



CORPORATE GOVERNANCE  
REPORT 2023



# Statement of Compliance

## 1. STATEMENT OF COMPLIANCE

(Section 75 (3) Of The Financial Reporting Act)

Name of Public Interest Entity (PIE): Constance Hotels Services Limited

Reporting Period: 01 January 2023 to 31 December 2023

We, the Directors of Constance Hotels Services Limited, confirm to the best of our knowledge that the PIE has complied with all its obligations and requirements under the Code of Corporate Governance, except in the following areas:

PRINCIPLES	AREAS OF NON-APPLICATIONS	REASONS FOR NON-APPLICATIONS
<b>Principle 3:</b> Director's Appointment Procedures	<b>Election:</b> Directors should be elected on a regular basis at the Annual Meeting of Shareholders.	The Board does not favour the re-election of Directors on an annual basis, as it does not consider this practice to be in the best interest of the Company. Furthermore, in accordance with its Constitution; not more than one third of the Directors in office retire at every Annual Meeting – the latter being eligible for re-election.
<b>Principle 4:</b> Directors' Duties, Remuneration and Performance	<b>Board Evaluation and Development:</b> Evaluation of the Board by an external and independent facilitator.	A comprehensive Board evaluation exercise, led by the Chairman, is carried out every three years by the Nomination and Remuneration Committee. The Board considers that the current evaluation process satisfies the Company's present requirements.

Signed by

**George J. Dumbell** (s)  
 Chairman

**Clément D. Rey** (s)  
 Executive Director  
 Constance Group Chief Executive Officer

28 March 2024

# Statement on Corporate Governance

## 2. STATEMENT ON CORPORATE GOVERNANCE

Constance Hotels Services Limited is a public company listed on the DEM Market of the Stock Exchange of Mauritius and is a Public Interest Entity as defined under the Financial Reporting Act 2004, as amended.

In line with its Statement on Corporate Governance, Constance Hotels Services Limited is engaged in adhering to the National Code of Corporate Governance for Mauritius (2016) ("the Code") issued by the National Committee on Corporate Governance and in upholding standards of corporate governance through company-wide awareness of its business ethics and the stewardship and supervision of its Management by the Board of Directors ("Board") and Committees of the Board.

The Board acknowledges that the Company has, throughout the year ended 31 December 2023, complied with all the requirements of the Code as described by the Corporate Governance Report of the Company, except for areas mentioned on page 64 of this Annual Report.

This report, along with the Annual Report, is published in its entirety on the Company's website: [www.constancehrg.com](http://www.constancehrg.com)

# Governance Structure

## 3. GOVERNANCE STRUCTURE

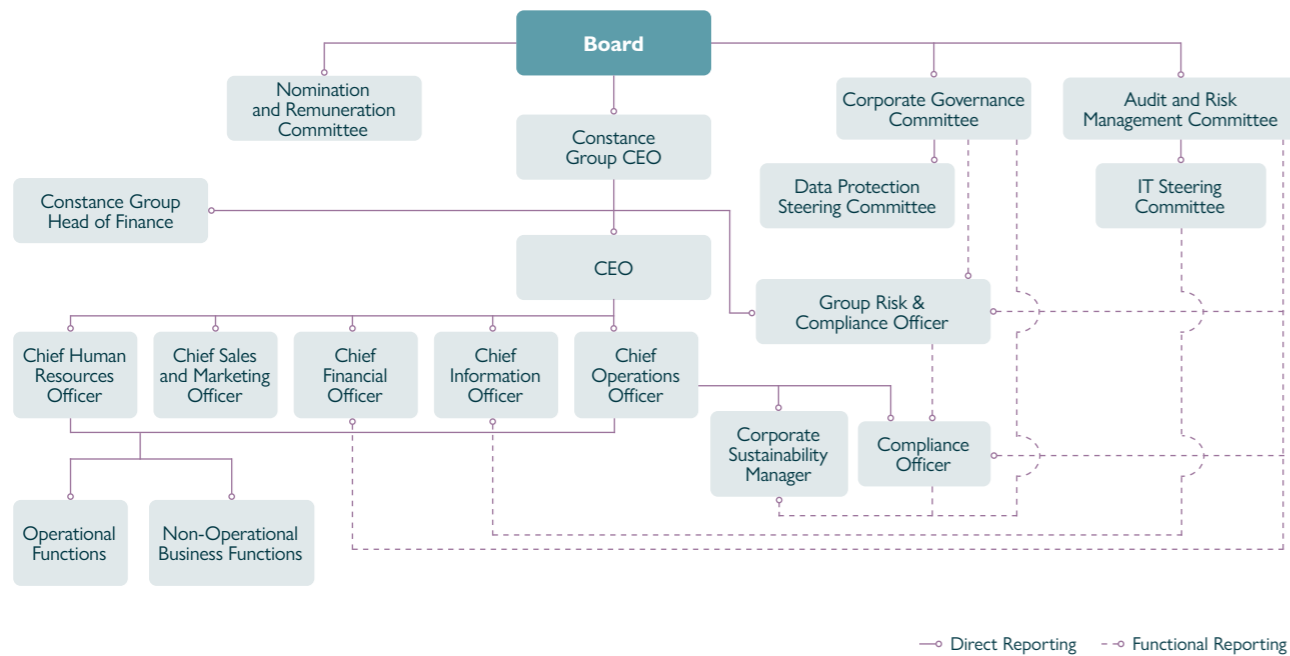
### 3.1 Company Constitution

There are no clauses of the Company's Constitution deemed material enough for special disclosure. A copy of the Constitution is available for consultation on the Company's website.

### 3.2 Governance Framework

The Board is ultimately responsible and accountable for leading and controlling the Company, in accordance with the terms of reference outlined in the Board Charter, and meeting all legal and regulatory requirements. The Board acts in the best interests of the Company and its business, whilst taking into consideration the interests of the Company's Shareholders and other Stakeholders.

Organisational Chart



The following documents have been approved by the Board:

- Charters, Codes and Policies
- Organisational Chart
- Statement of Major Accountabilities
- Position Statements of the Key Senior Governance Positions
- Job Descriptions of Key Governance Positions
- Other documents, including Legal and Other Duties of Directors, Key Responsibilities of the Board, Dividend Policy, and Governance Framework

## Governance Structure

## 3. GOVERNANCE STRUCTURE (continued)

### 3.3 The Board

#### Board Structure

The Board structure consists of the Board of Directors, the Audit and Risk Management Committee, the IT Steering Committee, the Corporate Governance Committee, the Data Protection Steering Committee, the Nomination and Remuneration Committee and the Company Secretary, underpinned by related Charters, Policies and Codes.

#### Key Responsibilities of the Board

The Board's key responsibilities, inter alia, are to:

- Assume responsibility for leading and controlling the organisation, and driving sustainable growth and long-term value;
- Determine and approve the Company's Strategic Objectives, Vision and Core Values and monitor the implementation and performance thereof;
- Assume responsibility for the Company's overall governance practices, risk governance framework, audit and control systems, Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation (AML/CFT), data protection and other legal and regulatory obligations;
- Monitor compliance with all legal, regulatory and internal governance requirements and ensure that these are effectively communicated through the Company's Charters, Codes and Policies;
- Review the organisation's strategy and business risks and determine the nature and extent of the principal risks the Company is willing to take in achieving its strategic objectives, taking into account current sustainability issues, which include environment, social factors and climate change;
- Ensure the best interests of the Company at all times, taking into consideration the interests of its shareholders and relevant stakeholders, and addressing any conflict of interest issues;
- Assume responsibility for the preparation of accounts that fairly present the state of affairs of the Company and supervise the organisation's financial reporting;
- Review and approve financial and non-financial plans, including, but not limited to, annual budgets and strategic plans;
- Approve major acquisitions and disposals of assets, write-offs, business strategies, objectives and plans that underpin the Company's Corporate Strategy;
- Oversee the Information, Information Technology (IT) and Information Security Governance within the Company and ensure that the performance of the Information and IT systems leads to business benefits and creates value;
- Determine the optimum size and composition of the Board and Board Committees and assume responsibility for the appointment and induction of Directors;
- Appoint and monitor the performance of Senior Management and Key Senior Governance Positions and establish a clearly-defined structure for delegation of authority and succession;
- Ensure the succession planning and evaluation process for the Board, Board Committees and Senior Executives of the Company;
- Disclose, state, explain and affirm, in the Annual Report, the Company's compliance, or otherwise, with the National Code of Corporate Governance for Mauritius (2016) in respect of each of its eight principles;
- Fulfill the Company's disclosure obligations as relevant and appropriate, including the disclosures required by the National Code of Corporate Governance for Mauritius (2016) on its website.

The Board has delegated certain of its powers to three Board Committees, two Steering Committees and various Executives, in accordance with a number of enactments, notably the Companies Act 2001, DEM Rules of the Stock Exchange of Mauritius, the Securities Act 2005, the National Code of Corporate Governance for Mauritius (2016) and Company Policies, Charters and Codes.

Governance Structure

**3. GOVERNANCE STRUCTURE (continued)**

**3.3 The Board (continued)**

*Types of Directorship*

Our team of Directors is a strong source of internal and external knowledge, experience, advice and judgement. The Company has a mix of Executive, Non-Executive and Independent Directors.

*Board Size and Composition*

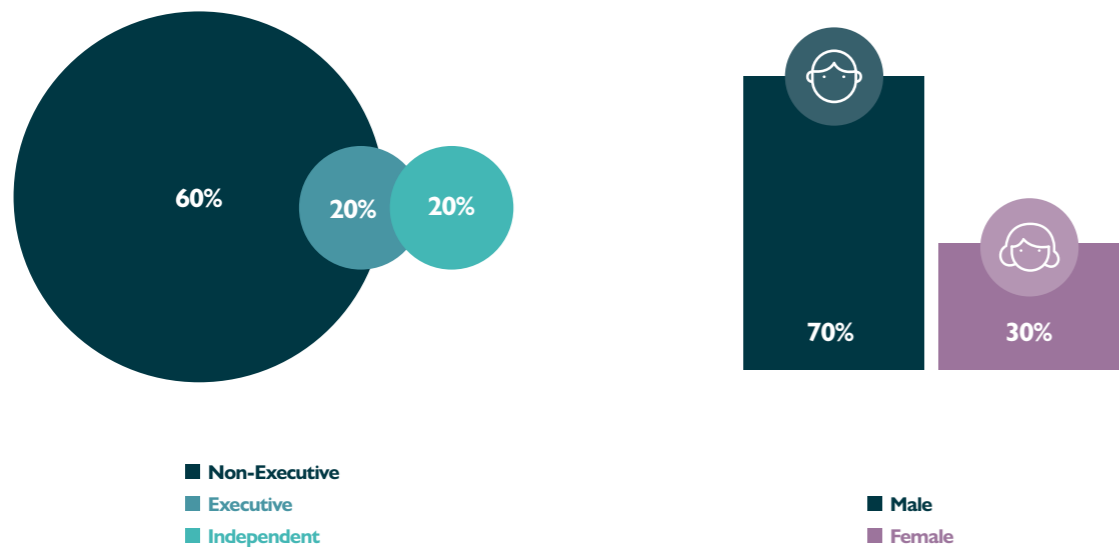
The Company's Constitution stipulates that the Board shall consist of not less than nine Directors and not more than thirteen Directors. Board members must have the qualifications as specified in the Companies Act 2001 and related regulations, Charters and Policies. In addition, the National Code of Corporate Governance recommends that a Board should have at least two Independent Directors, two Executive Directors and include one female Director.

The Company is managed by a unitary Board. At 31 December 2023, the Board consisted of two Independent, six Non-Executive and two Executive Directors. The composition of the Board included three female Directors, of whom, one is Independent and two are Non-Executive Directors. The Chairman is a Non-Executive Director.

The current Board composition satisfies the needs of the Board and its Committees, given their responsibilities and the actual development phase of the Company. It, also, ensures that the workload is appropriately shared and enables optimum communication and interaction among the Directors.

Detailed information about the Company's Directors and Secretary can be found in Sections 3.7 to 3.8.

Board Composition by Type of Directorship and Gender (At 31 December 2023)



Governance Structure

**3. GOVERNANCE STRUCTURE (continued)**

**3.3 The Board (continued)**

*Independence of the Chairman and Independent Directors*

The Board is of the opinion that term limits are a blunt tool and that, without flexibility, they eliminate both effective and non-effective Directors. The Board believes that it must retain discretion to preserve vital institutional memory of its high-performing and contributing members and, therefore, does not stipulate limitations on the consecutive directorship terms of its Independent Directors, including that of its Chairman.

The Board is also of the opinion that the Chairman has continued to exercise totally independent judgement in the discharge of his responsibilities, notwithstanding the new statutory definition of an Independent Director; and that there are no relationships and circumstances that have affected or appear to have affected his judgement during the year under review. The Chairman has no material pecuniary relationship with the Company nor was he, or is he a promoter of the Company, its Holding, Subsidiaries or Associate Companies. In addition, he is independent in character and brings considerable skills, know-how, expertise and stability to the Company, which the Board considers key and essential, at the present stage of the Company's development phase, to ensure its continued and steady growth and success. The Chairman plays a critical role in improving corporate credibility, governance standards, risk management and acting as an independent watchdog. However, to comply with the provision of the Companies Act 2001, the Chairman is reported as a Non-Executive Director.

**3.4 Statement of Major Accountabilities**

*Separation of Roles and Responsibilities*

There is a clear separation of responsibilities between the Chairman of the Board and the Constance Group Chief Executive Officer ("Constance Group CEO"). The Chairman has the overall responsibility to lead and ensure the effectiveness of the Board, which considers and approves the Constance Hotels Group's overall strategy, policies, codes and charters and financial objectives. The Constance Group CEO is responsible for managing and leading the business of the Constance Hotels Group and for implementing the strategy and policies defined by the Board.

The Position Statements for the Chairmen of the Board, the Corporate Governance, the Audit and Risk Management and the Nomination and Remuneration Committees, the Constance Group CEO, and other Key Senior Governance Positions are available for consultation on the Company's website.

*Chairman*

The Chairman has the responsibility to ensure the smooth and efficient functioning of the Board and its Committees, to see that corporate governance matters are dealt with, to represent the Group externally and, particularly, to communicate with Shareholders at their Annual Meeting. Working closely with the Constance Group CEO, the CEO and the Company Secretary, the Chairman also ensures that new Directors receive a full and formal induction to the Group and its businesses, and that all Directors are kept fully informed of relevant matters.

*Constance Group CEO*

The Constance Group CEO has the responsibility to make recommendations to the Board and to achieve the Company's strategic objectives. He is responsible for providing direction to the executive team of the Constance Hotels Group. He works closely with the Company's CEO, Chief Operations Officer and Constance Group Head of Finance.

Governance Structure

**3. GOVERNANCE STRUCTURE (continued)**

**3.4 Statement of Major Accountabilities (continued)**

**CEO**

The CEO has the responsibility to optimise short-term results as regards to profits, quality, productivity and revenue and to drive long-term wealth creation and return to Shareholders of the Company through effective business development and brand management initiatives and to provide direction to the Company’s executive management team.

**Other Key Senior Governance Positions**

Apart from the positions of Constance Group CEO, Constance Group Head of Finance and Group Risk & Compliance Officer, the Board has clearly identified the following other Key Senior Governance Positions within the Constance Hotels Group: Chief Executive Officer, Chief Operations Officer, Chief Sales and Marketing Officer, Chief Human Resources Officer, Chief Information Officer, Chief Finance Officer, Corporate Sustainability Manager and Compliance Officer. The job descriptions for these positions have been approved by the Board and are monitored and reviewed on a three-year basis by the Nomination and Remuneration Committee.

**Directors**

The Directors of the Company observe and foster high ethical standards and a strong ethical culture in the organisation, and are fully aware of their general and specific responsibilities and legal duties (refer to 5.1).

**Company Secretary**

The Company Secretary, supported by the Company’s Secretariat, acts as a vital bridge between the Board and Senior Management. In effect, the Company Secretariat ensures good information flow to the Board and its Committees and between Senior Management and the Directors. The Company Secretariat facilitates the induction of Directors and assists them in fulfilling their duties and responsibilities. It has full access to the Directors and all Directors have access to its advice and services.

Through the Chairman, the Company Secretary is responsible for advising the Board on corporate governance matters and for keeping the Board up to date on all legal, regulatory and other developments. It ensures that related Board decisions are implemented and that applicable laws and regulations are complied with. In addition, it ensures effective communication with the relevant regulatory authorities and shareholders and provides assurance that shareholders’ interests are duly taken care of.

The function of Company Secretary has been outsourced to ECS Secretaries Ltd, represented by Mrs Marie-Anne Adam and Mr Yan Béchard. Both are associate members of the Chartered Governance Institute (previously known as the Institute of Chartered Secretaries and Administrators) and, as such, are qualified to act as Company Secretary.

**3.5 Committees of the Board**

**Constitution of Board Committees**

Three Board Committees and two Steering Committees have been constituted to assist the Directors in the discharge of their duties. Each Committee has written terms of reference incorporated in a Charter, which has been approved by the Board and is subject to regular reviews as dictated by changes in regulations and the Company’s environment. The Chairpersons of Committees are invited to report during each Board meeting on matters addressed by their respective Committees.

The Charters of the Committees and Steering Committees as well as the Position Statements of the Chairpersons of the Committees are available for consultation on the Company’s website.

Governance Structure

**3. GOVERNANCE STRUCTURE (continued)**

**3.5 Committees of the Board (continued)**

**Constitution of Board Committees (continued)**

The Committees cover corporate governance adherence by the Company’s subsidiaries, including Beauport Industries Limited, Constance Industries Limited and Constance Hospitality Management Limited.

**THE BOARD**

Committees					
Audit and Risk Management		Corporate Governance		Nomination and Remuneration	
Member	Directorship Type	Member	Directorship Type	Member	Directorship Type
Jean-Philippe COULIER	Independent, Chairman	Georgina ROGERS	Non-Executive, Chairperson (Up to 30 September 2023)	George J. DUMBELL	Non-Executive, Chairman
Preetee JHAMNA	Independent	Jean-Jacques VALLET (As from 01 October 2023)	Executive	Marc FREISMUTH	Non-Executive
Noël Adolphe VALLET (Up to 30 September 2023)	Non-Executive	George J. DUMBELL (Up to 30 June 2023)	Non-Executive	Clément D. REY	Executive
Georgina ROGERS (As from 01 October 2023)	Non-Executive	Catherine FROMET DE ROSNAY	Non-Executive, Chairperson (As from 01 October 2023)		
		Noël Adolphe VALLET (As from 01 October 2023)	Non-Executive		

**Audit and Risk Management Committee**

The Audit and Risk Management Committee, which also has responsibility for the Company’s Risk Management function and IT Governance, consisted of three Directors (two Independent and one Non-Executive) during the year under review. All members of the Committee are financially literate and have relevant knowledge of regulatory requirements, risk management, IT Governance and wide industry understanding. The profiles of members of the Audit and Risk Management Committee are disclosed in section 3.8.

The Committee, which is scheduled to meet at least four times a year, operates within the scope of its Charter. Its principal functions are to ensure the integrity of the financial statements, oversee the financial-reporting process, and to direct, evaluate and monitor the risk management function and IT Governance, taking into consideration the Company’s strategic, financial, operational and compliance risks, which include, inter alia, the risk of money laundering (AML/CFT). The Committee is supported by the Group Risk & Compliance Officer as well as the Internal and External Auditors, who have unrestricted access to the Audit and Risk Management Committee, and may meet with the Committee without Company’s Management being present, to discuss issues related to the Company’s audits, at least once a year, and as deemed necessary.

*Governance Structure***3. GOVERNANCE STRUCTURE (continued)****3.5 Committees of the Board (continued)***Audit and Risk Management Committee (continued)*

The Board delegated the responsibility for the governance of the Company's Information Strategy, Information Technology and Information Security to the Audit and Risk Management Committee which, in turn, set up an IT Steering Committee with the primary objective of ensuring that the proper IT strategy, policies, practices and controls are implemented throughout the Company, in accordance with the applicable regulatory requirements and international best practices. This IT Steering Committee met twice during the year under review. The Committee reports to the Board at each Board meeting. The Constance Group CEO, the Constance Group Head of Finance, the Group Risk & Compliance Officer (GRCO), the CEO, the COO, the Chief Finance Officer and Compliance Officer, as well as the Internal and External Auditors, attend Committee meetings on invitation.

During the year under review, the Committee met on five occasions. Principal matters, including significant issues related to financial statements, considered by the Committee in 2023 were addressed as follows:

*Regular Financial Matters*

- Review and recommend to the Board the 2022 Audited Financial Statements, the 2022 Annual Report, the 2023 Forecasts, the 2023 Unaudited Quarterly Financial Statements, and the Quarterly Abridged Financial Statements for publication.

*Internal Audit Matters*

- Monitor the implementation of the Internal Audit Plan 2023-2024.
- Consider the Internal Audit reports and monitor the implementation of recommendations as agreed.

*External Audit Matters*

- Review Audit Findings and the Management Letter (including IT matters).
- Assess the efficiency, effectiveness and independence of the External Auditors.
- Review the time plan for the 2023 audit exercise.

*Risk Management Matters*

- Review twice during the year the report presented by the GCRO on the update of the Enterprise Wide Risk Assessment and ensure that the evolution of the various risks and their mitigation do not affect the nine strategic objectives of the Company.

*IT Governance Matters*

- Review in detail twice during the year the robustness of the information systems security measures which are continuously updated to mitigate the growing and evolving cybersecurity risks.
- Monitor the effectiveness of the Company's IT Governance.
- Review IT investments made in 2023.

*Other Matters*

- Assess the performance of the Committee and agree on improvements to be brought where applicable.

*Governance Structure***3. GOVERNANCE STRUCTURE (continued)****3.5 Committees of the Board (continued)***Corporate Governance Committee*

The Corporate Governance Committee consisted of one Executive and two Non-Executive Directors at 31 December 2023. All its members have a comprehensive knowledge of the National Code of Corporate Governance for Mauritius (2016), the Company's Charters, Policies and Codes, as well as international best practices, relevant laws and regulations. The Committee operates within the scope of its Charter. Its principal function is to direct and monitor the Company's corporate governance, compliance, sustainability and corporate social responsibility programmes. The Committee reports to the Board at each Board meeting. The Constance Group CEO, the Group Risk & Compliance Officer, the COO, the Compliance Officer, the Chairperson of Fondation Constance CSR Committee and the Corporate Sustainability Manager are invited to attend Committee meetings.

During the year under review, the Committee met on four occasions. Its broad achievements were as follows:

- Review the Company's Annual Report for 2022, focusing on the Corporate Governance, Sustainability, and Corporate Social Responsibility Reports, along with other Statutory Disclosures;
- Approve the Group Corporate Social Responsibility Plan for 2023 under the banner of 'Fondation Constance', monitor its progress, and consider new sources of funding;
- Review Compliance, Sustainability and Health & Safety reports and ensure that corrective measures are implemented, where necessary;
- Review the Sustainability Management Plan 2030;
- Review and recommend to the Board the approval of new and revised Policies, Codes and Charters;
- Review and assess the organisational and technical measures implemented by the Company to comply with the Mauritius Data Protection Act 2017 (DPA 2017) and European Union's General Data Protection Regulation (EU GDPR);
- Review and recommend for approval by the Board, the Annual Report and website disclosures;
- Review requirements pertaining to non-compliance issues; and
- Take note of outstanding legal cases.

The Board delegated the responsibility to oversee the implementation of the EU GDPR and DPA 2017 to this Committee which, in turn, set up a Data Protection Steering Committee with the primary objective of ensuring the implementation and monitoring of an appropriate control framework to ensure compliance by the Company and its subsidiaries. This Steering Committee met twice during the year to present its accomplishments.

*Nomination and Remuneration Committee*

During the year under review, the Nomination and Remuneration Committee consisted of three Directors (two Non-Executive with independent profile and one Executive). For more effective and better governance, the Chairman of the Board, whose major accountability is, inter alia, to lead and ensure the effectiveness of the Board, also chairs the Nomination and Remuneration Committee, to which the underlying matters relating to the foregoing major accountability are delegated. The Committee directs and monitors Board matters pertaining, inter alia, to Board composition and nominations, the performance and remuneration of Directors and Senior Executives, and succession planning. All its members are well versed in the fields of corporate governance, human resource, executive development tools, long and short-term incentive models, remuneration strategies, compounded with industry experience.

Governance Structure

3. GOVERNANCE STRUCTURE (continued)

3.5 Committees of the Board (continued)

Nomination and Remuneration Committee (continued)

During the year under review, the Committee met on six occasions to review and make appropriate recommendations to the Board regarding:

- Progress on corrective measures taken following the Board and Committees self-evaluation;
- Evaluation of nominees for the annual re-election of Directors;
- Register of disclosures for Directors, Designated Employees and Associates;
- Board and Committees' composition and recommend the appointments of Directors, where appropriate;
- Directorships on subsidiary and associated companies and appointment of Nominee Directors;
- Annual assessment of the Independent Non-Executive Directors status;
- Directors' Development Programme;
- Board Agendas;
- Succession planning;
- Executive Performance Development Programme;
- Strategic Plan;
- Delegation of Powers by the Board;
- Organisational Chart;
- Policies, Codes, Charters, Job Descriptions, Position Statements and Major Accountabilities of Key Governance Positions;
- Annual salary and bonuses for Senior Management;
- Initiation of a Governance Compliance Calendar;
- New Defined Contribution Pension Scheme; and
- Job Description of the Corporate Sustainability Manager.

During the year under review, the Committee also took note of the dates of Board and Committee meetings for 2024.

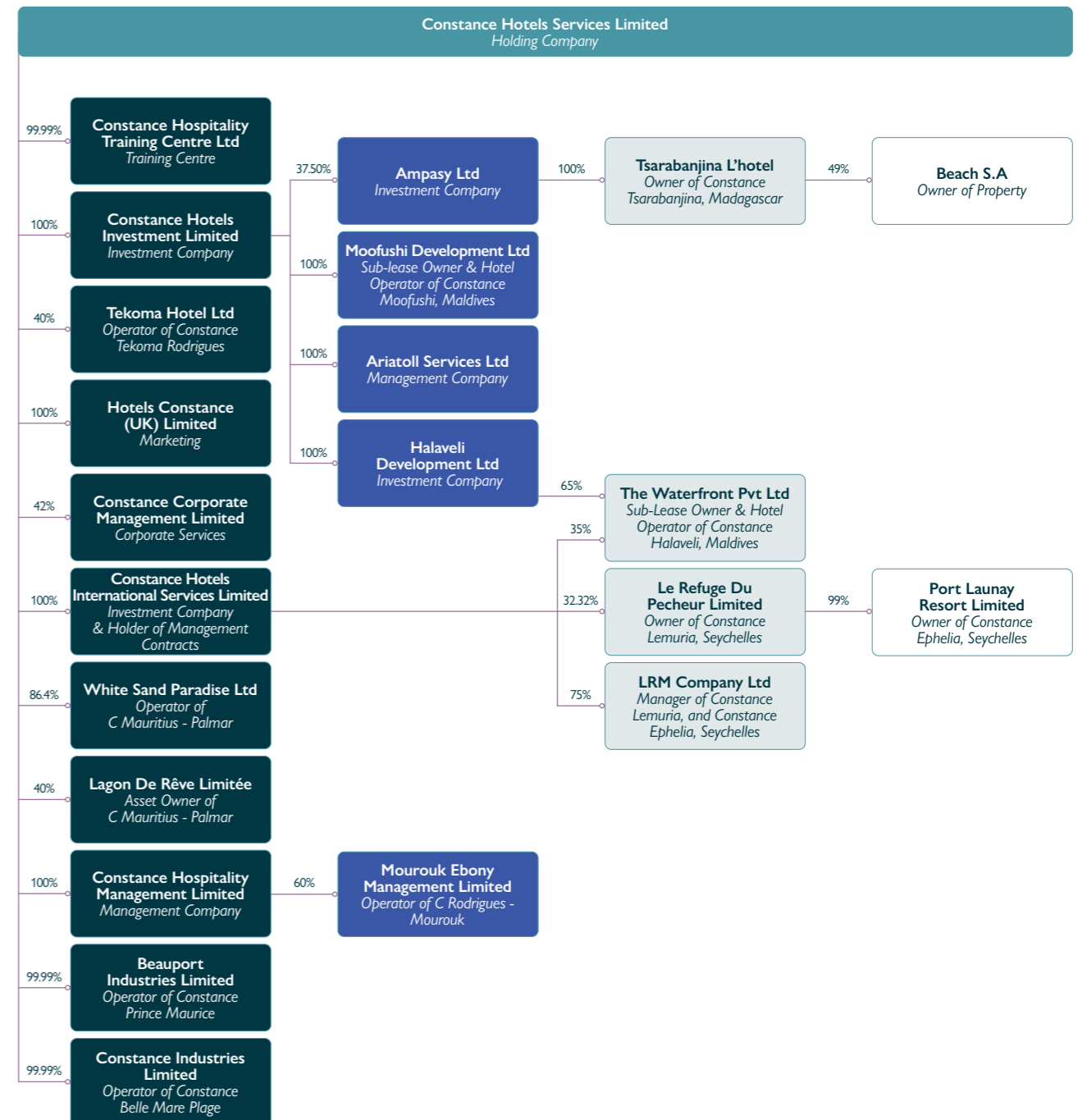
The Charter of the Committee and the Position Statement of the Chairperson are available for consultation on the Company's website.

Governance Structure

3. GOVERNANCE STRUCTURE (continued)

3.6 Corporate Structure

(As at 31 December 2023)



## Governance Structure

## 3. GOVERNANCE STRUCTURE (continued)

## 3.7 Corporate Information

## Directors

NAME	COUNTRY OF RESIDENCE	BOARD APPOINTMENT	ASSIGNMENT
George J. DUMBELL	Mauritius	Non-Executive – Chairman	Corporate Governance Committee – Member (Up to 30 June 2023) Nomination and Remuneration Committee – Chairman
Jean-Philippe COULIER	Mauritius	Independent	Audit and Risk Management Committee – Chairman IT Steering Committee – Member
Marc FREISMUTH	Mauritius	Non-Executive	Nomination and Remuneration Committee – Member
Catherine FROMET DE ROSNAY	Mauritius	Non-Executive	Corporate Governance Committee - Member (Up to 30 September 2023) - Chairperson (As from 01 October 2023) Data Protection Steering Committee – Chairperson (As from 01 October 2023)
Gianduth JEEAWOCK	Mauritius	Non-Executive	
Preetee JHAMNA	Mauritius	Independent	Audit and Risk Management Committee – Member
Clément D. REY	Mauritius	Executive	Nomination and Remuneration Committee – Member
Jean RIBET (Up to 05 April 2023)	Mauritius	Non-Executive	
Georgina ROGERS	Mauritius	Non-Executive	Corporate Governance Committee – Chairperson (Up to 30 September 2023) Audit and Risk Management Committee – Member (As from 01 October 2023)
Noël Adolphe VALLET	Mauritius	Non-Executive	Audit and Risk Management Committee – Member (Up to 30 September 2023) Corporate Governance Committee – Member (As from 01 October 2023)
Jean-Jacques VALLET	Mauritius	Executive	Corporate Governance Committee – Member (As from 01 October 2023) Data Protection Steering Committee – Member (As from 01 October 2023)

## Committees of the Board

Audit and Risk Management Committee  
Corporate Governance Committee  
Nomination and Remuneration Committee

## Steering Committees

IT Steering Committee  
Data Protection Steering Committee

Please refer to Section 3.5 for the constitution of the Board Committees

## Governance Structure

## 3. GOVERNANCE STRUCTURE (continued)

## 3.7 Corporate Information (continued)

## Management Team - Constance Corporate Management Limited

Clément D. REY  
Kevin CHAN TOO

Constance Group Chief Executive Officer  
Constance Group Head of Finance

## Management Team – CHSL

Jean-Jacques VALLET  
Andrew MILTON  
Siegfried ESPITALIER-NOËL  
Shashi Kumar KOONJA  
Vincent DE MARASSÉ ENOUF  
Julien COETTE DIT DUBOIS  
Noorani MUNGLOO  
Djaved FAREED  
Jayshree GOPEE  
Philippe OFFRE  
Jean-Philippe LEONG KWAI CHEONG  
Christophe PLANTIER  
Gert PUCHTLER  
Tangi LE GRAND  
Mevin RAMASAMY  
Stéphane DUCHENNE  
Bruno LE GAC  
Gabriel JUNEAU  
Olivier DE GUARDIA DE PONTE  
Christophe RAMDIANE

Chief Executive Officer  
Chief Operations Officer  
Chief Sales and Marketing Officer  
Chief Information Officer  
Chief Human Resources Officer  
Chief Finance Officer  
Chief Financial Planning and Analysis Officer  
Corporate Sustainability Manager  
Group Risk & Compliance Officer  
Group Technical Manager  
Area Development and Group Procurement Manager  
General Manager, Constance Prince Maurice  
General Manager, Constance Belle Mare Plage  
Regional General Manager, Constance Halaveli and Constance Moofushi, Maldives  
General Manager, Constance Moofushi, Maldives  
General Manager, Constance Ephelia, Seychelles  
General Manager, Constance Lemuria, Seychelles  
Resort Manager, Constance Tsarabanjina, Madagascar  
General Manager, C Mauritius Palmar  
Cluster General Manager, Constance Tekoma, Rodrigues, and C Rodrigues - Mourouk

## Secretaries

ECS Secretaries Ltd  
3rd Floor, Labama House,  
35 Sir William Newton Street  
Port Louis

Represented by:  
Marie-Anne ADAM, ACG  
and Yan BÉCHARD, ACG

## Share Registry and Transfer Office

ECS Secretaries Ltd  
3rd Floor, Labama House  
35 Sir William Newton Street Port Louis

## Address

La Maison 1794 Constance  
Centre de Flacq 40609

## Auditors

## External

Ernst & Young  
6th Floor, IconEbène  
Rue de l'Institut  
Ebène, Mauritius  
Partner: André Lai Wan Loon

## Internal

PricewaterhouseCoopers  
Chartered accountants  
PwC Centre  
Avenue de Telfair, 80829 Moka  
Represented by: Julien TYACK

## Bankers

The Mauritius Commercial Bank Ltd  
The Mauritius Commercial Bank (Maldives) Private Limited  
The Hong Kong & Shanghai Banking Corporation Ltd  
Banque Française Commerciale Océan Indien  
AfrAsia Bank Limited  
State Bank of Mauritius Ltd  
ABC Banking Corporation



## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers**

## Directors

**GEORGE J. DUMBELL** (Age: 75)

Non-Executive Director and Chairman - Appointed Director in December 2005 and Chairman in January 2006

**Qualifications**

- Associate Chartered Institute of Bankers (UK)
- Fellow and Founding Director of the Mauritius Institute of Directors and member of its Directors' Forum
- Former Director of several Financial Institutions in Asia and Europe, and listed Finance and Agricultural Companies in Mauritius

**Experience and Skills**

- Over 55 years of financial, business and commercial experience including 34 years in various Senior Management positions within the HSBC Group across the globe.
- 2 ½ years of commercial, industrial, project management and political experience as Deputy Secretary General and Managing Director of EuroChambres, the Association of European Chambers of Commerce and Industry, headquartered in Belgium and representing over 14 million companies throughout Western, Central and Eastern Europe.
- 2 years in the fields of Corporate Governance and Risk Management as Consultant with MCB Ltd.
- 18 years of experience in the hospitality and tourism industries as Chairman of Constance Hotels, Resorts and Golf Group.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- BMH Ltd (Non-Executive Director)
- Constance La Gaieté Company Limited (Non-Executive Director)
- Hotelest Limited (Non-Executive Director)

**Continuous Development during the year:**

- Climate Change Auditing Course
- Presentations on Corporate Governance and Corporate Sustainability
- Launch of Climate Governance Initiatives for Mauritius
- AML/CFT Professional Assessment Course
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert

**JEAN-PHILIPPE COULIER** (Age: 74)

Independent Director - Appointed in January 2021

**Qualifications**

- Postgraduate degree in Law (DESS), Panthéon-Assas University (France), Sciences Po Paris (France)

**Experience and Skills**

- Extensive experience in the banking sector; having worked for the Société Générale Group for some 40 years, including 28 years' exposure across the globe.
- Chairman of the Mauritius Commercial Bank Limited from 2014 to 2018.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- MCB Group Limited (Independent Director)
- Fincorp Investment Ltd (Non-Executive Director)
- Promotion and Development Ltd (Non-Executive Director)
- Caudan Development Ltd (Non-Executive Director)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Directors (continued)

**MARC FREISMUTH** (Age: 72)

Non-Executive Director - Appointed in September 2014

**Qualifications**

- MPhil Degree in Economics, Paris-Sorbonne University (France)
- 'Agrégation' in Economics and Management

**Experience and Skills**

- Lecturer at the University of Montpellier (France) from September 1977 to July 1988.
- Lecturer at the University of Mauritius in the fields of Hotel Management and Finance from September 1988 to July 1994.
- Lecturer in Hospitality Management at the Université de Réunion from 2000 to 2005.
- Participated in the setting-up of the Stock Exchange of Mauritius as a consultant to the Stock Exchange Commission and as a member of the Listing Committee. (1989-1994).
- Currently works as a private consultant in Management and Finance since 2006.
- Fellow member of the Mauritius Institute of Directors.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- BMH Ltd (Non-Executive Director)
- Constance La Gaieté Company Limited (Non-Executive Director)
- Hotelest Limited (Non-Executive Director)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability.
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert

**CATHERINE FROMET DE ROSNAY** (Age: 57)

Non-Executive Director – Appointed in January 2021

**Qualifications**

- 'Magistère de Juriste d'Affaires', Paris 2 Panthéon-Assas University (France)
- 'Diplôme de Juriste et Conseil d'Entreprise' (D.J.C.E), Paris 2 Panthéon-Assas University

**Experience and Skills**

- Practised as an in-house lawyer for nearly 8 years in the legal department of Nexans in Paris, formerly known as Alcatel Cable France.
- Director of various companies listed on the Stock Exchange of Mauritius.
- As Director of LEGIS & Partners Ltd, involved in the negotiation and drafting of commercial and joint-venture agreements, corporate due diligence exercise, M&A operations, legal and tax advice.
- Member of the Audit and Risks Monitoring Committee of Promotion and Development Ltd and Caudan Development Ltd since January 2023 – previously, Chairperson of the Remuneration, Corporate Governance and Ethics Committee since December 2016.
- Acts as resident director for various private companies controlled by French investors and Vice-President of the Chambre de Commerce et d'Industrie France-Maurice.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- Caudan Development Ltd (Non-Executive Director)
- Hotelest Limited (Independent Director)
- Promotion and Development Ltd (Independent Director)

**Continuous Development during the year:**

- Attendance at various workshops on tax, contributions and e-invoicing (Mauritian Tax Administration System, practical aspects on taxation, partial exemption regime, practical aspects of PAYE, Social Contribution and Pension Contributions, and amendments made by the Finance Act 2023),
- Participation in a training on anti-money laundering (refresher and updates) and to in a presentation on Governance and Sustainability,
- Participation in a workshop "La Fresque du Climat"

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Directors (continued)

**GIANDUTH JEEAWOCK** (Age: 39)

Non-Executive Director - Appointed in July 2021

**Qualifications**

- Chartered Financial Analyst, CFA Institute (USA)
- MBA International Paris

**Experience and Skills**

- Over a decade of experience in capital markets.
- As COO-Capital Markets, he currently provides strategic direction to SWAN's Capital Markets division.
- Among the driving forces of the SWAN Group's investment activities, including strategic investments in Mauritius and abroad.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- Oceanarium (Mauritius) Ltd (Non-Executive Director)
- Tropical Paradise Co. Ltd (Non-Executive Director)

Continuous Development during the year: Nil

**PREETEE JHAMNA** (Age: 49)

Independent Director - Appointed in April 2017

**Qualifications**

- BA Economics, University of Cambridge (UK)
- Member of the Institute of Chartered Accountants in England and Wales

**Experience and Skills**

- CFO - Group Operations of IBL Ltd. Finance operative working with the operating clusters on improvement avenues, restructurings, acquisitions and project feasibility, and building and strengthening teams in these companies.
- Prior to moving to industry, she was a Partner in the Transaction Advisory Services department at Ernst & Young, from July 2008 to April 2016. Over 15 years' experience in advising clients on various aspects of their transactions (valuation, due diligence and fund raising) in Mauritius and in Africa, across a variety of sectors.

**Directorships in other companies listed on the Stock Exchange of Mauritius:** Nil

Continuous Development during the year: Nil

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Directors (continued)

**CLÉMENT D. REY** (Age: 54)

Executive Director and Constance Group Chief Executive Officer - Appointed Director in June 2006 and Constance Group Chief Executive Officer in January 2023

**Qualifications**

- Bachelor's degree in Business Law (UK)
- Master's degree in Business Law (UK)

**Experience and Skills**

- Held the position of Head of Corporate Affairs within the CIEL Group.
- Has been actively involved in investments and corporate transactions relating to the member companies of the Constance Group.
- Currently bears the overall responsibility for the agro-industrial, real estate, hospitality and investment activities of the Constance Group.
- Director of a number of companies in the commercial, financial and fintech sectors and a member of various board committees.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- BMH Ltd (Executive Director)
- Constance La Gaieté Company Limited (Executive Director)
- Hotelest Limited (Executive Director)
- IBL Ltd (Non-Executive Director)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability.
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert
- Presentation on "Cybersecurity Awareness for Board Directors"

**GEORGINA ROGERS** (Age: 61)

Non-Executive Director - Appointed in March 2015

**Qualifications**

- Bachelor of Commerce, University of Natal (South Africa)
- Member of the Mauritius Institute of Directors

**Experience and Skills**

- Practised as an accountant until 1995.
- Involved in the development of real-estate projects.
- Director of a number of companies in the commercial sector and a member of various board committees.

**Directorships in other companies listed on the Stock Exchange of Mauritius:**

- BMH Ltd (Non-Executive Director)
- Constance La Gaieté Company Limited (Non-Executive Director)
- Hotelest Limited (Non-Executive Director)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability.
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Directors (continued)

**NOËL ADOLPHE VALLET** (Age: 58)

Non-Executive Director - Appointed in May 2001

**Qualifications**

- Management from South Africa

**Experience and Skills**

- 2 years' experience as Manager at Fleurs des Tropiques Exports Ltée.
- As Project Manager, he was responsible for setting up Mauritius' sugar museum, L'Aventure du Sucre.
- Currently runs his own business in the events industry as Managing Director of Bedouin Tents and Rocket Fireworks.
- Chairman of Compagnie du Mapou Ltée.

**Directorships in other companies listed on the Stock****Exchange of Mauritius:**

- BMH Ltd (Non-Executive Director)
- Constance La Gaieté Company Limited (Non-Executive Director)
- Hotelest Limited (Non-Executive Director)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability.
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert

**JEAN-JACQUES VALLET** (Age: 55)

Executive Director and Chief Executive Officer - Appointed as Director in March 2012

**Qualifications**

- Masters in Management
- Postgraduate degree (DESS) in the fields of management science, logistical operations and industrial management
- Advance Management Program (AMP), Cornell University

**Experience and Skills**

- Responsible for the overall planning, direction and control of the operations, resources and administration of the Constance Hotels, Resorts & Golf Group.
- Four-year Presidency of the Association of Hoteliers and Restaurants in Mauritius (AHRIM) for the periods 2003-2004 and 2011-2012.

**Directorships in other companies listed on the Stock****Exchange of Mauritius:**

- Constance La Gaieté Company Limited (Non-Executive)
- Hotelest Limited (Executive)

**Continuous Development during the year:**

- Presentations on Corporate Governance and Corporate Sustainability.
- Presentation titled "An Overview of the Sugar Industry in Mauritius" by an industry expert

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Senior Officers

**KEVIN CHAN TOO** (Age: 46)

Constance Group Head of Finance

**Qualifications**

- Fellow of the Association of Chartered Certified Accountants

**Experience and Skills**

- Currently serving as the Constance Group Head of Finance. His main responsibilities include finance, accounting, treasury and internal control functions.
- Held various finance and accounting positions within listed companies engaged in the property, finance and investment sectors.

**ANDREW MILTON** (Age: 57)

Chief Operations Officer

**Qualifications**

- BSc in Institutional Management, Cardiff University (UK)
- Finance (INSEAD)
- Leadership (IMD) and Asset Management (Cornell)

**Experience and Skills**

- Currently responsible for the operational, human resource and financial activities of Constance Hotels, Resorts & Golf Group.
- Started his career with Hilton Hotels and held positions in Abu Dhabi, London, Algiers and Cannes.
- General Manager of Constance Lemuria, Seychelles, in 1999.
- General Manager of Constance Prince Maurice while retaining operational responsibility for Constance Lemuria and Constance Tsarabanjina.
- Championed the rebranding of Constance Tsarabanjina in 2006.
- Championed the repositioning the One & Only Le St Géran for a period of 5 years.

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Senior Officers (continued)



**SIEGFRIED ESPITALIER NOËL** (Age: 55)  
Chief Sales and Marketing Officer

**Qualifications**

- MSc in International Hospitality Management, Oxford Brookes University (UK)

**Experience and Skills**

- Responsible for the marketing, communication and commercial activities of the Constance Hotels, Resorts & Golf Group.



**JULIEN COÛTTE DIT DUBOIS** (Age: 43)  
Chief Finance Officer

**Qualifications**

- Master's Degree with a specialisation in Finance, EDHEC Business School (France)
- « Classe Préparatoire HEC Scientifique », Lycée Janson de Sailly - Paris (France)

**Experience and Skills**

- Currently responsible for the finance and administrative functions at the Constance Hotels, Resorts & Golf Group.
- 14 years' experience with the AccorHotels Group with financial, operational and development expertise.
- Started his career in the Corporate Internal Audit Team (2005-2010), leading various internal control assignments on worldwide Group activities (Hotels, Head Offices).
- Regional Financial Controller North Africa/Middle East (2010-2013) and VP of Financial Control and Consolidation MEA (2013-2017) - reporting to the Chief Finance Officer MEA.
- Chief Finance Officer - Turkey, Greece and Israel (2017-2019).

## Governance Structure

**3. GOVERNANCE STRUCTURE (continued)****3.8 Profile of Directors and Senior Officers (continued)**

## Senior Officers (continued)



**VINCENT DE MARASSE ENOUF** (Age: 43)  
Chief Human Resources Officer

**Qualifications**

- MBA Essentials from London School of Economics and Political Science (2022)
- Bachelor of Science in Psychology and Bachelor of Commerce (Human Resource Management and Industrial Relations)
- from Curtin University of Technology, Western Australia (2001 – 2005)

**Experience and Skills**

- Significant experience in strategic human resource management within the hospitality industry, overseeing HR functions across the Constance Hotels, Resorts & Golf Group, with approximately 3,200 team members.
- Developed and implemented HR strategies aligned with the strategic development strategy of the Constance Hotels, Resorts & Golf Group, enhancing the group's growth and brand strategy.
- Managed a team of approximately 40 HR staff across resorts, ensuring adherence to HR standards, identifying talent Development needs, and managing labour relations.



**SHASHI KUMAR KOONJA** (Age: 51)  
Chief Information Officer

**Qualifications**

- Executive MBA (Distinction), University of Birmingham (UK)
- MSc in Distributed Interactive Systems (Distinction), Lancaster University (UK)
- Bachelor of Technology in Computer Science and Engineering (First Class)
- Data Protection Officer – GDPR FAS Certification
- Executive Development Programme, CIO Academy, University of Oxford Said Business School

**Experience and Skills**

- Over 27 years of experience in IT and business solutions across various sectors.
- Proficient in leading IT strategy, digitalisation, artificial intelligence, analytics, cybersecurity, and technology-driven operational initiatives.
- Demonstrated leadership in implementing innovative technology solutions to drive business growth and enhance customer experience.
- Actively involved in governance, risk management, and Environmental, Social, and Governance (ESG) practices across organisations.
- Chairman of the IT steering committee at Constance Hotels, Resorts & Golf, ensuring active involvement and commitment of executive management in critical IT decisions spanning investments, projects, risk management, and data security.

# Director Appointment Procedures

## 4. DIRECTOR APPOINTMENT PROCEDURES

### 4.1 Merit and Diversity

All Directors must possess knowledge, capabilities and experiences which can benefit the Company's business operations. The Nomination and Remuneration Committee considers the qualifications of the candidates through pre-selection procedures, as mandated in its Charter, and proposes the nominations to the Board for subsequent validation by Shareholders at the following Annual Shareholders' Meeting.

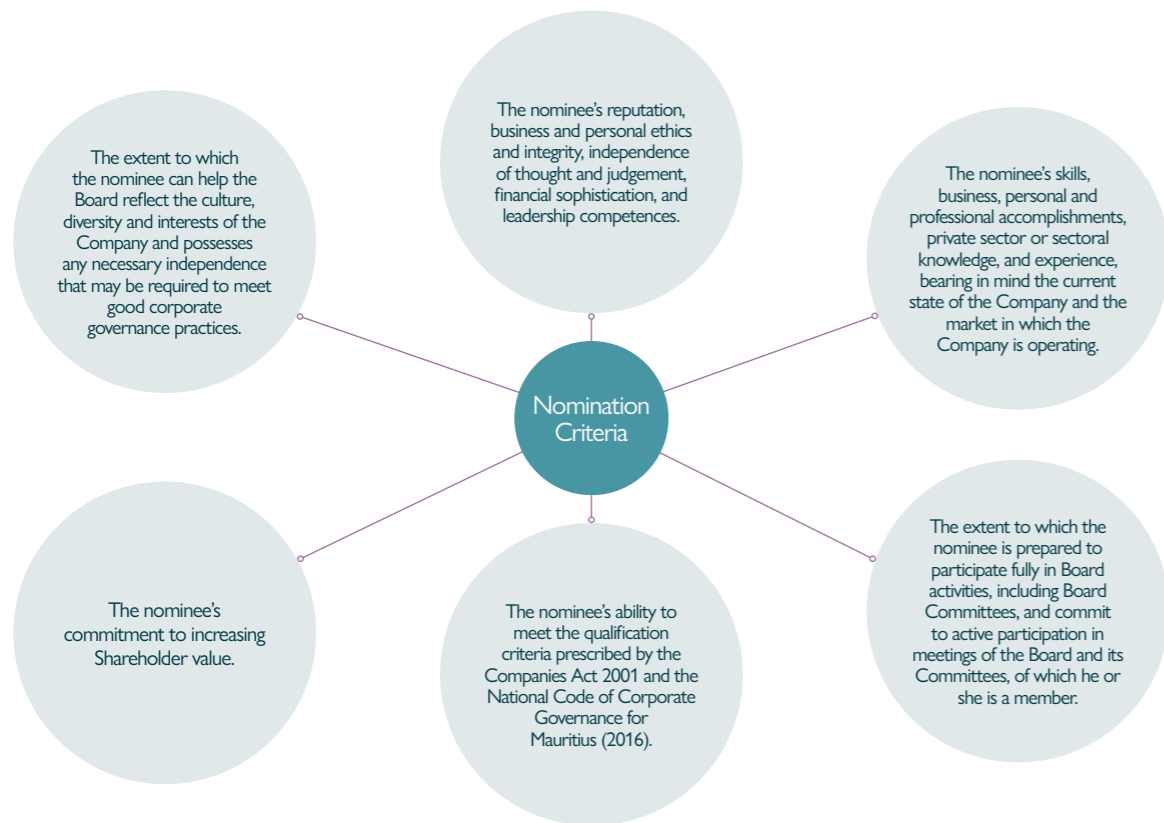
All Directors' profiles are disclosed in the Annual Report, which is presented on the Company's website, and reflect the diverse skill mix of the Board, including industry knowledge, accounting and finance, management, international business, business strategy, crisis management, corporate governance and law.

### 4.2 Nomination Process and Criteria

Prior to nominating a Director, the Board takes into consideration the current composition and skill mix of the Board and the Company's business strategy, going forward.

The process for identifying and selecting director candidate, which is available for consultation on the Company's website, is undertaken by the Nomination and Remuneration Committee.

The criteria considered are as follows:



## Director Appointment Procedures

## 4. DIRECTOR APPOINTMENT PROCEDURES (continued)

### 4.2 Nomination Process and Criteria (continued)

When current Directors are being considered for re-nomination, the Nomination and Remuneration Committee will also take into consideration the Director's history of attendance at Board and Committee meetings, the Director's tenure as a member of the Board, the Director's preparation for and contribution to decision making at meetings and the outcome of past Board evaluations, specific to the said Director.

Board candidates may be identified:

- From the Board's network of contacts, including current members of the Board, Senior Executives of the Company, the Company's advisers and, if it deems appropriate, a professional search firm.
- In accordance with a 'Protocole d'Accord', should that exist and be known to the Company, under which parties to this Protocole may have the right to nominate a specific number of Directors to the Board.
- By virtue of the Companies Act 2001, which calls for a Special Meeting of Shareholders, to be held on the written request of Shareholders holding shares carrying together not less than 5 per cent of the voting rights entitled to be exercised on the appointment of a Director.
- From the Directors' Register of the Mauritius Institute of Directors.

### 4.3 Induction Programme

The Company has a comprehensive and elaborate Induction Programme for its newly-appointed Directors which comprises the following:

- Induction Pack which includes the Annual report covering inter alia, the corporate profile, organisational structure, Board and Board Committee Charters, key corporate policies, governance, risk and sustainability reports and the latest financial statements, "Declaration of Interest" Form and the dates of future board meetings.
- Induction Meetings with the Chairman of the Board, the Chairpersons of the Audit and Risk Management, Corporate Governance and Nomination and Remuneration Committees, and Senior Management.
- Briefings cover responsibilities and legal obligations of Directors, the Company's business, business plan and ongoing issues, corporate strategy and history, industry review, key stakeholders, corporate governance and regulatory matters, model code for securities transaction and Board evaluation process.
- Site Visits of the Company's properties and facilities.
- Visit to the Company Secretariat to review minutes of recent Board meetings, minutes of recent Committee meetings, the Company's Constitution, the Companies Act 2001 and relevant legislations in the jurisdictions in which the Company operates, the DEM Listing Rules and Securities Act 2005, the National Code of Corporate Governance for Mauritius (2016), and the latest Board evaluation report.

### 4.4 Terms of Service of Directors and Re-Election

The Board does not favour the re-election of Directors on an annual basis as it does not consider this practice to be in the best interest of the Company. The terms of service of Directors are in accordance with the Company's Constitution (Article 21.2), as approved by Shareholders at the 2012 Annual Shareholders' Meeting, whereby, at every Annual Shareholders' Meeting, one-third of Directors (or the number nearest to one-third) shall retire from office and be eligible for re-election. An assessment of the performance of each retiring Director, who makes himself/herself available for re-election, is conducted by the Nomination and Remuneration Committee which submits its recommendations to the Board. In turn, the Board puts forward its appropriate nominations to the Shareholders for their approval.

### 4.5 Directors' Professional Development

The Board recognises the importance of the continual development of the knowledge and capabilities of its Directors to sustain an effective, well-informed and functional Board, with the onus for their self-development resting with each individual Director. The Board approves, encourages and supports Directors' professional development by facilitating their membership to relevant professional organisations,

Director Appointment Procedures

**4. DIRECTOR APPOINTMENT PROCEDURES (continued)**

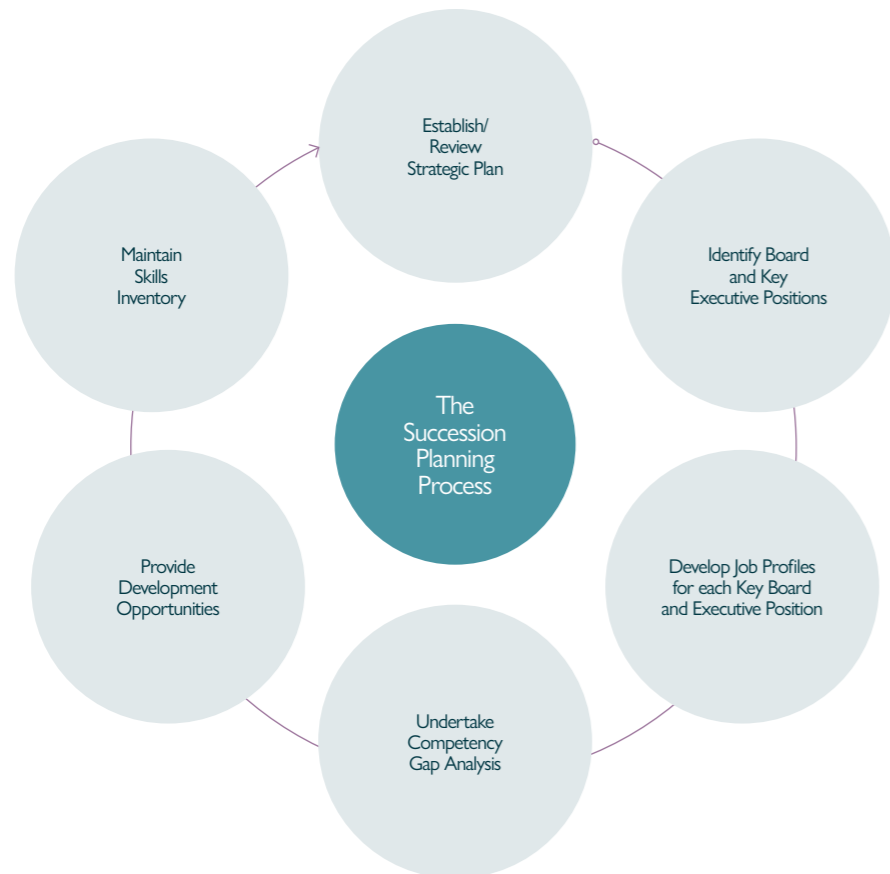
**4.5 Directors' Professional Development (continued)**

attendance of relevant seminars and knowledge sharing programmes. Presentations were organised during 2023 for Directors and Senior Officers, covering Corporate Governance, Sustainability, IT and Human Resources. The Board reviews the professional development and ongoing education of Directors on an annual basis.

**4.6 Succession Plan**

The Company adequately monitors its Succession Planning requirements, given its scale and level of sophistication. It identifies the necessary competencies within the Board and Senior Management positions and sets a clear and systematic process towards the assessment, development and retention of a talent pool of Directors and Key Senior Executives with a view to securing leadership continuity for all critical positions and, consequently, ensuring that current and projected business strategies are fully and effectively deployed.

The process is reviewed and updated on a continual basis by the Nomination and Remuneration Committee, in conjunction with the Chairman and Constance Group Chief Executive Officer, and in response to the ongoing demands of the Company, with the Board being kept informed of developments.



# Director Duties, Remuneration and Performance

**5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE**

**5.1 Duties of Directors**

All Directors are aware of their legal duties as outlined in the Board Charter, the Code of Ethics and Conduct for Directors and other related documents handed to them on appointment and during their induction.

The Directors of the Company act with propriety in dealing with the affairs of the Company. They accordingly:

- i. do not exceed their jurisdiction;
- ii. act in good faith and in the best interest of the Company;
- iii. exercise the degree of ethics, care, diligence and skill which a "reasonably prudent person would exercise in comparable circumstances";
- iv. account to the Company for any monetary gain in respect of their fiduciary capacity as Director;
- v. do not make use of any confidential information acquired by way of their position as Directors of the Company, unless authorised by the Company, nor compete with the Company;
- vi. do not use the assets of the Company for any illegal purpose;
- vii. declare any direct or indirect interests to the meeting of Directors of the Company which shall be duly recorded by the Secretary of the Company;
- viii. transfer or hold as trustee until transferred all cash or assets acquired on behalf of the Company;
- ix. attend meetings of the Board of the Company with reasonable regularity; and
- x. keep proper accounting records and make such records available for inspection.

**5.2 Limitation on the Number of Company Directorships**

Non-Executive and Executive Directors are not encouraged to hold multiple directorships in order to ensure sufficient time is allocated to prepare and attend the Company's Board meetings and, consequently, to effectively monitor the Company's performance and operations.

**5.3 Information to the Board and Committees**

Board meetings are scheduled in advance and duly notified to all Directors at the beginning of each financial year.

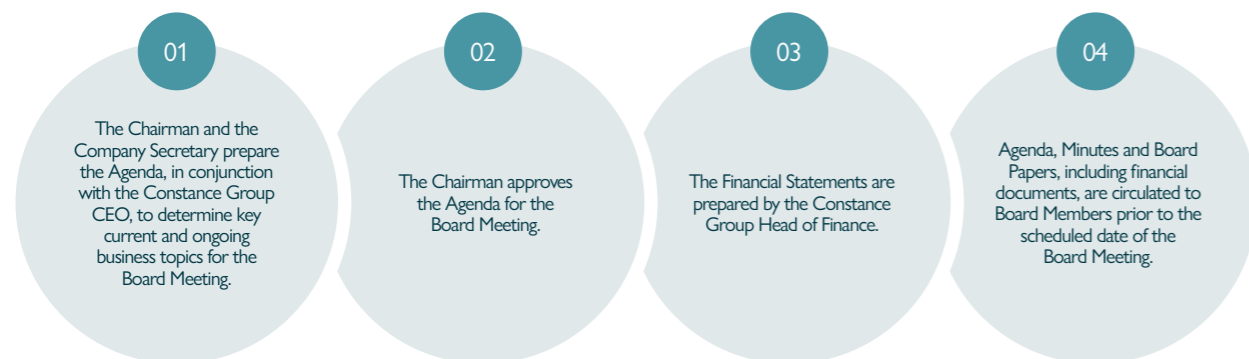
The agenda for each Board meeting is set by the Chairman in conjunction with the Company Secretary, and with input from the Constance Group CEO. The Company Secretary sends Board notices with supporting documents to the Directors at least five working days in advance, allowing adequate preparation by all Directors before each meeting.

During Board meetings, the Chairman of the Board ensures that appropriate time is allocated to Directors to ask questions, to review and discuss all relevant financial, governance and other information and data, and to follow up on the implementation of the Company's strategies. Written minutes taken by the Company Secretary are subsequently approved by the Board and filed.

The Chairman and the Company Secretary ensure that Directors receive the right information in a timely manner to enable them to make informed business decisions. The prime responsibility for setting the agenda of Board meetings and ensuring that key information, both quantitative and qualitative, is made available to the Directors lies with the Chairman, who decides on the relevance and adequacy of information to ensure that the Directors' information needs are met.

*Director Duties, Remuneration and Performance***5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (continued)****5.3 Information to the Board and Committees (continued)**

## Selection of Agenda Items for Board Meetings

**5.4 Report of Interest of Directors and Designated Management**

In line with the Company's Code of Ethics and Conduct, as well as Policies on Conflict of Interest and Related-Party Transactions, and Share Dealing, the Company's Directors and Designated Employees are required to report in writing to the Company on their vested interests and those of their Associates. This information is collected by the Company Secretary to whom this responsibility has been delegated. The latter updates the Register of Interest/ Insiders Share Dealings/Conflict of Interest and Related Parties.

During the year, Directors are given the opportunity to disclose any new Conflict of Interests & Related-Party Transactions and share dealings with the first agenda item at every board meeting calling for these disclosures. On a bi-annual basis, Directors are required to send their return to ensure that their entries in the register are up-to-date.

**5.5 Directors' and Senior Officers' Interests and Dealings in Shares**

The Company's Share Dealing Policy gives clear guidance on the practice to be followed when dealing in shares of the Company or of companies connected to the Company by business or common shareholding. All Directors, related parties and designated employees wishing to deal in the securities of the Company or any of its subsidiaries must comply with the statutory provisions concerning insider dealing in the Companies Act 2001 as well as the Securities Act 2005 and be aware of the Stock Exchange of Mauritius' Model Code for Securities Transactions by Directors and employees of Listed Companies. Furthermore, Directors and Designated Employees are notified by the Company of the commencement and closure of non- trading periods.

During the year under review, Mr Andrew Milton disposed 77,200 shares and one associate of Mr Noël Adolphe Vallet acquired 419,500 shares of the Company from another of his associates.

*Director Duties, Remuneration and Performance***5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (continued)****5.6 Directors' and Senior Officers' Share Interests**

The interests of Directors and Senior Officers in the securities of the Company as at 31 December 2023 were as follows:

	DIRECT		INDIRECT
	No. of shares	% Held	% Held
<b>Directors</b>			
George J. DUMBELL – Chairman	34,285	0.03	-
Jean-Philippe COULIER	-	-	-
Marc FREISMUTH	-	-	-
Catherine FROMET DE ROSNAY	-	-	-
Gianduth JEEAWOCK	-	-	-
Preetee JHAMNA	-	-	-
Clément D. REY	42,857	0.04	0.49
Georgina ROGERS	2,329,438	2.12	0.49
Noël Adolphe VALLET	-	-	0.52
Jean-Jacques VALLET	211,561	0.19	0.01
<b>Senior Officers</b>			
Kevin CHAN TOO	11,100	0.01	0.04
Julien COETTE DIT DUBOIS	-	-	-
Vincent DE MARASSE ENOUF	-	-	-
Siegfried ESPITALIER NOËL	37,168	0.03	0.03
Shashi Kumar KOONJA	44,057	0.04	-
Andrew MILTON	-	-	-

The Company Secretary maintains a Register of Interests/Insiders, Share Dealings/Conflicts of Interest and Related Parties in respect of all Directors and Senior Officers. This Register is kept up to date through verbal declarations made by Directors at each Board meeting, written submissions made by Senior Officers when appropriate, and written declarations submitted by Directors and Senior Officers.

Any disclosure of interest is recorded in the Register of Interests which is available for inspection during normal office hours upon written request made to the Company Secretary.

**5.7 Common Directors**

The names of common Directors of the subsidiaries of the Company as at 31 December 2023, are disclosed under Other Statutory Disclosures of the Annual Report and are as follows for Hotelest Limited, the holding company, and BMH Ltd, the ultimate holding company:

*Director Duties, Remuneration and Performance***5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (continued)****5.7 Common Directors (continued)***Directors of Hotelest Limited (As at 31 December 2023)*

Messrs George J. Dumbell, Marc Freismuth, Noël Adolphe Vallet, Clément D. Rey, Jean-Jacques Vallet, Mrs Catherine Fromet De Rosnay and Mrs Georgina Rogers.

*Directors of BMH Ltd (As at 31 December 2023)*

Messrs George J. Dumbell, Marc Freismuth, Noël Adolphe Vallet, Clément D. Rey and Mrs Georgina Rogers.

**5.8 Directors' and Senior Executives' Remuneration**

The Company's Nomination and Remuneration Committee is entrusted by the Board with the task of determining and recommending to the Board the remuneration policy for Non-Executive Directors and for Senior Executives of the Company, which is outlined in the Company's Remuneration Policy.

Four key principles underpin this policy:

For Directors:

- i. Attract and retain Directors.
- ii. Motivate Directors to achieve the Company's business objectives.
- iii. Align the interests of Directors with the long-term interests of shareholders.
- iv. Reflect the involvement of Directors on Board Committees.

For Key Senior Executives:

- i. Remuneration must reflect the market in which the Company operates.
- ii. Key performance indicators shall apply in order to deliver results to the Company.
- iii. Remuneration is to be linked to the creation of value to Shareholders.
- iv. Remuneration is to reward both financial and non-financial performance.

In regard to the Non-Executive Directors, every three years the Nomination and Remuneration Committee reviews Directors' fees for the Board and Board Committees and makes appropriate recommendation to the Board, for ultimate consideration and approval by Shareholders at their Annual Meeting. This exercise ensures that Directors' fees are in line with the key principles underpinning the Company's Remuneration Policy. Directors are reimbursed for unusual expenses associated with undertaking their duties.

The annual fees for the Board and its Committees, are outlined below:

<b>BOARD</b>	
<b>(MUR)</b>	
Chairman	550,000
Non-Executive	180,000
Independent	210,000
MUR 15,000 per sitting in excess of 5 Board meetings.	

*Director Duties, Remuneration and Performance***5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (continued)****5.8 Directors' and Senior Executives' Remuneration (continued)**

<b>COMMITTEES</b>			
<b>(MUR)</b>	<b>Audit and Risk Management</b>	<b>Corporate Governance</b>	<b>Nomination and Remuneration</b>
Chairman	250,000	100,000	90,000
Member	125,000	50,000	50,000
	MUR 15,000 per sitting in excess of 6 Audit and Risk Management Committee meetings.	MUR 15,000 per sitting in excess of 4 Corporate Governance Committee meetings.	MUR 15,000 per sitting in excess of 4 Nomination and Remuneration Committee meetings.

The remuneration and benefits received by Directors in 2023 are disclosed under Other Statutory Disclosures.

**5.9 Board Evaluation***Evaluation Criteria*

Directors are invited to participate in a combined full Board evaluation and individual Director evaluation, which also covers the Company's Board Committees. This exercise is carried out every three years under the auspices of the Chairman and the Nomination and Remuneration Committee.

The full Board evaluation requires Directors to focus on the functioning of the Board as a whole, which includes, inter alia, the Board's understanding of strategy, the composition of the Board and the mix of skills, the structure and organisation of Board meetings and Committee meetings, and other core issues related to the execution of the Board's mandate. The Director's self-evaluation exercise requires each Director to reflect on and assess their own Board performance, including how their skills contribute to the effectiveness of the Board, their commitment, aptitudes, preparedness and other responsibilities. In addition, they are also required to report on the Board's relationship with Management and on the performance of the Board's Chairman.

*Evaluation Methodology*

The Board's evaluation process is undertaken by way of a written questionnaire, with preset ratings. Directors are required to respond to a series of questions regarding either the functioning of the full Board or the Committees, or their own performance. The questionnaire provides a good baseline of information and offers much insight into issues for further discussion. It also contains open-ended questions, allowing Directors to elaborate on certain crucial development issues. The results are thoroughly evaluated and reviewed by the Chairman and the Nomination and Remuneration Committee before being presented to the Board, along with an action plan, for open discussion. The action plan comprises proposed corrective measures to be taken for underperforming ratings.

The Nomination and Remuneration Committee monitors and ensures that all the corrective measures for the under-performing ratings are addressed and implemented. In the event a Director raises an unfavourable personal issue, the Chairman conducts a one-on-one interview with that Director.

During the year under review, the Board and relevant Committees ensured the implementation of the corrective measures which followed the evaluation carried out in 2022. The next evaluation exercise for the Board, its Committees, and the Directors individually is planned for 2025.

The Board considers that the current evaluation process satisfies the Company's present requirements and it does not see any merit in carrying out an Independent Evaluation.



Director Duties, Remuneration and Performance

5. DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (continued)

5.10 Executive Performance Development Programme

The Company has an Executive Performance Development Programme for its Senior Executives, incorporating a short-term incentive scheme, which links the Executives' remunerations with the performance of the Company. It is a performance bonus scheme based on annual performance targets. Bonus pay-outs for meeting performance expectations are conservative, whilst rewards for exceeding the set targets are market-driven. Every year, the Nomination and Remuneration Committee reviews Key Senior Executives' Remunerations to ensure that they remain competitive to the local market.

Every year, performance targets for Senior Executives are set by identifying the main priorities from his or her respective job's Key Result Areas and Key Performance Indicators. These priorities are then translated into specific objectives for the said year, along with any particular strategic objective approved by the Board for that year. For other Executives and personnel, the Company applies the balanced scorecard methodology to set annual targets, weightages and measures for each individual.

The Company does not presently have an employee share-option scheme/long-term incentive plan.

5.11 Attendance at Board and Committee Meetings

	Board of Directors	Audit and Risk Management Committee	Corporate Governance Committee	Nomination and Remuneration Committee
Number of meetings held in 2023	5	5	4	6
Meetings attended				
George J. DUMBELL	5	-	1 <i>(Up to 30 June 2023)</i>	6
Jean-Philippe COULIER	5	5	-	-
Marc FREISMUTH	5	-	-	6
Catherine FROMET DE ROSNAY	5	-	4	-
Gianduth JEEAWOCK	5	-	-	-
Preetee JHAMNA	3	5	-	-
Clément D. REY	5	-	-	6
Georgina ROGERS	3	1 <i>(As from 01 October 2023)</i>	3 <i>(Up to 30 September 2023)</i>	-
Noël Adolphe VALLET	5	4 <i>(Up to 30 September 2023)</i>	1 <i>(As from 01 October 2023)</i>	-
Jean-Jacques VALLET	5	-	1 <i>(As from 01 October 2023)</i>	-

# Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS

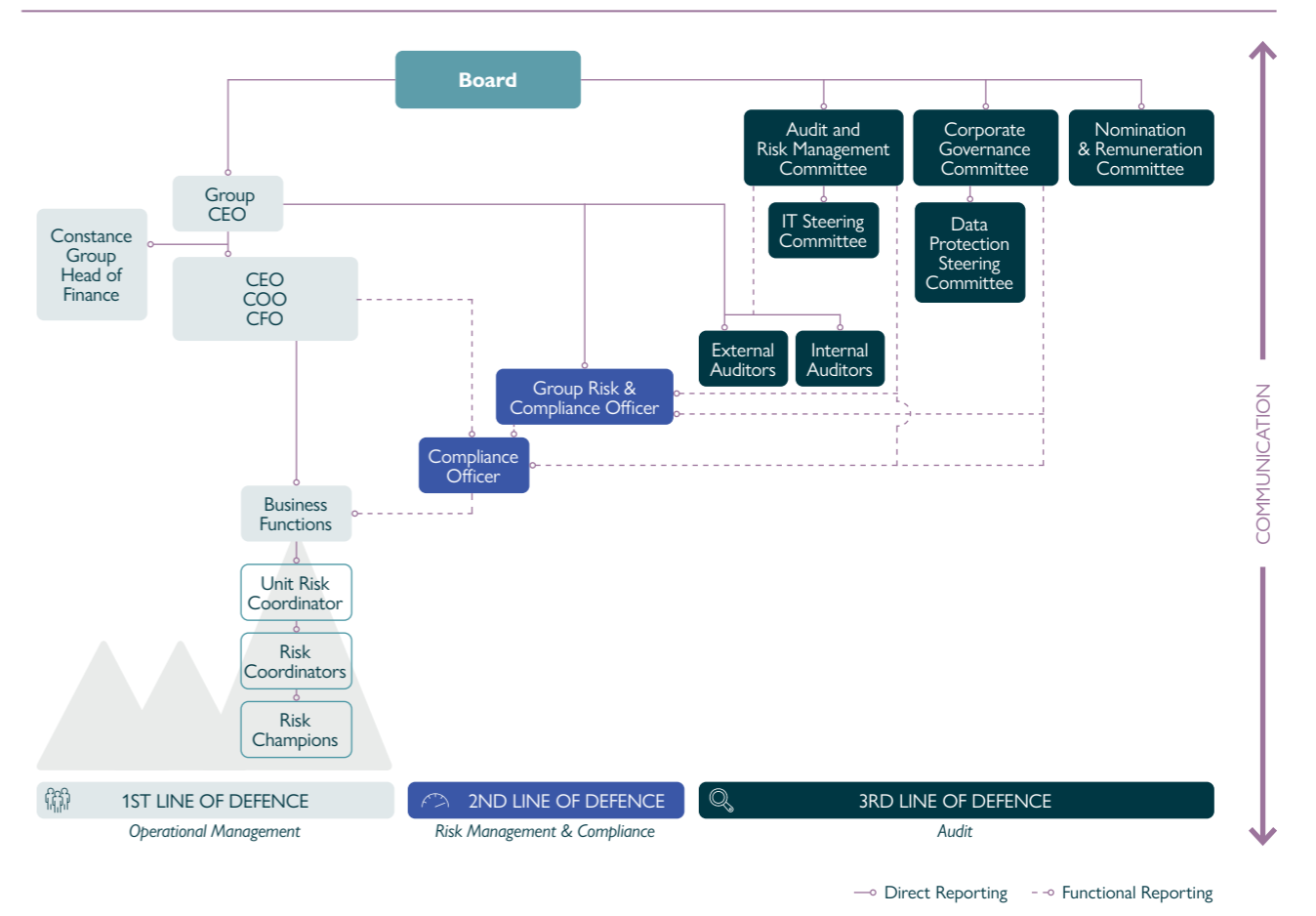
6.1 Risk Management

Risk Management Framework

The Company constantly faces varied risks which may adversely impact its performance, financial condition, and overall ability to attain its strategic objectives. The Board, which is ultimately responsible for the sound management of these risks, ensures that the Company has continuously in place the appropriate risk management and internal control framework. In doing so, the Board has delegated the responsibility of continually monitoring, assessing and reviewing the risk management and internal control framework to the Audit and Risk Management Committee. This is in the light of the approved risk appetite, the changing nature and extent of the risks faced by the Company and the applicable laws and regulations, in order to ascertain that this framework remains adequate and effective.

The Board acknowledges that risk management and internal control frameworks are designed to identify and manage, rather than eliminate, the risk of failure to achieve business objectives. Such frameworks can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Company first established its risk management programme in August 2006. In 2014, by direction of the Board, the risk management framework was further enhanced by the deployment of the Enterprise Risk Management (ERM) Programme across all the operations and jurisdictions of the Company.



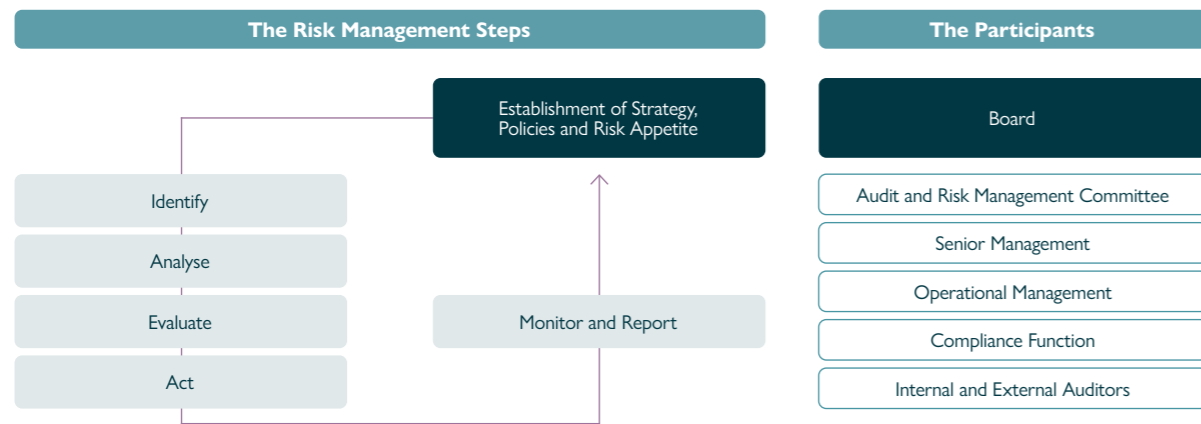
Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.1 Risk Management (continued)

The Company's ERM framework consists of a combination of the top-down and bottom-up approaches to risk management, on the basis of three lines of defence.

Strategy, policies and risk appetite are approved by the Board, and their formulation, implementation, evaluation and monitoring are delegated to the Committees of the Board, Senior Management and the Internal and External Auditors.



The strategic objectives of the Company are communicated top-down, scorecards are adjusted and activities are, subsequently, organised at the level of each property and department with a view to generating the expected results. Risk Champions identify risks that may hamper the achievement of the objectives and activities in their respective areas of responsibility. Departmental Risk Coordinators, primarily comprising department Heads/Assistants, assess the identified risks, ensure that the appropriate preventive and mitigating measures have been taken and suggest further measures which may require approval of either the General Manager (GM) or the Head Office (CHML). Risks identified by the different departments are communicated to the Unit Risk Coordinator (URC), whose responsibility in the ERM process is mainly to:

- provide advice and assistance to Risk Coordinators in the formulation, methodology and assessment of risks
- liaise with department Heads and monitor the implementation of risk treatment measures;
- maintain the property's risk register;
- report to the General Manager who is ultimately responsible for managing risks at property level; and
- report to the Group Risk & Compliance Officer (GRCO) on risk management matters.

To facilitate the management of risks at property level, the GRCO equips the property URCs and Risk Coordinators with the necessary training, tools, templates and information, including on the strategic objectives, corresponding risk drivers, key risk indicators, and the methodology for evaluating and categorising the identified risks. The GRCO remains accessible for any further assistance required by the URCs in the proper management of the ERM process.

Once the risk registers have been updated by the different properties, the GRCO analyses their contents and queries the URCs, if needed, and creates the Group Risk Register. The GRCO verifies that each property has adequately considered all "risk types" listed by CHML, that risk categorisation is harmonised throughout the organisation and that the risk assessment fairly reflects the exposure of individual properties. The GRCO ensures a seamless flow of information around risk management, both bottom-up and top-down.

Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.1 Risk Management (continued)

ERM Reports, based on the Group Risk Register, are presented to Management (CEO, COO and CFO) who may re-evaluate the principal risks facing the organisation from the Group's perspective. Management provides direction in respect of policy, methodology, reporting and internal control matters and advises on the management of the principal risks.

Two ERM reports were presented to the Audit and Risk Committee in 2023. The weighting factor applied in the evaluation of the financial impact following the COVID-19 pandemic has been maintained for ease of comparison. Additionally, a weightage has been applied to the impact on human capital, to reflect the current challenges. The Chairman of the Committee acknowledged the considerable amount of work that has been achieved in the implementation of the Risk Management Framework. He opined that the dashboard and reports, which may be fine-tuned over time, provided the necessary insight to the Committee.

The 3 Lines of Defence of CHSL's ERM Framework



**Operational Management**

- Risk Champions and Risk Coordinators from different departments ensure that risks identified are communicated to their respective Unit Risk Coordinator and that preventive and corrective measures are implemented within the set deadlines.
- Line managers are responsible for continuous compliance with all laws, regulations, rules, codes, policies, procedures and standards of good practice. They bear responsibility for the day-to-day management of risks owned and provide insight into risk treatment and mitigating actions.
- The ultimate responsibility for the management of risks, at property level, lies with the General Manager. Each General Manager approves the preventive/mitigating actions for his property.
- The CEO, COO and CFO evaluate, advise and monitor the management of the principal risks, and they provide direction in respect of policy, methodology, internal controls and reporting.

**Risk & Compliance Function**

- The GRCO coordinates, facilitates and oversees the overall risk management processes in the organisation, including policy, methodology, training and tools for recording and reporting. The GRCO ensures an effective communication flow on risk management, top-down and bottom-up, across the organisation.
- The Audit and Risk Management Committee ensures that the Company has a comprehensive and robust risk management system. The Committee analyses and assesses ERM reports presented by the GRCO, provides direction and recommendations, and monitors management's performance in controlling risks.
- Other forms of risks are reported to the Board through its relevant Board and Steering Committees.
- The Board, which holds the ultimate responsibility for the Company's Strategic Plan, succession planning and the overall risk governance framework, formulates the strategy and determine the nature and extent of the principal risks the Company is willing to take in achieving its strategic objectives (risk appetite).

**Audit**

- Independent assurance with regard to the adequacy and effectiveness of the Company's risk management framework and processes is derived from the Internal Audit function, which is outsourced to Messrs. PricewaterhouseCoopers (PwC).
- External Auditors provide external assurance on matters pertaining, but not limited to, valuation and financial statements. In addition, they report on the extent of compliance with the Code of Corporate Governance in the annual report and on whether the disclosures are consistent with the Code's requirements.

Risk Management and Internal Controls

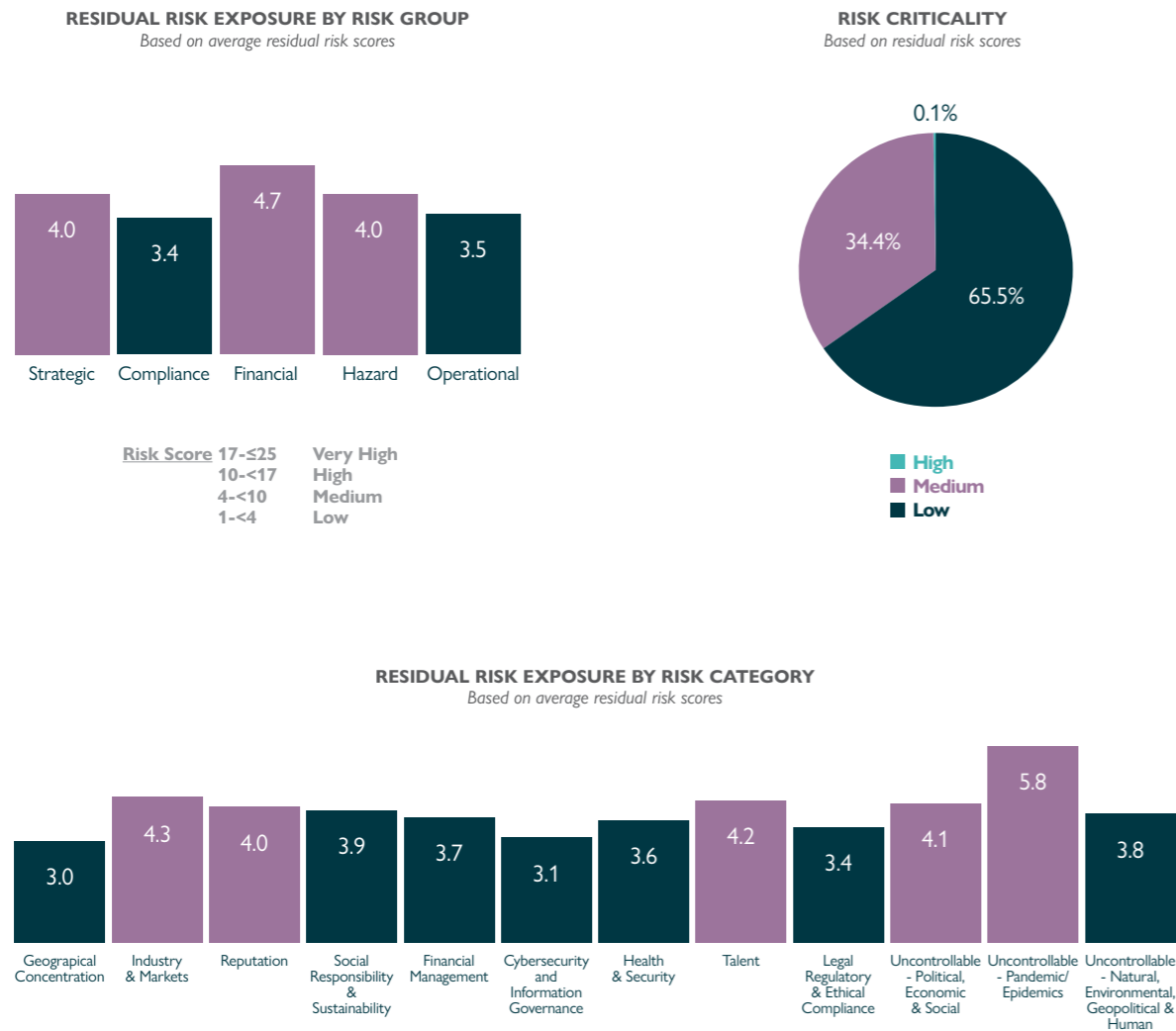
6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.1 Risk Management (continued)

Risk Profile

Risks facing the Company are classified by type and subsequently grouped as Strategic, Financial, Operational, Compliance or Hazard, in accordance with the National Code of Corporate Governance for Mauritius (2016). The following charts provide an overview of the Company's risk profile as a 31 December 2023, based on the average residual risk values.

Residual Risk Exposure, 31 December 2023



Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.1 Risk Management (continued)

Principal Risks and Mitigation Initiatives

The Company has implemented various policies and mitigation initiatives to effectively counter the principal risks to which it is exposed to, as elaborated in this Corporate Governance Report and in the following tables. The Company also contributes towards a Director and Officer Liabilities insurance cover.

Principal Risks by Risk Group and Capital Impacted

RISK	RISK GROUP	CAPITAL IMPACTED	RISK TREND (2023 VS 2022)
Geographical Concentration	Strategic	Financial, Human, Intellectual, Social & Natural	↓
Industry and Market	Strategic	Financial, Human, Intellectual, Social & Natural	↔
Political, Economic and Social	Strategic	Financial, Human, Social & Natural	↔
Reputation	Strategic	Financial, Human, Intellectual	↔
Social Responsibility and Sustainability	Strategic	Financial, Human, Social & Natural	↔
Financial Management	Financial	Financial, Human	↔
Cybersecurity and Information Governance	Operational	Financial, Human, Intellectual	↔
Health and Security	Operational	Financial, Human, Intellectual, Social & Natural	↔
Talent	Operational	Financial, Human, Intellectual	↑
Legal, Regulatory and Ethical Compliance	Compliance	Financial, Human, Intellectual	↔
Uncontrollable Events (Natural, Environmental, Geopolitical and Human Perils)	Hazard	Financial, Human, Social & Natural	↑

**Legend**  
 Capital Impacted: Financial (Bank icon), Human (Person icon), Intellectual (Lightbulb icon), Social & Natural (Globe icon)  
 Risk Trend: ↓ Decrease, ↑ Increase, ↔ Unchanged

## Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

## 6.1 Risk Management (continued)

## Risk Mitigation Initiatives

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Geographical Concentration</b>	- Lack of geographical diversification may adversely affect the financial results and mid/long-term growth of the Company.	- The Company has operations in four different jurisdictions and the Board continually assesses new opportunities across the region and beyond.	- Risk Management Policy.	- Increased management portfolio with three additional hotels. - Identification of diversification opportunities. - Assessment of the political, social and economic situation in target countries. - Close analysis of tourism trends and customer behaviours.
<b>Industry and Market</b>	The tourism industry, particularly the hotel sector, may be negatively impacted by changes in international demand for hotel rooms and associated services, an uncompetitive open-sky policy, increases in the supply of rooms and other forms of accommodation, government policies and regulations, and other industry-related factors.  In addition to addressing the aftermath of the COVID-19 pandemic, the industry has been impacted by the rising prices and travel costs resulting from the war in Ukraine.	- The Company is kept abreast of industry and market risks through its extensive network of overseas sales & marketing and representation offices. - Industry risks are mitigated externally through regular meetings with the appropriate industry drivers and government ministries, either directly or through industry associations. - These risks are also reviewed internally through daily performance monitoring and the application of different marketing strategies, and on a quarterly basis by the Board. - The Company strives to adapt to new markets, meet customer expectations, and constantly innovate to strengthen its competitiveness.	Anti-Trust Policy, Risk Management Policy, and Corporate Sustainability Policy.	- Constant innovation and improvement of products and services. - Creativity development initiatives. - Proactivity and agility in optimising/redirecting investment through market studies, and according to the socio-economic-political situation in the main target markets. - Maintain visibility in target markets through multiple media and PR actions, improved websites, new booking channels, partnerships and loyalty programmes. - Close collaboration with business partners to assess new trends and customer expectations and adapt to changing demands. - Explore and adapt to new markets. - Proper management of online reviews and in-house guest surveys to maintain good reputation. - Marketing strategy in place. - Risks continuously identified and addressed.

## Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

## 6.1 Risk Management (continued)

## Risk Mitigation Initiatives (continued)

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Political, Economic and Social</b>	Political, economic and social events that affect international travel (e.g. closed-sky policies, increased transport and fuel costs, economic crises, and currency and interest-rate fluctuations) and the performance of the tourism industry in the destinations in which the Company operates.	The Company regularly discusses such risks with relevant stakeholders, including its bankers and advisers.  - The Company, which is affiliated to AHRIM and other hotel associations in the Seychelles and the Maldives, takes part in industry-wide discussions related to these risks.  - Changes in the business environments in which the Company operates are regularly assessed by the management team, and quarterly by the Board and its Committees to ensure prompt decisions are taken to safeguard the Company's brand value and assets.	Anti-Money Laundering/ CFT Policy, Anti-Trust Policy, Corporate Sustainability Policy, and Risk Management Policy.	- Review prices to reflect changes in currency rates. - Close follow-up with the relevant authorities. - Appropriate contract clauses to mitigate losses related to political, economic and social events. - Representations through hotel associations in countries of operation.
<b>Reputation</b>	Damage to the Company's brand and reputation due to:  - Events such as adverse publicity which impact its reputation. - Failure of the Company to sustain its appeal (e.g. product quality, facilities and services offered and safety & security) to its clients and other stakeholders. - Talent shortage affecting the ability to maintain quality standards and meet customer expectations.	- Enforcement of a strict ethical Code of Conduct and good corporate governance practices across the Group in accordance with the National Code of Corporate Governance for Mauritius and international best practices. - Code of Ethics and Conduct for our business partners. - Continuous improvements and innovations. - Maintenance of quality standards through regular audits and training. - Monitoring of guest satisfaction and negative reviews and execution of corrective actions. - Safety and security measures. - Timely information to guests. - Monitoring compliance with data protection and other applicable laws and regulations. - Data processing agreement signed with our third-party data processors. - Maintaining sanitary protocols to control epidemics/ pandemic. - Implementing sustainable practices.	Code of Ethics and Conduct for Employees, Code of Ethics and Conduct for Business Partners, Code of Ethics and Conduct for Directors, IT Code of Practice, Professional Standards and Guidelines, Anti Money Laundering/CFT Policy, Data Protection Policy, Conflict of Interest and Related-Party Transactions Policy, Gifts Policy, Equal Opportunity Policy, IT Information Security Policy, Corporate Sustainability Policy, Social Media Use Policy, Procurement Policy, Health and Safety Policy, and Risk Management Policy.	- Employee awareness, training and mentoring. - Task force deployed as required. - Security reinforced with additional cameras. - Awareness and measures on conflicts of interests and related-party transactions. - Ongoing preventive maintenance; refurbishment and renovation in some properties. - Ensure legal compliance, including with the EU GDPR and DPA 2017. - Brand coordinators ensure alignment with the brand guidelines. - Improved complaints handling procedures. - Improved communication with guests on sustainable measures implemented at our properties. - Risk continuously identified and addressed.

### Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

### 6.1 Risk Management (continued)

#### Risk Mitigation Initiatives (continued)

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Social Responsibility and Sustainability</b>	The reputation of the Company and the value of its brands are influenced by a variety of factors, including the Company's ability to demonstrate responsible practices in such areas as sustainability, responsible tourism, environmental management, health and safety, and support to the local community.	<ul style="list-style-type: none"> <li>- CSR programmes and initiatives are tailored to the needs of the communities and societies in the regions where the Company operates.</li> <li>- Regular review and reporting on the progress of CSR programmes and achievements, as well as new potential projects, are presented to the CSR Committee of Fondation Constance and, on a quarterly basis, to the Board through the Corporate Governance Committee.</li> <li>- The Company has participated the internationally-recognised Green Globe Certification programme since 2013. The Company became a Gold Member of the Green Globe certification in 2018. In 2023, 6 of the properties of Constance Hotels were re-certified "Green Globe Gold".</li> <li>- Constance Ephelia, Seychelles, and Constance Lemuria, Seychelles, were re-awarded the Seychelles Sustainable Tourism Label in 2023.</li> <li>- The Company regularly engages with key stakeholders.</li> <li>- The Company adheres to applicable laws and regulations and good governance practices, supports human rights, strives to preserve the natural ecosystem, and respects and supports the communities and cultures in all the countries where it operates.</li> <li>- The Corporate Governance Committee of the Board monitors the progress of the Sustainability Management Plan 2030.</li> </ul>	Corporate Sustainability Policy, Anti-Money Laundering/CFT Policy, Procurement Policy, Code of Conduct for Business Partners, Anti-trust Policy, and Equal Opportunity Policy.	<ul style="list-style-type: none"> <li>- Close monitoring of energy and water usage.</li> <li>- Miscellaneous measures to minimise wastage.</li> <li>- Segregation and recycling of wastes.</li> <li>- Close monitoring of effluent water.</li> <li>- Reduced usage of plastics.</li> <li>- Clean up activities and community sensitisation campaigns.</li> <li>- Mangrove management plan.</li> <li>- Purchase of eco-friendly and biodegradable products as available.</li> <li>- Employee training and awareness.</li> <li>- Close supervision during delivery of diesel to avoid leakage.</li> <li>- Preventive maintenance.</li> <li>- Risks identified and addressed.</li> <li>- Stakeholder engagement initiatives.</li> <li>- Protection of manta rays in the Maldives.</li> </ul>

### Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

### 6.1 Risk Management (continued)

#### Risk Mitigation Initiatives (continued)

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Financial Management</b>	<p>The Company is exposed to a wide range of financial risks, namely currency risk, price risk, credit risk, liquidity risk, interest rate risk and capital risk. These risks are reported in detail in the Notes to the Financial Statements.</p> <p>Unexpected changes in regulations can cause an increase in payroll/tax.</p> <p>Risks factors include: high inflationary pressures, slow payment from debtors, pricing policy, internal controls</p>	<ul style="list-style-type: none"> <li>- Sound management of costs and financial risks such as foreign exchange, liquidity, market risks, and pricing policy</li> <li>- Detailed budgets and projected cash flows are reviewed on a regular basis by the Audit and Risk Management Committee and by the Board.</li> <li>- The Board and the Audit and Risk Management Committee scrutinise the Company's account receivables and payables.</li> <li>- Other mitigation initiatives can be referred to in the Notes to the Financial Statements.</li> </ul>	Risk Management Policy.	<ul style="list-style-type: none"> <li>- Internal audit programme and reinforcement of controls.</li> <li>- Close monitoring of costs.</li> <li>- Increased controls by the procurement department.</li> <li>- Monitoring of credit terms and allowances to debtors.</li> <li>- Close monitoring of currency fluctuations and trends.</li> <li>- Miscellaneous measures to reduce wastage and spoilage.</li> <li>- Anticipation of costs and budgeting.</li> <li>- Risks continuously identified and addressed.</li> </ul>
<b>Cybersecurity and Information Governance</b>	To varying degrees, the Company relies on certain technologies and systems for the smooth and efficient running of its business. Disruption to these technologies or systems may adversely affect the quality and standard of the Company's product and service offerings, as well as the Company's productivity, operating costs, and efficiency. The external threats have increased since the start of the COVID-19 pandemic.	<ul style="list-style-type: none"> <li>- A strong professional team with a combined experience of over 16 years in the field of IT.</li> <li>- The IT Steering Committee ensures the implementation of the appropriate IT governance framework, policies, strategy and practices throughout the Company, in accordance with the applicable regulatory requirements and international best practices.</li> <li>- The Company's IT function performs regular controls and upgrades to the IT system in order to ensure its effectiveness and prevent any disruption.</li> <li>- Management ensures that all staff comply with the Company's IT Code of Practice.</li> <li>- Independent audits of the IT governance framework and systems are conducted by the Internal Auditors.</li> <li>- Internal and external training of team members.</li> </ul>	IT Information Security Policy, IT Code of Practice, IT Governance Policies, and Data Protection Policy.	<ul style="list-style-type: none"> <li>- IT Steering Committee met twice.</li> <li>- Effective and proactive IT governance structure in place.</li> <li>- Enhanced cybersecurity measures implemented, such as upgrading of firewall and mail antispam software, installation of new antivirus with AI functionalities, new security platform, patch management system and anti-phishing system, audit by an external party, employee awareness on cybersecurity and phishing simulation exercise, controlled access to external emails, updating of obsolete systems, protection of mobile devices, migration to Opera Cloud, updating of Disaster Recovery, and Back up plans.</li> </ul>

## Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

## 6.1 Risk Management (continued)

## Risk Mitigation Initiatives (continued)

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Health and Security (H&amp;S)</b>	Health and safety issues (e.g. occupational incidents and food-related issues) faced by our guests and employees.	<ul style="list-style-type: none"> <li>- The Corporate Sustainability Manager oversees, harmonises, and monitors the Sustainability, Health and Safety, and Food Safety functions across all hotels of the Group with strict controls to ensure compliance with international best practices, statutory and legal requirements, and codes of practice generally applied across the industry.</li> <li>- Each of our hotels has either a dedicated Health and Safety Officer or a Senior Executive responsible for this function.</li> <li>- Appropriate and ongoing training is provided to staff, and the highest standards of care are applied to the services and products offered to our guests.</li> <li>- A Health and Safety Programme is approved annually, and its progress is monitored on a quarterly basis by the Corporate Governance Committee.</li> <li>- CCTV cameras in place.</li> </ul>	Corporate Sustainability Policy and Risk Management Policy.	<ul style="list-style-type: none"> <li>- Monitoring of incidents.</li> <li>- Training and awareness of employees.</li> <li>- Risk assessment and close monitoring.</li> <li>- Updated precautionary measures for guests.</li> <li>- Ongoing preventive maintenance.</li> <li>- Updates to H&amp;S emergency procedures and drills conducted.</li> <li>- Provision of appropriate personal protective equipment.</li> <li>- Improved safety procedures.</li> </ul>
<b>Talent</b>	Failure to identify, secure, and retain top-quality management and highly-skilled employees may undermine the Company's ability to remain profitable and achieve its strategic objectives. Skills shortages have been exacerbated by the COVID-19 pandemic.	<ul style="list-style-type: none"> <li>- A policy of recruitment and recognition of performance, which is fair and transparent and based on merit, is applied.</li> <li>- The Company ensures an attractive and safe working environment along with a competitive remuneration structure.</li> <li>- Succession planning for key roles is developed, monitored, and maintained.</li> <li>- Internal and external training to further develop the skills of team members.</li> <li>- Employee satisfaction surveys and implementation of improvement plan.</li> <li>- Team members are recognised and rewarded for their contributions.</li> </ul>	Code of Ethics and Conduct, Professional Standards and Guidelines, Equal Opportunity Policy, Nomination Policy, and Risk Management Policy.	<ul style="list-style-type: none"> <li>- Updated Recruitment Policy.</li> <li>- Training and certification programme.</li> <li>- Employee recognition and awards.</li> <li>- Appraisals and performance reviews.</li> <li>- Benchmarking carried out to realign salaries.</li> <li>- Initiation of a succession plan which extends down to Head of Services level.</li> <li>- Implementation of personal development and career plans at all levels.</li> <li>- More flexible work hours and part-timers being recruited.</li> <li>- Increased efforts towards employee welfare and well-being.</li> <li>- Succession planning in progress.</li> </ul>

## Risk Management and Internal Controls

## 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

## 6.1 Risk Management (continued)

## Risk Mitigation Initiatives (continued)

RISK	DESCRIPTION	MITIGATION INITIATIVES	RELEVANT CODES AND POLICIES	ACTIONS DURING THE YEAR
<b>Legal, Regulatory and Ethical Compliance</b>	Non-compliance with legal and other regulatory requirements may result in severe penalties and adversely affect the Company's competitive position on the market.	<ul style="list-style-type: none"> <li>- A robust programme, comprising procedures for internal monitoring and reporting, has been put in place by the Compliance and Accounting functions, with the support of Internal Audit, to ensure strict adherence to financial and regulatory requirements.</li> <li>- Contracts are monitored through a dedicated contract management software.</li> <li>- All major requirements of the EU GDPR and DPA 2017 have been implemented.</li> <li>- Quarterly Financial Statements and the Abridged Financial Statements are scrutinised by the Audit and Risk Management Committee and subsequently reviewed and approved by the Board.</li> <li>- Relevant team members are kept abreast of changes in regulatory requirements through regular communication and training.</li> <li>- Quarterly compliance reports are completed by all properties to highlight compliance issues.</li> <li>- AML/CFT procedures are in place to assess and mitigate risks associated with the Company's operations and activities.</li> </ul>	All Codes and Policies listed at section 6.5.	<ul style="list-style-type: none"> <li>- Effective communication of new legal requirements and ethical standards.</li> <li>- Ongoing implementation of organisational and technical measures to ensure full compliance with the EU GDPR and DPA 2017.</li> <li>- Reinforcement of data security measures.</li> <li>- Migration to Opera Cloud, which includes functionalities aligned with the requirements of the EU GDPR.</li> <li>- Ongoing training and awareness programme for employees.</li> <li>- Online compliance training implemented.</li> </ul>
<b>Uncontrollable Events (Natural, Environmental, Geopolitical and Human Perils)</b>	Uncontrollable events such as acts of terrorism, civil unrests, epidemics, tsunamis and cyclones may adversely affect occupancy levels and therefore the operations of the Company.	<ul style="list-style-type: none"> <li>- A Business Continuity Plan is in place, comprising emergency contacts, emergency procedures for the different risks identified, a communication strategy, crisis management, and business recovery measures.</li> <li>- Drills and simulation exercises to prepare our team members for various contingencies.</li> <li>- Ensure that contracts with business partners include appropriate clauses to mitigate losses.</li> </ul>	Risk Management Policy.	<ul style="list-style-type: none"> <li>- Action plan established for any new threat identified.</li> <li>- Ongoing training and drills.</li> <li>- Complied with the protocols established by the local authorities.</li> <li>- Effective communication of protocols in place.</li> </ul>

Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.2 Business Continuity

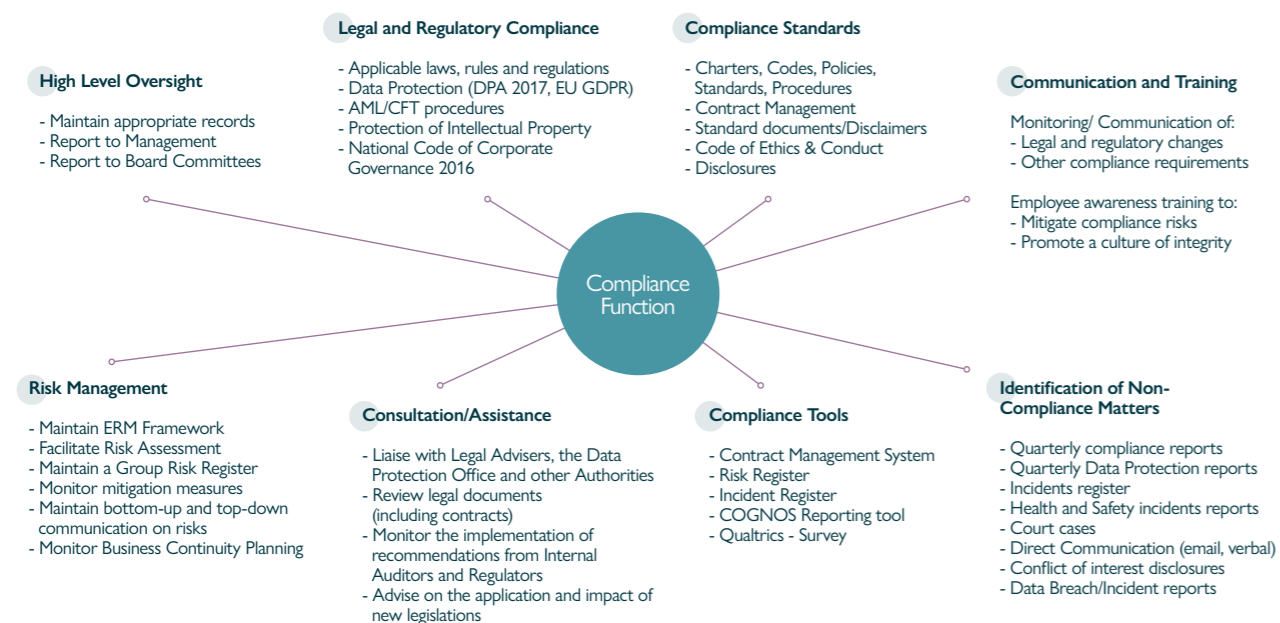
Business Continuity practices are continually reviewed in response to emerging events and include emergency procedures, crisis management, and disaster recovery planning. Health & Safety training and regular drills were conducted throughout the year, with additional first aiders trained to improve our preparedness. The Company facilitated remote access to its systems while ensuring that the necessary safeguards are in place to enable “Work safely from Home” in compelling circumstances. Measures, such as the Company’s Intranet, facilitates information sharing and keep staff connected. Physical security is constantly reviewed and strengthened for the protection of individuals and for the safeguard of assets and intellectual property. The Company is adequately equipped to safeguard against threats and has procedures in place for responding to disruptions and restoring normal operations within a minimum timeframe.

6.3 Compliance Function

The Compliance function, which forms part of the Company’s second line of defence, falls under the responsibility of the Compliance Officer (CO) who works in close collaboration with the Group Risk & Compliance Officer (GRCO), with a functional reporting line to the Audit and Risk Management and the Corporate Governance Committees of the Company. The CO and GRCO operate within the scope defined by the Company’s Compliance Charter, CO Handbook, CO Accountabilities and the CO Professional Standards and Guidelines, all of which are approved by the Board.

The main role of the Compliance function is to assist the Board, Management and Line Managers in discharging their compliance and risk responsibilities by providing the appropriate framework within which the business activities of the Company and its employees can comply with applicable laws, rules, regulations, industry and country codes of good governance, and the Company’s Charters, Codes, Policies, Standards and Procedures. The Compliance function covers mainly: Corporate Governance, Compliance (legal, regulatory and ethical), Risk Management, Data Protection and Anti-Money Laundering/Combating the Financing of Terrorism and Proliferation.

Scope of the Compliance Function



Risk Management and Internal Controls

6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

6.3 Compliance Function (continued)

During the year under review, the Compliance team diligently tracked legal and regulatory updates across all jurisdictions of operation, providing timely guidance to relevant employees on the implementation and necessary actions in response to these changes. Measures were implemented within the Mauritius entities to ensure compliance with the Public Health Regulations, including the establishment of designated smoking areas and prominent display of ‘No Smoking’ prohibition notices.

The Compliance team ensured compliance with licensing requirements at all locations and completed the renewal of data protection registrations for all properties in Mauritius, thereby maintaining alignment with the Data Protection Act.

Amendments were made to various policies, including the website’s Cookie and Privacy Policy, Internal Privacy Notice for Employees, and the Corporate Conflict of Interest and Related Party Transactions Policy.

The contracts database was closely monitored to ensure completeness and accuracy of the Contract Management System. The Compliance Team provided assistance to other departments with the timely review of various contracts and agreements.

Further tools were developed in-house with the IT Team. Thus, an ‘Incident Register’ was deployed across all properties to facilitate recording and monitoring of incidents, in view of enhancing risk management efforts. Additionally, a data inventory system was developed to enhance data protection practices.

Compliance training was conducted for employees, including induction training on the Company’s Code of Ethics and Conduct and Data Protection. Participation in the online compliance training programme launched in the previous year was closely monitored. A training on Corporate Governance for the COMET team (Constance Management Experience Training) was conducted.

Employee awareness on compliance requirements, including on data protection and AML/CFT, was maintained through regular communications on the Company’s intranet to foster a culture of vigilance and adherence to compliance requirements. The online library was updated with the amended policies to facilitate reference.

Trademark registrations were successfully completed in the UK. Other trademark applications were filed in Mauritius and China to safeguard intellectual property rights.

Data Subject Requests (DSR) were attended to within the legal timeframe and data processing agreements with third-party processors were reviewed and signed. The Compliance team launched the annual request for disclosure of ‘conflicts of interest’, and liaised with the Company’s lawyers on various matters, including the vetting of agreements. Finally, the required disclosures on the Company’s website were updated.

In 2023, the GRCO participated in a refresher training on Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation (AML/CFT), organised by HLB Mauritius. The GRCO ensured that the Company’s AML/CFT procedures reflected the legal requirements and best practices. The CO participated in an advanced Data Protection training conducted by BDO. The team also attended online webinars on data protection.

During the year under review, the GRCO and CO presented four reports to the Corporate Governance Committee, two reports to the Data Protection Steering Committee and two reports on Enterprise Risk Management to the Audit and Risk Management Committee. The team attended two meetings of the IT Steering Committee.

Risk Management and Internal Controls

**6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)**

**6.4 Information, Information Technology (IT) And Information Security (IS)**

*Information, IT and IS Governance Framework*

The Company's Information Technology (IT) and Information Security (IS) governance framework prioritises the confidentiality, integrity, availability, and protection of information, supported by tailored IT systems. Continuous monitoring and assessment by the Board ensure that this framework remains integral to the overall corporate governance, managed in accordance with established policies.

The Audit and Risk Management Committee, alongside the IT Steering Committee, assists the Board in reviewing information risks and mitigation strategies, ensuring the effectiveness and adequacy of our governance framework.

The IT Steering Committee, which was set up in 2018 as a sub-committee of the Audit and Risk Management Committee, is chaired by the Chief Information Officer, and comprises one Board representative, notably, the Independent Chairman of the Audit and Risk Management Committee, three members of Senior Management, two members of the finance department, the Group Risk & Compliance Officer and the Compliance Officer. In 2023, the IT Steering Committee convened twice, recognising the need to adapt to evolving company requirements and industry dynamics. This led to a comprehensive review of our policies, resulting in the meticulous design and implementation of a new Security Incident Response Plan. This plan enhances our capability to promptly address and mitigate cyber incidents, minimising disruptions to business operations.

Furthermore, given the widespread adoption of generative Artificial Intelligence (AI) technology within our organisation, a robust Generative AI protocol was established. This protocol not only disseminates best practices for tool utilisation but also fosters awareness of associated risks among our team members. By customising our policies to suit our unique circumstances, we aim to enhance efficiency, compliance, and overall organisational effectiveness.

In response to the escalating sophistication of cyber threats, the Company has proactively strengthened its cybersecurity framework by investing in cutting-edge technologies. Drawing upon insights from the 2022 IT risk assessment conducted by PricewaterhouseCoopers (PwC), strategic actions were implemented to bolster our cybersecurity posture. Additionally, significant efforts have been made to augment the expertise of our cybersecurity team, ensuring their adaptability and resilience in the face of evolving risks. This steadfast commitment to ongoing learning and professional development plays a crucial role in maintaining a robust defense against emerging threats. To provide assurance to regulatory authorities and our stakeholders regarding data security, the IT Steering Committee endorsed the implementation of ISO 27001 certification. Initiated with a comprehensive gap analysis in November 2022, this initiative is scheduled for completion by May 2024.

In line with our commitment to advancing digital operations, the IT Steering Committee meticulously evaluated the Company's current suite of productivity tools. After careful consideration of various options, Microsoft 365 emerged as the preferred solution to bolster organisational growth, a decision subsequently endorsed by the IT Steering Committee.

Following this determination, the Committee facilitated the presentation of a budget proposal to the Board, which was subsequently approved. This strategic move underscores our dedication to harnessing technology to optimise operational efficiency and propel future expansion endeavours.

Risk Management and Internal Controls

**6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)**

**6.4 Information, Information Technology (IT) And Information Security (IS) (continued)**

*Information, IT and IS Governance Framework (continued)*

Scope of the IT Code of Practice and IS Policy



**Data Protection**

The Company is very conscious of its responsibility to protect personal data processed across the organisation. To properly discharge these responsibilities, a Data Protection Steering Committee (DPSC) was established in 2019, chaired by a Board Director. The DPSC is a sub-committee of the Corporate Governance Committee and has the overall responsibility for establishing, overseeing, revising and monitoring the Company's privacy strategy, governance programmes and related initiatives, based on the Mauritius Data Protection Act 2017 (DPA 2017) and the European Union's General Data Protection Regulations (EU GDPR). The DPSC ensures that adequate resources are available to meet the Company's set objectives.

The Group Risk & Compliance Officer cum Data Protection Officer (DPO) and the Compliance Officer monitor and facilitate the implementation of the privacy strategy and governance programme in the organisation. In doing so, they work in collaboration with the Chief Information Officer (CIO) who oversees the security of all personal data processed electronically throughout the organisation. Data Protection Champions (DPC) designated in each property assist their respective General Managers in discharging their responsibility for compliance with the applicable data protection legislation and liaise with the DPO on data protection matters. Regular employee training and awareness help to maintain a privacy culture across the organisation as it is the responsibility of every employee to safeguard information and comply with legal requirements in their daily operations.



## Risk Management and Internal Controls

### 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

#### 6.4 Information, Information Technology (IT) And Information Security (IS) (continued)

##### Data Protection (continued)

In 2023, the DPSC met twice to review the data protection reports and to assess implemented and initiated organisational and technical measures related to data protection.

Corporate Charters, Codes, and Policies related to data protection, which include the Data Protection Steering Committee Charter, Data Protection Policy, Cookie and Privacy Policy (website), CCTV Policy, Social Media Use Policy, IT Security Policy, and IT Code of Practice, are maintained up-to-date to reflect changes in regulations and business practices. In 2023, the Compliance team updated the Cookie and Privacy Policy and the Privacy Notice for Employees. The update of data inventory is a continuous process in each property. All data protection registrations were duly renewed.

Quarterly reports were collected from Data Protection Champions, and necessary actions were implemented as needed. Data processing agreements were signed with third-party processors, and training for employees was facilitated by training managers in the respective properties. Employee awareness on data protection, risks, and prevention measures was maintained through the Company's intranet.

An online training programme covering data protection was launched, and non-disclosure agreements, document templates, and disclaimers were provided upon request. The Data Protection function collaborated with relevant authorities to address data protection incidents and worked closely with the Company lawyer to review data protection clauses. Measures were also recommended to business partners to prevent data fraud, and the Data Emergency Response Procedure was updated.

Moreover, data security measures were reinforced, notably through the following initiatives:

- Upgrading of the security ecosystems, including threat detection, new firewalls, automated patch management, and Data Loss Prevention tools.
- Installation of a new antivirus with AI functionalities to contain any attack that may happen at user end.
- Installation of a new security platform for reporting/threat hunting and remediation.
- Upgrading of the anti-phishing system.
- Implementation of post audit recommendations.
- Phishing simulation exercise.
- Cyber security awareness campaign.
- Controlled access to external emails to limit flow of information shared with third parties.
- Updating obsolete systems.
- Protection of mobile devices.
- Migration to Opera Cloud which aligns with the EU GDPR.
- Updating of the Disaster Recovery and Backup Plans.
- Implementation of ISO 27001, in progress.

#### 6.5 Charters, Policies and Codes

##### Overview

The Charters, Policies, Codes and other documents laid out in the key documents mentioned in the following table are approved by the Board on the recommendation of its relevant Committees and are applied throughout the Group. Certain Policies, Codes, the Organisational Chart, Statement of Major Accountabilities and Job Descriptions of Key Senior Governance Positions are monitored on an ongoing basis and are subject to review at least annually whilst Charters are reassessed every three years, unless otherwise required.

## Risk Management and Internal Controls

### 6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

#### 6.5 Charters, Policies and Codes (continued)

##### Overview (continued)

CHARTERS	POLICIES
<p><b>Audit and Risk Management Committee</b></p> <ul style="list-style-type: none"> <li>- Audit and Risk Management Committee Charter ☼</li> <li>- Information Technology Steering Committee Charter</li> <li>- Internal Audit Charter</li> </ul>	<ul style="list-style-type: none"> <li>- Anti-Money Laundering and Combating the Financing of Terrorism &amp; Proliferation</li> <li>- Anti-Trust</li> <li>- CCTV (Closed Circuit Television)</li> <li>- Conflict of Interest and Related Party Transactions ◊</li> <li>- Contract Management</li> <li>- Cookie &amp; Privacy (website)</li> <li>- Corporate Sustainability</li> <li>- Data Protection</li> <li>- Dividend</li> <li>- Donations</li> <li>- Equal Opportunity</li> <li>- Gift</li> <li>- IT Information Security</li> <li>- Nomination</li> <li>- Procurement</li> <li>- Remuneration</li> <li>- Risk Management</li> <li>- Share Dealing</li> <li>- Social Media Use</li> </ul>
<p><b>Board of Directors</b></p> <ul style="list-style-type: none"> <li>- Board of Directors' Charter ☼</li> <li>- Letter of Appointment</li> <li>- Board and Director Self-Evaluation Questionnaire</li> <li>- Board Committees Self-Evaluation Questionnaires</li> <li>- Board of Directors and Key Executives Succession Planning</li> <li>- Board Strategic Plan</li> </ul>	
<p><b>Corporate Governance Committee</b></p> <ul style="list-style-type: none"> <li>- Corporate Governance Committee Charter ☼</li> <li>- Compliance Charter               <ul style="list-style-type: none"> <li>- Compliance Officer Handbook</li> <li>- Compliance Officer Accountabilities</li> <li>- Compliance Officer Professional Standards and Guidelines</li> </ul> </li> <li>- Data Protection Steering Committee Charter</li> <li>- Fondation Constance Charter</li> <li>- Sustainability Charter</li> </ul>	
<p><b>Nomination and Remuneration Committee</b></p> <ul style="list-style-type: none"> <li>- Nomination and Remuneration Committee Charter ☼</li> </ul>	
	CODES AND OTHER DOCUMENTS
	<ul style="list-style-type: none"> <li>- Code of Ethics and Conduct ◊</li> <li>- Code of Ethics and Conduct for Business Partners</li> <li>- Code of Ethics and Conduct for Directors ◊</li> <li>- IT Code of Practice (IT and Information Governance) ◊</li> <li>- Position Statements of Key Senior Governance Positions ◊</li> <li>- Organisational Chart ◊</li> <li>- Statement of Major Accountabilities ◊</li> </ul>

*Risk Management and Internal Controls***6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)****6.5 Charters, Policies and Codes (continued)***Code of Ethics and Conduct*

The Company is committed to a code of ethics and conduct, which is outlined in its general Code of Ethics and Conduct, as well as in its Code of Ethics and Conduct for Directors. These documents are comprehensive statements of the guiding principles of conduct which the Company expects its Directors and employees to observe in the discharge of their responsibilities. These codes state the high moral, ethical and legal standards which the Company maintains and under which it carries out its business. It states publicly to all the Company's stakeholders, the standards of behaviour they can expect from the Company's Directors and employees. The Board regularly monitors and evaluates compliance with the Company's Code of Ethics and Conduct.

All new employees of the Company receive training and acknowledge receipt of a copy of the aforementioned Code.

*Code of Ethics and Conduct for Business Partners*

As a responsible and ethical business, the Company has adopted a Code of Ethics and Conduct for its Business Partners which it expects to apply throughout its supply chain across the Company's properties. The Company has introduced the adequate procedures to ensure its implementation.

*Conflicts of Interest and Related-Party Transactions*

The Company's Conflict of Interest and Related-Party Transactions Policy provides a structure which ensures that all transactions pertaining to the operations of the Company and its subsidiaries are disclosed and can be adequately managed without detriment to the reputation and integrity of the Company and its stakeholders in so far as it relates to good corporate practice. At each Board meeting, Board Members and Senior Officers are invited to make relevant declarations in addition to those already disclosed.

The Audit and Risk Management Committee reviews any potential conflicts of interests and related-party transactions with Management and the External Auditors to ensure that the disclosure requirements are met.

The related-party transactions are disclosed in Note 29 of the Financial Statements section of this Annual Report. These transactions were conducted in accordance with the Company's Conflict of Interest and Related-Party Transaction Policy and Code of Ethics and Conduct.

*Whistleblowing*

The Company's Code of Ethics and Conduct includes a section on Grievance reporting albeit whistleblowing. This section establishes the process whereby any employee may report matters of suspected misconduct or malpractice within the Company without the risk of subsequent victimisation, discrimination or disadvantage.

Grievance and Dispute Resolution procedures are in line with the provisions of the Employment Relations Act 2019 and the Workers' Rights Act 2019.

**6.6 Audit***Internal Audit*

Internal Audit is an appraisal function established to examine and evaluate the activities of the Company independently, serving the Board of Directors and to Management. The Internal Auditors are entrusted with the responsibility of appraising the Company's policies, procedures and the operating, financial and management controls in order to ensure that the business is properly managed and promotes effective controls at reasonable cost.

*Risk Management and Internal Controls***6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)****6.6 Audit (continued)***Internal Audit (continued)*

The Internal Auditors report to the Constance Group CEO but also have a functional reporting line to the Audit and Risk Management Committee. The latter meets with the Internal Auditors separately at least once a year, without the presence of the Company's Management, to discuss issues related to the Company's audits, as deemed necessary.

The Company has an Internal Audit Charter, approved by the Board, that governs the Internal Audit function in terms of responsibility, role, scope, authority, independence, reporting procedures, auditing standards, and external relationships. It also highlights the unrestricted access which the Internal Auditors have regarding the Company's records, Management, and employees.

The Company's Internal Audit function is outsourced to Messrs. PricewaterhouseCoopers (PwC) on a yearly basis. The Audit and Risk Management Committee regularly assesses the performance of the Internal Auditors and is satisfied with their effectiveness and independence.

The annual internal audit plan, approved by the Constance Group CEO and ratified by the Audit and Risk Management Committee, is based on the principles of risk management to align the coverage and effort with the degree of risk attributable to the areas audited. High risk issues, along with internal audit recommendations, are tabled during the Audit and Risk Management Committee meetings, and management comments and implementation plans are discussed. Progress in the audit plan is also analysed and gaps, if any, are explained to the Committee. In 2023, the following audits were reviewed by the Audit and Risk Management Committee, and recommendations were implemented where applicable:

*Mauritius:*

Conflict of Interest and Related Party Transactions, Reservations Management, Procurement, Outsourced Revenue Contract, and Follow-up of previous reports on Housekeeping, Food and Beverages, Procurement, Human Resource, Payroll, Inventory Management, Front Office and Health & Safety.

*Maldives:*

Procurement, Outsourced Revenue Contract, Cost Management and Sales & Billing, and Follow-up reports on Finance and Accounting, Food and Beverages and Inventory Management.

Further to the audits, several actions have been taken to strengthen controls. Standard Operating Procedures and Policies will be updated and will be followed more closely.

*External Audit*

The Audit and Risk Management Committee makes recommendations to the Board in relation to the appointment, remuneration, termination and oversight of the External Auditor. The latter provides an independent opinion on the Company's Annual Report, including its financial statements and Corporate Governance Report.

The Audit and Risk Management Committee also ensures that key partners within the appointed External Audit firm are rotated from time to time. Moreover, in order to ascertain that the provision of non-audit services by the External Auditor does not impair its independence and objectivity, such non-audit services are closely reviewed and approved by the Board on the recommendation of the Audit and Risk Management Committee.

Risk Management and Internal Controls

**6. RISK MANAGEMENT AND INTERNAL CONTROLS (continued)**

**6.6 Audit (continued)**

External Audit (continued)

The criteria for the selection, appointment and re-appointment of the External Auditor are:

- Expertise and reputation of the accountancy firm.
- Access to expert international accounting standards, research relevant to the hotel industry, demonstrable audit quality control processes and substantial resources to carry out the assignment.
- Competitive fees.
- Ethical standards, safeguard of objectivity and independence.
- Absence of any conflict of interest.
- Specific knowledge of the industry and business of the Company by the partner.

The key steps of the External Auditor selection, appointment and re-appointment process include the following:

- i. The Board is responsible for appointing the External Auditor, subject to the approval of shareholders.
- ii. The Audit and Risk Management Committee reviews the External Auditor's performance and independence, and benchmarks the cost and scope of the external audit engagement prior to their appointment and thereon annually.
- iii. The appointed External Auditor is required to present to Management an annual external audit proposal.
- iv. Management, in consultation with Audit and Risk Management Committee, approves the scope of the audit, the terms of the annual engagement letter and the audit fees.
- v. The External Auditor prepares the annual engagement letter in conjunction with Management.
- vi. Upon engagement, the External Auditor has unfettered access to Management, staff, records and company facilities, and is allowed a reasonable and agreed time frame to conduct its audit.

Prior to the Board's approval of the audited financial results, the External Auditor was invited to attend the Audit and Risk Management Committee meeting to review all matters related to the audit, covering accounting principles and critical policies, judgements and estimates. The Audit and Risk Management Committee discussed with the External Auditor and Management matters of significance regarding policies and accounting treatments. It ensured that it was satisfied that these matters had been appropriately addressed. The External Auditor has direct access to the Audit and Risk Management Committee should it wish to discuss any matter without the presence of Management.

The External Auditor reviewed and approved the Company's Corporate Governance Report for the year under review.

Ernst & Young was appointed as the External Auditor of the Company and Group at the Annual Meeting of Shareholders held on 30 September 2020. They have expressed their willingness to continue as the Company's External Auditor, in accordance with the provisions of the Companies Act 2001. On the recommendation of the Audit and Risk Management Committee, they will be automatically reappointed at the forthcoming Annual Meeting of Shareholders.

# Relations with Key Stakeholders

**7. RELATIONS WITH KEY STAKEHOLDERS**

**7.1 Shareholding Spread**

SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES OWNED	PERCENTAGE SHAREHOLDING
1 - 500	220	36,517	0.033
501 - 1,000	44	35,349	0.032
1,001 - 5,000	87	215,156	0.196
5,001 - 10,000	39	279,972	0.256
10,001 - 50,000	54	1,308,481	1.193
50,001 - 100,000	13	875,431	0.799
100,001 - 250,000	10	1,863,371	1.699
250,001 - 500,000	2	750,306	0.684
Over 500,000	18	104,288,766	95.108
<b>Total</b>	<b>487</b>	<b>109,653,349</b>	<b>100.000</b>

SHAREHOLDER CATEGORY	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES OWNED	PERCENTAGE SHAREHOLDING
Individuals	369	5,964,173	5.439
Insurance and Assurance Companies	11	4,147,933	3.783
Pension and Provident Funds	23	29,187,098	26.618
Investment and Trust Companies	9	174,070	0.159
Other Corporate Bodies	75	70,180,075	64.001
<b>Total</b>	<b>487</b>	<b>109,653,349</b>	<b>100.000</b>

**7.2 Substantial Shareholders**

As at 31 December 2023, the substantial Shareholders of the Company were as follows:

NAME	NUMBER OF SHARES	% HELD
1. Hotelest Limited	55,923,209	51.00
2. Swan Life Ltd	25,248,416	23.03

## Relations with Key Stakeholders

### 7. RELATIONS WITH KEY STAKEHOLDERS (continued)

#### 7.3 Dividend Policy

The Company's Dividend Policy is to distribute to its Shareholders, whenever possible, an adequate dividend, subject to the Company's performance, cash flow position and capital expenditure requirements. The dividend payment is subject to the solvency test being satisfied as required under section 61 (2) of the Companies Act 2001.

No dividend was declared in December 2023 (2022: Nil per share).

#### 7.4 Share Registry and Transfer Office

The Company's Share Registry and Transfer Office is at ECS Secretaries Ltd which is responsible for the management of its Share Register. Shareholders may address, in writing, any administrative enquiries regarding their personal details, dividend payments and the like to ECS Secretaries Ltd.

#### 7.5 Management Services Agreement

The Company has a management services agreement with Constance Corporate Management Limited (CCM), in which the Company holds a 42% interest. Under this agreement, CCM provides a wide range of corporate and management services to the Company and its subsidiaries in the fields of strategic planning, general and corporate affairs, financial accounting and management, treasury management, legal and tax, company secretariat, real-estate and hotel-project planning, finance and development, and technical support.

The fees charged are based on a percentage mix of net asset value, market capitalisation, treasury facilities and net profit. The fees amounted to MUR 32.0 million for the year under review.

#### 7.6 Contracts of Significance

During the year under review, there was no contract of significance to which the Company or any of its subsidiaries was a party and in which a Director or substantial Shareholder of the Company was materially interested, either directly or indirectly.

#### 7.7 Stakeholder Engagement

Constance Hotels, Resorts & Golf is committed to delivering superior and sustainable economic and social value to its stakeholders. In doing so, we believe that it is a sine qua non that we regularly engage with our stakeholders and actively listen to their views, needs and feedback in order to formulate and execute effective and efficient strategies.

During the year under review, the Company engaged in dialogues with relevant Key Stakeholders on topics such as performance, financial situations and relief measures, and general outlook.

The Company's engagement modes are summarised in the following stakeholder engagement matrix.

## Relations with Key Stakeholders

### 7. RELATIONS WITH KEY STAKEHOLDERS (continued)

#### 7.7 Stakeholder Engagement (continued)

STAKEHOLDERS	EXPECTATIONS	MODE OF ENGAGEMENT/COMMUNICATION	FREQUENCY
Customers	Consistent quality services through:  - Strong brands - Innovation - Competent and skilled staff - Recognition for loyalty - Unique properties	Guest satisfaction surveys	Ongoing
		Eco-friendly guest room products	Ongoing
		Newsletters	Monthly
		Brochures and Tent cards	Ongoing
		Customer forums	Ongoing
		Social media (Facebook, Twitter, Instagram, YouTube, TripAdvisor, Blogs, etc.)	Ongoing
Employees	A Company which offers its employees the commitment to develop their career, keep them involved in the business and recognise their contributions through:  - A safe working environment - Recognition programmes - Appealing career growth opportunities - Continuous professional development - Competitive remuneration and benefits - Fair labour practices and working conditions	Constance open doors	3 times a year
		Newsletter	Monthly
		Workplace Intranet	Ongoing
		Open days	Annual
		Signboards	Ongoing
		Teletext	Ongoing
		Training	Ongoing
		Welfare Committees	Ongoing
		Health and Safety Committees	Ongoing
		Employee satisfaction surveys	2 times a year
Shareholders	Superior and sustainable return on investment through:  - Execution of effective and efficient growth strategies - Sound management of financial and risk-related matters - Enhanced competitiveness through innovation and diversification moves - Responsible business practices	Annual Report	Annual
		Annual Meeting of Shareholders	Annual
		Quarterly financial statements published on the Company's website and that of the Stock Exchange of Mauritius (SEM)	Quarterly
		Communiqués in the press and on the Company's website and that of the Stock Exchange of Mauritius (SEM)	As and when required
Suppliers	Long-term business relationships through:  - Favourable terms - Timely payments - Mutual respect	Support to local suppliers	Ongoing
		Supply-chain screening	Ongoing
		Strategic partnerships and sponsorships	Ongoing

Relations with Key Stakeholders

7. RELATIONS WITH KEY STAKEHOLDERS (continued)

7.7 Stakeholder Engagement (continued)

STAKEHOLDERS	EXPECTATIONS	MODE OF ENGAGEMENT/COMMUNICATION	FREQUENCY
Local Communities and NGOs	<ul style="list-style-type: none"> <li>- Responsible business practices, taking into consideration social and environmental issues.</li> <li>- Operations that do not jeopardise the local communities and affect basic needs such as water and electricity.</li> <li>- Contribution to the economic and social progress of the local communities.</li> <li>- Responsiveness to material issues raised by the local communities.</li> <li>- Respect of the local cultures and values.</li> <li>- Compliance with all applicable laws and regulations.</li> </ul>	Community engagement programmes	Ongoing
		Volunteering	Ongoing
		Fundraising and cash contributions	Ongoing
		In-kind donations	Ongoing
		Disaster relief initiatives	As and when required
		Support to NGOs: through Fondation Constance: Etoile de Mer School, Friends of the Poor, Centre Joie de Vivre, Caritas – Ste Ursule, AILES, SAFIRE and Centre d'Accueil de Terre Rouge	Ongoing
Industry Associations	Active collaboration to: <ul style="list-style-type: none"> <li>- Ensure the sustainable development of the tourism industry.</li> <li>- Promote a business-enabling environment.</li> <li>- Anticipate industry-related risks and mitigate their impact.</li> </ul>	Green Globe	Annual
		Leading Hotels of the World	Annual
		Active participation in relevant industry associations	Ongoing
		Partnerships	Ongoing
Government and Regulators	<ul style="list-style-type: none"> <li>- Compliance with all applicable laws and regulations.</li> <li>- Contribute to job creation and other economic goals in a sustainable manner.</li> </ul>	Regulatory filings: Registrar of Companies, Stock Exchange of Mauritius, Financial Services Commission, Financial Reporting Council, Mauritius Revenue Authority, Data Protection Office, Ministry of Labour, Industrial Relations and Employment	As applicable
Providers of Finance	<ul style="list-style-type: none"> <li>- Good business relationships.</li> <li>- Ability to meet contractual obligations.</li> </ul>	Regular meetings Frequent supply of financial information	Ongoing
Business Partners	Long-term business relationships through: <ul style="list-style-type: none"> <li>- Mutual respect</li> <li>- Good faith</li> </ul>	Contracts/Agreements Meetings	Ongoing

7.8 Calendar of Important Events



Note: The events can be subject to change.

Other Statutory Disclosures  
(Pursuant to section 221 of the Companies Act 2001)

Remuneration and benefits paid by the Company and its subsidiaries to the Directors during the year under review were as follows:

REMUNERATION AND BENEFITS RECEIVED (MUR'000)	FROM THE HOLDING COMPANY	FROM SUBSIDIARIES	TOTAL
<b>Non-Executive/Independent</b>			
George J. DUMBELL – Chairman	571	-	571
Jean-Philippe COULIER	417	-	417
Marc FREISMUTH	221	-	221
Catherine FROMET DE ROSNAY	232	-	232
Gianduth JEEAWOCK	153	-	153
Preetee JHAMNA	285	-	285
Jean RIBET (Up to 05 April 2023)	25	-	25
Georgina ROGERS	256	-	256
Noël Adolphe VALLET	243	-	243
<b>Total Non-Executive/Independent</b>	<b>2,403</b>	<b>-</b>	<b>2,403</b>
<b>Executive</b>			
Clément D. REY	-	-	-
Jean-Jacques VALLET	-	28,351	28,351
<b>Total Executive</b>	<b>-</b>	<b>28,351</b>	<b>28,351</b>
<b>GRAND TOTAL</b>	<b>2,403</b>	<b>28,351</b>	<b>30,754</b>

Directors' Service Contracts

Mr George J. Dumbell, Chairman of the Company, has a service contract which expires on 31 December 2024. The other Directors do not have service contracts with the Company, but letters of appointment.

Other Statutory Disclosures  
(Pursuant to section 221 of the Companies Act 2001)

Directors of Subsidiary Companies (as at 31 December 2023)

Directors	Ariatoll Services Ltd	Beaumont Industries Limited	Constance Hospitality Management Limited	Constance Hospitality Training Centre Ltd	Constance Hotels International Services Limited	Constance Hotels Investment Limited	Constance Industries Limited	Halaveli Development Ltd	Hotels Constance (UK) Ltd	LRM Company Ltd	Moofushi Development Ltd	Mourouk Ebony Management Ltd	White Sand Paradise Ltd	The Waterfront Pvt Ltd
Jitendra BISSESSUR		o					o						o	
Kevin CHAN TOO	o	o	o		o	o	o	o		o	o		o	o
Ganeshanall CHEENEESHASH												o		
Vincent DE MARASSE ENOUF				o										
George J. DUMBELL			o											
Ezra S. JHUBOO												o		
Jayeen S. Georges JHUBOO												o		
Kian Serge S JHUBOO												o		
Tangj LEGRAND														o
Liong Kian LI KWOK CHEONG													o	
Tat Kien LI KWOK CHEONG													o	
Andrew MILTON				o										
Clément D. REY	o	o	o		o	o	o	o		o	o		o	o
Glenny SAVY										o				
Rod THORRINGTON										o				
Jean-Jacques VALLET	o	o	o	o	o	o	o	o	o	o	o		o	o

DONATIONS

There were no political donation made for both 2023 and 2022. For other disclosures on donations, please refer to page 55.

AUDITORS' REMUNERATION

The fees paid to the auditors (exclusive of VAT) were:

	THE GROUP		THE HOLDING COMPANY	
	2023 MUR'000	2022 MUR'000	2023 MUR'000	2022 MUR'000
<b>Audit fees paid to:</b>				
Ernst & Young	6,192	5,925	1,750	1,750
Other firms	895	822	-	-
<b>Fees for other services paid to:</b>				
Ernst & Young	452	102	150	-
Other firms	681	1,265	-	-

Fees for other services relate to accounting, consultancy and taxation services.

**George J. Dumbell** (s)  
Chairman

**Clément D. Rey** (s)  
Executive Director  
Constance Group Chief Executive Officer

Statement of Directors' Responsibilities  
In Respect of Financial Statements

The Directors acknowledge their responsibilities for:

- i. Adequate accounting records and maintenance of effective internal control systems;
- ii. The preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS);
- iii. The selection of appropriate accounting policies supported by reasonable and prudent judgements.

The External Auditors are responsible for reporting on whether the financial statements are fairly presented. The Directors report that:

- i. Adequate accounting records and an effective system of internal controls and risk management have been maintained;
- ii. Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- iii. International Financial Reporting Standards have been adhered to. Any departure in the interest of fair presentation has been disclosed, explained and quantified;
- iv. The Code of Corporate Governance has been adhered to in all material aspects and reasons provided for non-compliance.

Approved by the Board of Directors on and signed on its behalf by:

**George J. Dumbell** (s)  
Chairman

**Clément D. Rey** (s)  
Executive Director  
Constance Group Chief Executive Officer

28 March 2024

## Company Secretary's Certificate

In terms of section 166(d) of the Companies Act 2001, we certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Act.

**Marie-Anne Adam** (s)

*For ECS Secretaries Ltd  
Secretaries*

28 March 2024

MAURITIUS | SEYCHELLES | MALDIVES | MADAGASCAR | RODRIGUES



CONSTANCE  
HOTELS, RESORTS & GOLF

*True by Nature*

**Constance Hotels Services Limited**

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