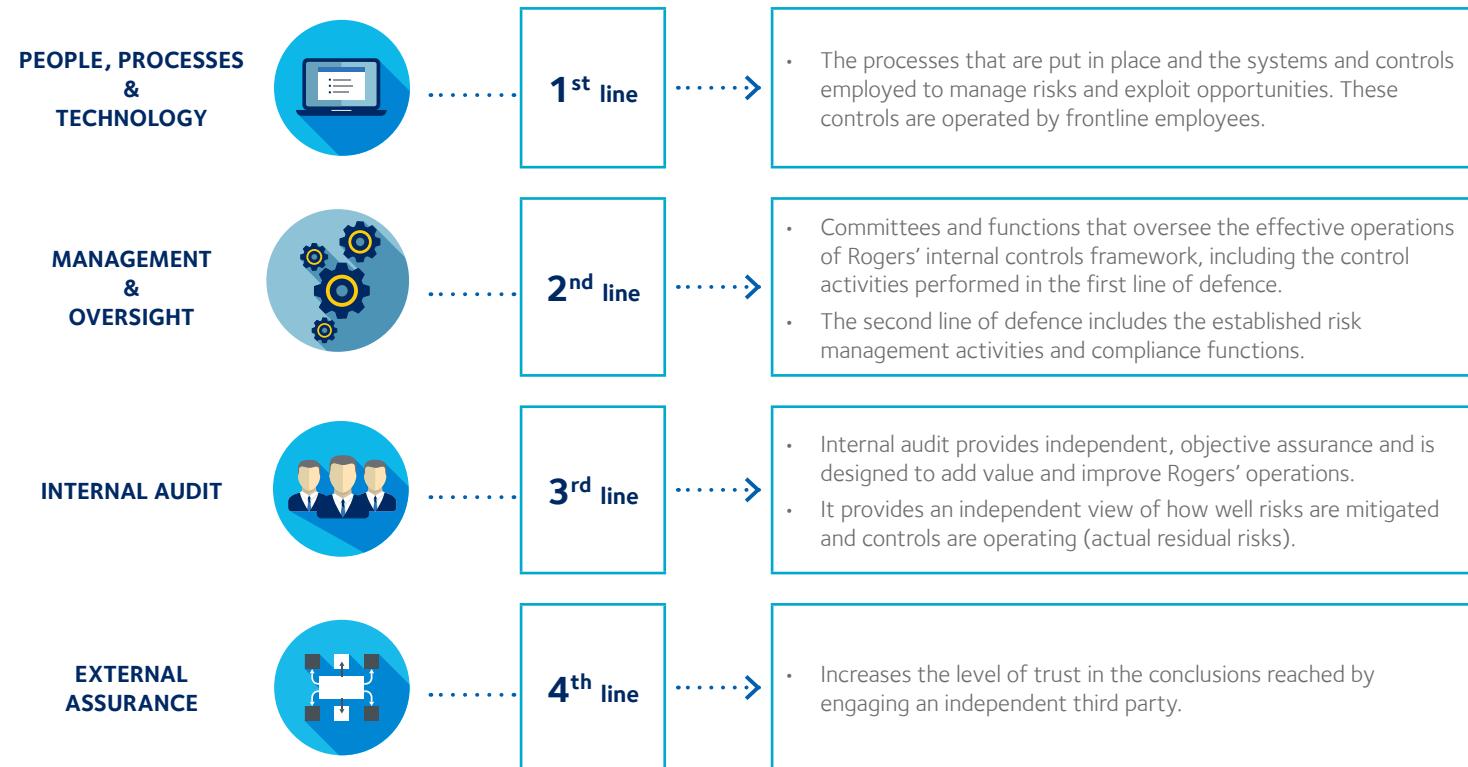
RISK MANAGEMENT FRAMEWORK
At Rogers, risk management is embedded in our day-to-day activities and plays a fundamental role on how we work across the Group. Our risk management framework is a key component of our business model and is designed primarily to protect our shareholders, people, assets, reputation and clients' interests.
Given our diversified activities, geographical locations and legal framework in which we operate, risk awareness and risk management are essential to all our actions.
In order to ensure that our risk management framework meets our business needs, the Board, together with Management ensure that our approach to risk management remains proactive, methodical and integrated. Our risk management process aims at identifying new and emerging risks at an early stage.
Overall accountability for risk management lies with the Board which articulates the risks that the Group is willing to take in pursuit of its strategies through the Group's risk appetite. Risk appetite is a vital, forward-looking perspective since it guides Management in assessing the level of acceptable risks while developing its strategies. The risk appetite also sets shareholders' expectations with regard to the level of risk that Rogers is willing to take.
Major risks faced by the Group, together with the identified mitigating measures are regularly assessed to ensure that the Group's risk profile is as expected. These risks are depicted on page 108.



Risk Governance & Internal Control

Our Lines of Defence

Risks are changing constantly in our rapidly moving times. It is therefore essential for risk management to be implemented quickly and in an effective way without subsequent operating costs. For this to be achieved, an agile framework has been integrated throughout the Group. The framework is based on a four lines of defence approach to risk management and designates the various roles, responsibilities and accountabilities for risk management, risk reporting and risk escalation across the Group. It incorporates the oversight, management and assurance of risk management, essentially giving four independent views of risks in the organisation. The risk management process has been instilled in the culture of the Group and its implementation is a major contributor to its effectiveness and this is ensured by the Board and senior Management. The Board of Directors is also responsible for providing an oversight of the Group's risk management activities. Our 4 lines of defence are illustrated as follows:



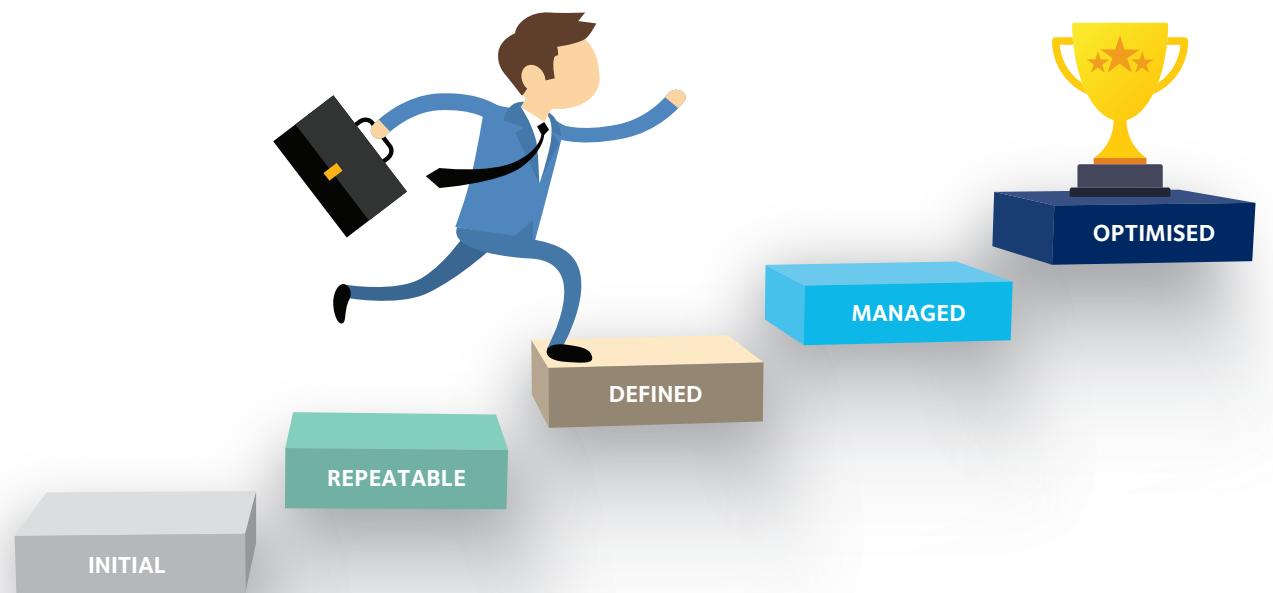
This model adapted to Rogers' needs is both a bottom-up and top-down approach endorsing an effective communication flow amongst the different players. The Board of Directors acts as a 'watchdog' of the four lines of defence. It sets the tone by approving the risk management strategy and is accountable for Rogers' internal control system. Changes in our risk profile are highlighted to the Board which regularly reviews and challenges whether the Group's identified principal risks are being managed while ensuring that other potential risks, their impacts and the opportunities they may give rise to are an explicit part of its discussions.

Risk Governance & Internal Control

Risk Maturity Level

As compared to last year ("repeatable"), Rogers has positioned itself to the 'defined' risk maturity level. In order to assess and oversee the risk management process at business and executive levels, a formalised governance structure has been implemented. Thus this governance structure aims at assessing the risks associated with the evolution and implementation of any new policy, programme or service.

The Group will achieve its strategic objectives through the collaboration and implementation of its framework and associated risk profiles and action plans by putting in place a culture of constancy and precision in risk planning and subsequent action plans. Our aim is to continuously climb the ladder and we believe that Rogers has not yet reached an optimum risk maturity level. Embedding risk management 'in everything we do' is a long-term process and requires constant monitoring and fine-tuning of the framework.





Risk Governance & Internal Control

Inherent and Residual Risks

The principal strategic risks (inherent) that Rogers are exposed to in absolute terms, i.e. in the absence of any Management actions are tabled below. Such risks have been identified during the risk identification phase. These are potential risks that could occur in the event of a lack of controls in place. The inclusion of a risk does not mean that it has materialised or that it is not being managed - it means that Management has identified this risk as an area of priority to ensure that controls are put in place to mitigate the risks.

Inherent (principal strategic) risks	2015	2016
• Ability to adapt to changes	●	●
• Concentration	●	●
• Contracting	●	●
• Forex	●	●
• Fundraising	●	●
• Health & Safety	●	●
• ICT infrastructure/IT infrastructure	●	●
• Innovation	●	●
• Legal and regulatory compliance	●	●
• Liquidity	●	●
• Market intelligence	●	●
• Projects, strategic partnerships and acquisitions (domestic and international)	●	●
• Skills attraction, performance and retention	●	●
• Stakeholder engagement	●	●
• Theft, fraud and corruption	●	●
• Cyberthreats	-	●
• Development risk	-	●
• Financial reporting	-	●

Each sector of the Group maintains its own business risk registers which are reviewed and updated regularly. After adequate controls have been put in place, namely the Group's top residual risks are identified as follows:

1. Skills, attraction, performance and retention
2. Market Intelligence
3. Innovation
4. Liquidity
5. Legal and regulatory compliance

Risk Governance & Internal Control

Managing our Top 5 Risks

The top 5 strategic risks for the Group are based on the residual risk gap (difference between the current level of risk and the desired level of residual risk). The following tables describe the top 5 risks facing the Group and the means that are adopted to mitigate them. We have also included a comparative from last year, in order to see how such risks have evolved over time.

1. SKILLS ATTRACTION, PERFORMANCE AND RETENTION RISK	RISK AS AT JUNE 2016
ROOT CAUSE: High key staff turnover and shortage of skilled/qualified employees are essential issues which affect the Group's performance, success and ability to match international benchmarks.	COMMENTARY: There are measures which have been introduced, such as: • Talent acquisition and retention • Career growth • Training and talent development • Transparent Performance Management System
IMPACT: Quality of service is affected Reputational damage Low client satisfaction Business failure	MITIGATION: Adequate rewards and recognition as well as provision of appropriate training and development opportunities to employees on a continuous basis.
CONCERNED SECTORS: The Group	
2. MARKET INTELLIGENCE RISK	RISK AS AT JUNE 2016
ROOT CAUSE: The Group's lack of relevant and/or reliable information on competitors may result in prices or rates that customers are indisposed to pay.	COMMENTARY: There is a need to evaluate the targeted markets thoroughly. SWOT analysis and risk assessment exercises to be conducted accordingly. Greater use of experts under co-sourcing arrangements when required.
IMPACT: Erosion of customer base Loss of competitive advantage Financial loss Wrong strategic decisions taken	MITIGATION: Benchmarking exercise and market surveillance are essential but most importantly are the new developments of projects to increase Rogers' competitiveness.
CONCERNED SECTORS: The Group	



Risk Governance & Internal Control

3. INNOVATION RISK		RISK AS AT JUNE 2016
Rogers is not leveraging innovation in its business model to achieve or sustain competitive advantage.	<p>ROOT CAUSE: Change in customer behaviour and buying patterns as well as the arrival of new international players impact the Group's capacity and capability of exploiting the innovation space</p>	<p>COMMENTARY: There is a need to innovate and evolve, but it should be done in a cautious and systematic way. Not innovating and not evolving is a greater set back and poses even higher risks.</p>
<p>IMPACT:</p> <ul style="list-style-type: none"> Erosion of customer base Financial loss Lost opportunities Reputational damage <p>CONCERNED SECTORS:</p> <ul style="list-style-type: none"> Aviation Technology Real Estate & Agribusiness Corporate 	<p>MITIGATION: Regular clients surveys and investment in new system/technologies as well as the implementation of a quality management system.</p>	

4. LIQUIDITY RISK		RISK AS AT JUNE 2016
Rogers' Group is exposed to insufficient means of cash flow to meet its financial obligations.	<p>ROOT CAUSE:</p> <ul style="list-style-type: none"> Inexistence/non-adherence to the credit vetting exercise. Delay in receiving money due to economic recession and late payment interest not being charged have accentuated the problem. 	<p>COMMENTARY: Regular review of the Group strategic plan should enable better cash flow planning. At the same time, this will help us identify opportunities.</p>
<p>IMPACT:</p> <ul style="list-style-type: none"> Inability to continue as a going concern Financial loss Reputational damage Opportunity loss <p>CONCERNED SECTORS: The Group</p>	<p>MITIGATION: Assessing customer creditworthiness through bank guarantees. The application of a credit vetting process by a committee, with frequent checks being performed on credit limits awarded to clients. Capital injection from shareholders.</p>	

Risk Governance & Internal Control

5 . LEGAL AND REGULATORY COMPLIANCE RISK		RISK AS AT JUNE 2016
Internal and external compliance procedures not being adhered to by relevant parties. <i>This attitude exposes the Group to continuity interruptions.</i>	<p>ROOT CAUSE:</p> <ul style="list-style-type: none"> Lack of enforcement/communication of policies and procedures. Rigid set of rules 	<p>COMMENTARY: There is a need for non-financial reviews and audits. Compliance with International Standards and regulatory requirements of the different jurisdictions in which we operate. Work closely with the process owners.</p>
<p>IMPACT:</p> <ul style="list-style-type: none"> Reputational damage Litigation exposure Fines and penalties Financial losses <p>CONCERNED SECTORS: The Group</p>	<p>MITIGATION: Ensure compliance with regulations, compliance manual and sound operational processes. Litigation register is in place and is being monitored and reported at Corporate level and RMAC.</p>	

Note:

← Horizontal movement indicates no change in the risk gap

↑ Upward vertical movement indicates an increase in the risk gap

↓ Downward vertical movement indicates a decrease in the risk gap



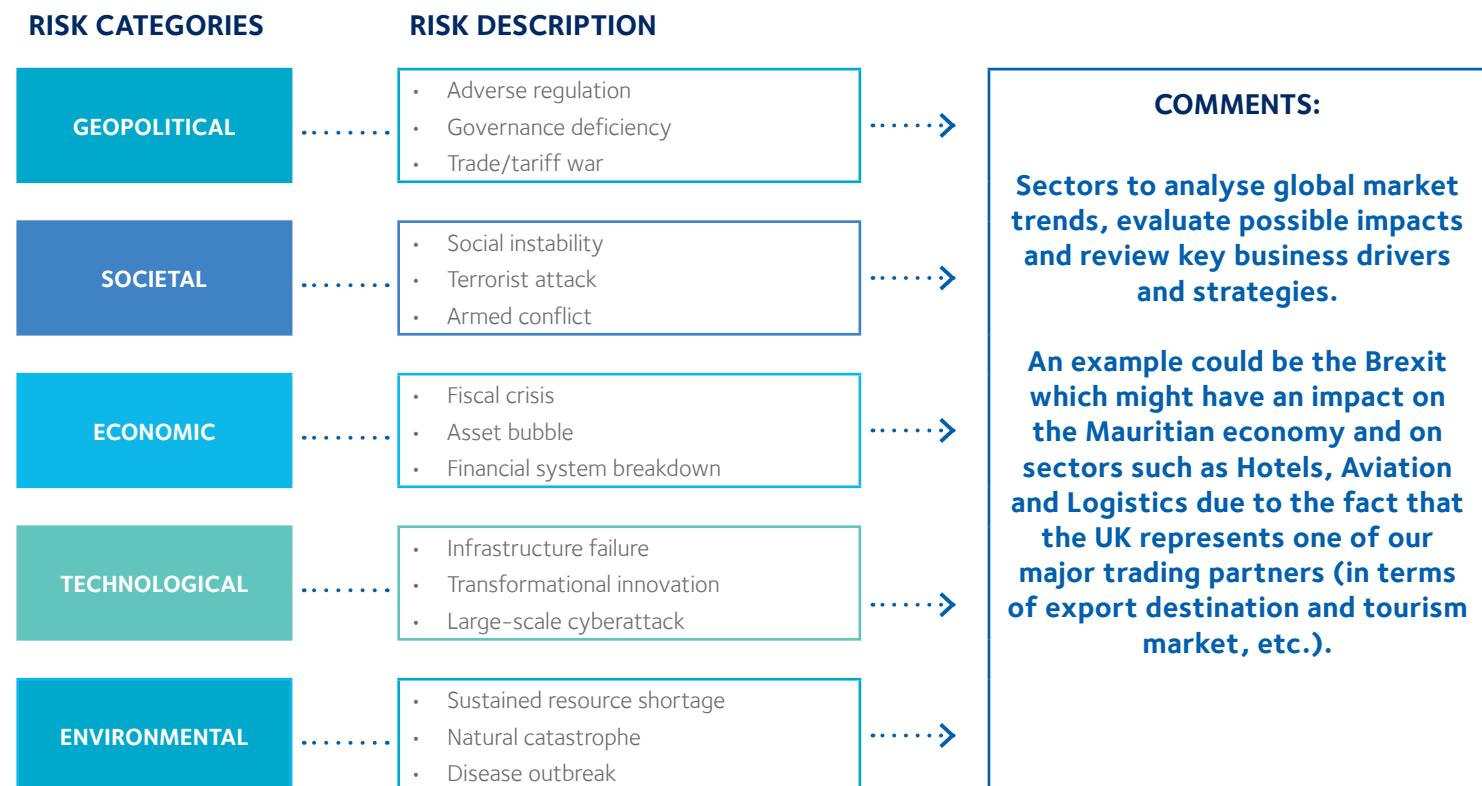
Risk Governance & Internal Control

Emerging Risks

“Change is the law of life. Those who look only to the past or present are certain to miss the future.”

John F. Kennedy

Anticipating and forecasting risks is becoming more difficult and more complex with sudden changes in the environment and globalisation. At Rogers, we believe that we must always prepare ourselves for the unexpected. We recognize complex risks are increasingly interconnected, with the potential to accelerate as they grow and we consider that it is time to turn the risk ‘telescope’ around. Emerging risks are difficult to quantify and as a result of lack of data, the consequences and implications can be unclear. Through the updating of the risk registers, more particularly in the risk identification phase, Management does provide insight of possible emerging risks affecting their businesses and these are rated in terms of severity and likelihood. A more comprehensive ‘watch list’ of those emerging risks will be developed to include a sensitivity analysis/‘what-if’ scenarios. Core global emerging risk categories are depicted as follows:



Risk Governance & Internal Control

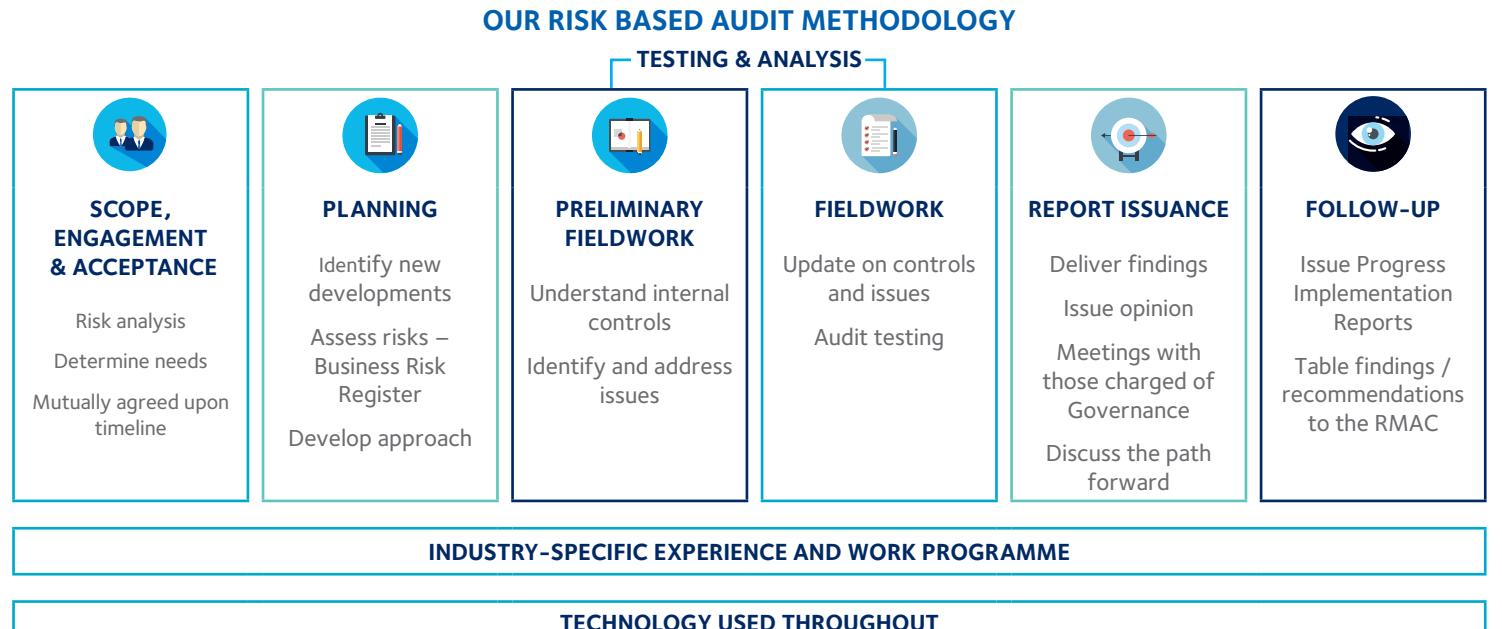
Internal Control

Internal control and risk management are the backbone of good corporate governance. The Board provides the vision and sets out the strategic direction of the Group. It also provides effective leadership and control of the Group, whilst meeting the appropriate interests of its shareholders and stakeholders. It assumes the ultimate responsibility for the effective management of risks across the Group, determining its risk appetite and tolerance as well as ensuring that each business area implements appropriate internal controls. The Board exercises this control by effectively delegating its risk management and systems of assurance regarding financial reporting and internal controls to the RMAC.

In line with the Mauritian Code of Corporate Governance, Rogers has set up a Risk Management and Audit Committee in 2002 whose main objectives are to ensure the existence and efficiency of a system of internal control which reflects the size of the Group as well as its diversity. The Group's risk management systems aim at managing the risk of failure in the pursuit of business objectives rather than to eliminate that risk. The risk management systems, however, cannot provide 100% assurance against material misstatement or loss.

Internal Audit

The internal audit function is carried out by the Risk & Audit Department, an independent in-house business unit operating within a framework aligned with the various policies in existence within the Group. Our internal audit plan is prepared using a risk-based approach. All the elements in our risk landscape are taken into account while preparing the audit plan including changes in risk profiles and emergence of new risks.

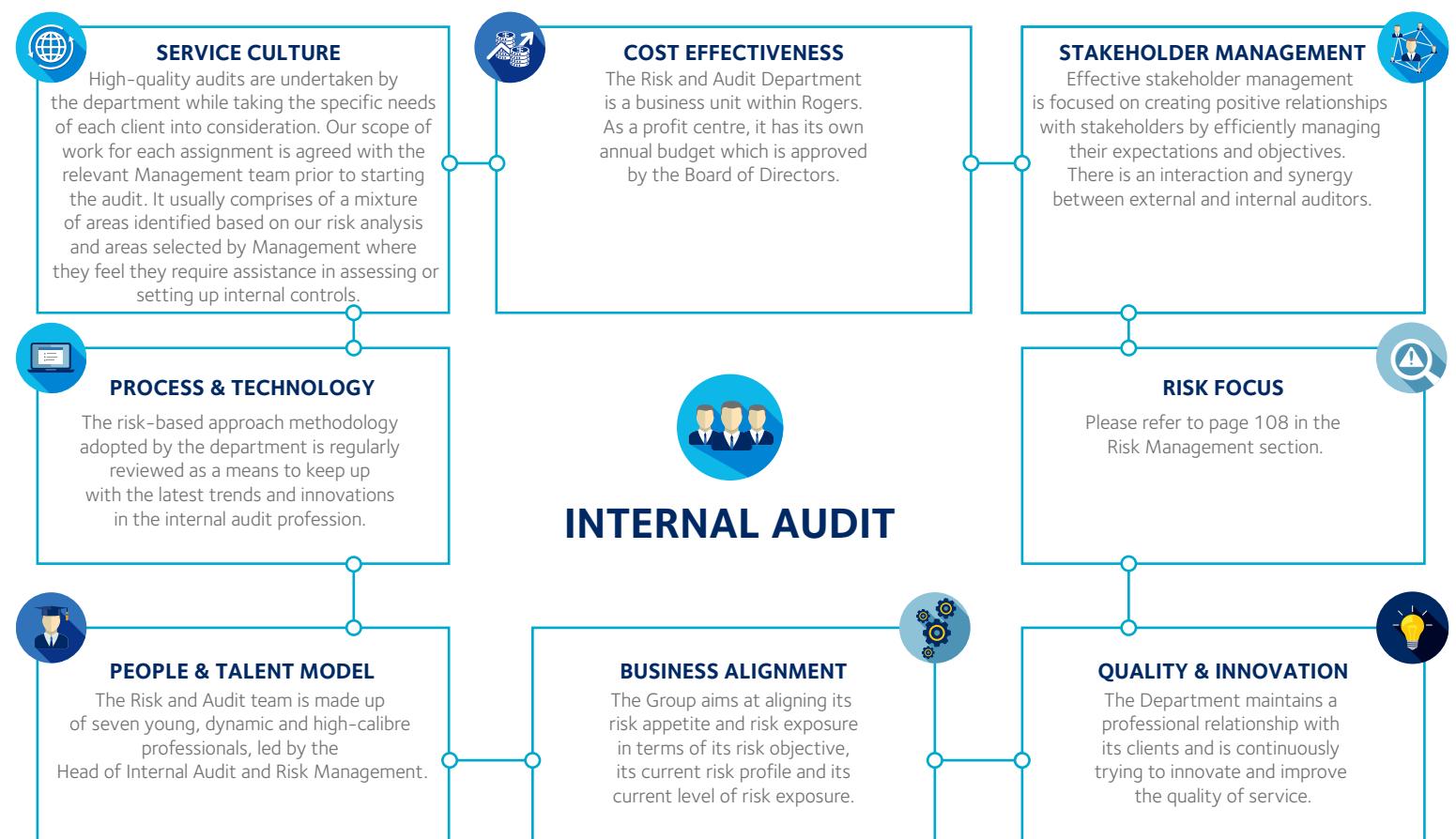


The Risk and Audit Department's main objective is to provide independent and objective assurance as to the effectiveness of the risk management approach and of internal controls within the Group. Amidst these broad objectives, the department also aims at providing Management with reliable information, facilitate interactions with them and provide advice with a view to maintaining a balance between risks and controls throughout the Group. The adequacy and relevance of internal controls is supported by the Rogers Guidelines & Policies Manual (RGPM).



Risk Governance & Internal Control

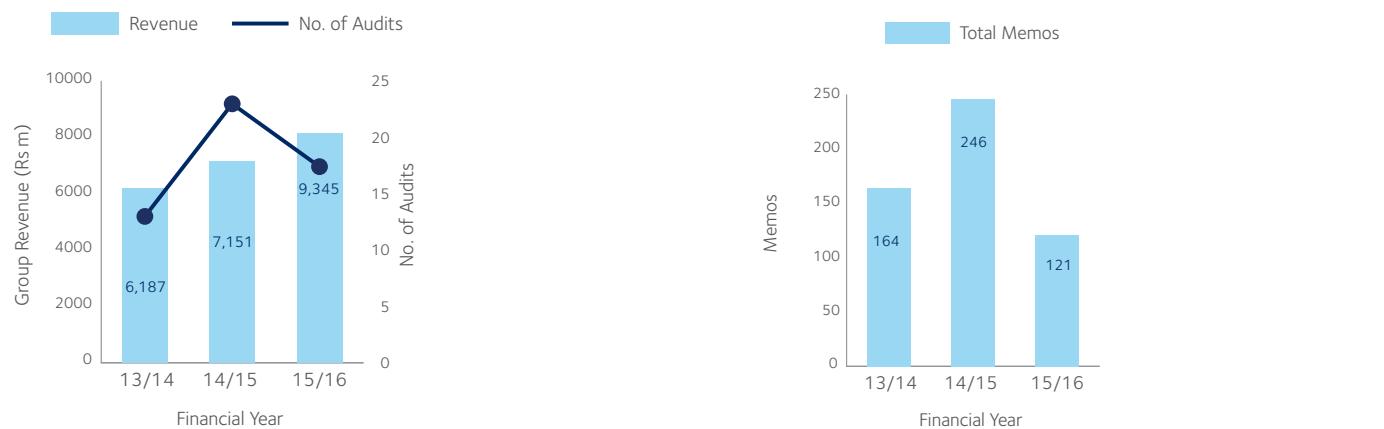
The Board of Directors, Management and other personnel have put in place processes commonly known as internal controls to provide reasonable assurance on the achievement of the objectives related to operations, financial reporting and compliance with laws and regulations. Internal audit directly examines internal controls and provides assurance in respect of the implementation, operation and effectiveness of risk management and governance. Given the diversity across the Group, internal control is achieved mainly through the application of best practices which together constitute the RGPM; these best practices ensure that consistent and uniform policies and procedures are applied across the Group. The internal audit process is constantly subject to changes given the need to keep pace with international trends and standards. A study conducted by PricewaterhouseCoopers in the United States identifies some fundamental internal audit features as contributing significant value to companies. The study identifies eight foundational attributes of internal audit and is said to be the basis of providing an effective internal audit function.



Risk Governance & Internal Control

MONITORING PROGRESS

The number of audits performed by the department has increased from year to year, mainly owing to the rapid expansion of the Group and the acquisition of new businesses. During the forthcoming year, greater emphasis will be placed on financial services audits and emerging risks given the Group's level of activities. The department continuously aims at providing even more recommendations for more efficiency and productivity, and to help the Group as a whole achieve its strategic objectives.



We are pleased to provide a feedback on how effective we were at achieving the risk management and internal audit initiatives that the Group set last year.

Category	Status
Risk appetite	⟳
Creating an organisation – wide risk-aware culture	⟳
Embedding risk management function within each sector	⟳
Occupational Health & Safety (OH&S)	✓
Business continuity	⟳
Malpractice reporting procedures	⟳
Internal audit and risk management	✓
Dealing with emerging risks and opportunities (refer to page 112 for more details)	⟳

✓ Completed

⟳ Ongoing

Risk Governance & Internal Control

FUTURE ORIENTATION

We believe that it is important to consider future opportunities, prepare ourselves accordingly so that we can seize them. As a result of changes happening in the regulatory, legislative and compliance frameworks, the growing complexity of businesses, environmental changes and globalisation, business leaders are expected to think 'bigger'.



Future Orientation – our challenges:

- Embark on the risk governance reforms (new code of corporate governance)
- Add new richness to business insights
- Remain a proactive and reliable business partner
- Develop and maintain the requisite skills
- Develop talents with deep business expertise
- Enhance on-the-job learning and development
- Align our risk management framework with our lines of defence
- Proficient use of data analytics and IT

At Rogers, the Internal Audit and Risk Management team adheres to the standards and norms of the profession. We have taken cognizance of the new Code of Corporate Governance and we ensure that its elements will be factored into the approach, methodology and reporting dimensions of our work, applicable as from the financial year 2017.

With the foreseeable future, the role of internal audit is evolving from an assurance provider to that of a proactive, valued business partner who is involved in pushing forward the companies' strategic initiatives. In this role, we treat each entity of the Group as our 'client' and we aim at delivering value in every assignment completed. We aim at accompanying Senior Management in terms of services such as advisory and due diligence, whilst strictly preserving our independence.

Our challenge is to maintain the 'energy' and 'agility' to cope with continuous businesses changes. The Head of Internal Audit and the Corporate Managers are committed to the development of the human capital of the Group. Through the ACA/ACCA training scheme, our engagement is not only to provide the Group with top-notch accountants but also to develop the managers, executives and leaders of tomorrow. A great emphasis is laid on the mentoring and coaching of our Audit Assistants and we provide all the support they need for their academic achievements. As part of the scheme, the Audit Assistants are seconded to the Finance and Accounts teams and on the other hand, the clients' portfolio of the Corporate Managers is rotated on a regular basis so as to gain more experience and knowledge of the business. As mentioned earlier, risks will evolve continuously and so must we. We are constantly training and documenting ourselves so as to be on top of our game and to prepare for the challenges coming ahead.

Other challenges for the years to come will be:

- Management of big data and use of data analytics tools;
- Reviewing of the audit delivery model;
- Use of technologies to enhance, automate and continuously improving our audit methodology, process and risk management processes; and
- Having a pool of certified internal auditors.

We are setting industry standards and we have received the PWC Corporate Reporting Award in 2015. Our aim is to improve further. This demonstrates the seriousness, dedication and professionalism which we attach to this critical function.