## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary</td>
<td>3</td>
</tr>
<tr>
<td>Judging Panel &amp; Categories</td>
<td>4 - 6</td>
</tr>
<tr>
<td>The Panel’s Comments</td>
<td>7 - 13</td>
</tr>
<tr>
<td>Assessment Criteria</td>
<td></td>
</tr>
<tr>
<td>General Comments &amp; Suggestions</td>
<td></td>
</tr>
<tr>
<td>Corporate Governance Disclosures</td>
<td></td>
</tr>
<tr>
<td>Survey of Board Practices – 2009</td>
<td></td>
</tr>
<tr>
<td>Online Reporting</td>
<td></td>
</tr>
<tr>
<td>The Award Winners</td>
<td>14 - 20</td>
</tr>
<tr>
<td>Nominees and Short Listed Contenders</td>
<td>21 - 22</td>
</tr>
<tr>
<td>Photo Gallery</td>
<td>23 - 27</td>
</tr>
<tr>
<td>About PricewaterhouseCoopers</td>
<td>28</td>
</tr>
</tbody>
</table>
PricewaterhouseCoopers (PwC) presented on Wednesday 27 January 2010 its Corporate Reporting Awards, designed to improve the quality of annual reports and financial reporting. The 2010 Overall Winner of the competition was The Mauritius Commercial Bank Ltd.

The CRA event has as objective to promote excellence in corporate reporting in Mauritius. All companies listed on the Stock Exchange of Mauritius are automatically eligible for the competition, while non-listed PIEs and Parastatals are invited to submit their reports.

For this 12th edition, 59 annual reports were reviewed. After a first screening by the CRA Committee, 29 reports were short-listed for the 3 different categories (PIE, Investment and SEM-7).

For the first time, an external Judging Panel was appointed for the review of the short-listed annual reports and to decide on the winners of each Award.

Another innovation this year was an award presented for Online Reporting, to encourage companies to make a better use of their websites to communicate with their most important target group: shareholders and investors.
Judging Panel and Categories
The Judging Panel

Dr Raj Daliah
Representative of the National Committee on Corporate Governance

Mr Philip Ah Chuen
Past National President of the Junior Chamber International Mauritius (JCI), representative of the JCI Mauritius

Mr Vikash Tulsidas
Managing Director, AXYS Stockbroking Ltd

Mr Dean K T Lam
Head of Corporate Banking, HSBC

Mr Jean-Paul de Chazal
Accountant, Chairman of the Company Law Advisory Committee
Categories

1: SEM-7 companies
2: Investment Companies
3: Other Public Interest Entities (PIEs) (inc. listed companies other than SEM-7, DEM, Parastatals and other large non-quoted companies)

One Award for Corporate Governance disclosures, sponsored by the National Committee on Corporate Governance

One Award for Online Reporting
The Panel’s Comments
The Judging Panel respected the cut-off date for the submission of annual reports, and therefore reports received after 07 December 2009 were not considered.

The Judging Panel took a more holistic approach and reviewed the annual reports as well as other publicly available information released by the entities, such as communiqués, interim reports, websites. All these were assessed according to the 3 Cs criteria:

**Content**

- Objectives and strategies
- Risk factors
- Mitigating processes
- Performance indicators (financial and non-financial)
- Progress, trends and prospects
- Issues (market forces, resource constraints)
- Voluntary disclosures
- Website contents

**Clarity**

- Tailored comments
- Focus on key items
- Significant variances explained
- Basis of executive remuneration
- Use of graphic aids
- Navigation tabbing
- Cross referencing
- Interactive graphs

**Correlation**

- Common theme and messages
- Within sections of the annual report
- With other publicly available documents
- With website

The Panel assessed whether the directors and management were telling the story as it has unfolded and whether the investors were getting insights on how the next financial year will pan out.
The Panel's comments

General Comments and Suggestions

- The first observation is that it would seem that the more one is regulated the better the quality of reporting.
- In addition, the Judging Panel felt that the SEM companies were several notches above the rest. Other public interest entities and investment companies must put in significant efforts to bridge this reporting gap.
- Many times, the Panel had to dig in the reports to get to the key messages. The Panel recommends the use of quick-read summaries and pull quotes to direct the attention of reader to the key points.
- Few companies dare to fix the goal post so it is quasi impossible to judge their achievement. The Board should tell what are its most important KPIs and its targets.
- It is hard to determine how the results links in from the strategies adopted by management.
- Readers are unable to model the future because of insufficient quantified data. If forecasting the company’s performance is difficult, the cost of capital will be higher.

The Panel did not wish to comment on IFRS issues and expected signed accounts to be compliant.

The Panel thought that there is an authoritative body in the FRC to look into these issues and ask the Boards questions on recognition criteria and measurement bases being applied.
Corporate Governance Disclosures

We liked…

- High level of compliance on the “easy bits”
- Board composition
- Roles and responsibilities
- Internal control description
- Nature of risks
- Some insights into the activities of the main Board and of sub-committees

To improve transparency…

The Judging Panel felt that there were insufficient voluntary disclosures and believes that the following could improve transparency:

- Endorsement of the “Explain” part
  
  The Panel felt that the general principle of “comply or explain” of the Code has not been fully endorsed by the Boards – so when they do not comply, there is no explanation either. One company mentioned that the reason for non-compliance was because of it’s group policy. However there were no further details on why this is the group policy

- Individual director assessments
  
  Only 16% of the Boards have been assessed as a group. The Panel believed that the performance of the individual directors should also be assessed.

- Qualities and expertise of directors standing for election

- Focus on key risk exposure and risk management policies

- Specific issues dealt with the various committees

- Alignment of the executives’ remuneration with entity performance
### Survey of Board practices - 2009

<table>
<thead>
<tr>
<th>Question</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many audit committees had at least one qualified accountant as a member?</td>
<td>19/32 = 59%</td>
</tr>
<tr>
<td>How many companies have explicitly expressed that they adopted the Code?</td>
<td>13/32 = 41%</td>
</tr>
<tr>
<td>How many companies disclose directors’ remuneration on an individual basis?</td>
<td>8/32 = 25%</td>
</tr>
<tr>
<td>How many companies assess the Board members’ performance?</td>
<td>5/32 = 16%</td>
</tr>
<tr>
<td>How many companies put forward the qualities of the Board members seeking election?</td>
<td>2/32 = 6%</td>
</tr>
</tbody>
</table>
Online Reporting

Assessment criteria

- Ease of navigation and locating documents
- Availability of publicly released information
- Additional information that enhances engagement with investors
- Facilities provided to allow own analysis and manipulation of data

Objective:

To encourage companies to make a better use of their websites to communicate with the most important target group: shareholders and investors.
Online Reporting

We liked…

- PDF versions of past annual reports and interim reports, as far back as 2001 for some, were readily available.
- A few companies have split the annual report into more manageable size for downloads.
- A few companies had analyst presentations/investor briefings.

Recommendations

- Website of 5 listed companies could not be found.
- Navigating sections and pages of past annual reports in PDF versions was hard work.
- Make the information accessible regardless of device used (e.g. versions for i-phones and Blackberrys).
- Use of web 2.0 technology to allow investors to annotate comments and to bookmark pages, export or print these notes for future reference.
- More investor engagement with information available to existing investors.
- Provide better user interface.
  - access to other areas without leaving the page.
  - view the relevant financial information together with the narratives.

The Judging Panel felt that there was significant room for improvement.
The Award Winners
Mr Louis Denis Koenig, Company Secretary of Harel Frères Ltd receiving his Award for Corporate Governance Disclosures from Dr Raj Daliah, CRA Judging Panel Member as representative of the National Committee on Corporate Governance.

Harel Frères Ltd provided opportunities to Board members to enhance their knowledge of the company and ensured that they visit on-going projects and meet with senior management.

Its Board devoted a full day on strategy and has committed to evaluate the individual performance of its Board members in the next exercise. This company clearly disclosed the attendance records of directors and their individual remuneration.
The investors centre of the MCB’s website was easily located on the home page. It provided the interested reader the opportunity to separately download sections of the annual reports. Its corporate governance report can also be viewed and downloaded from the investor centre page.

Mr Vicky Huryhag, Research & Development, Executive Coordinator of The Mauritius Commercial Bank Ltd, receiving the Award for Online Reporting from Mr Philip Ah Chuen, CRA Judging Panel Member.
The Winner – Investment Companies

IPRO Growth Fund Ltd

IPRO Growth Fund exposed the investment strategies it took as the global crisis unfolded and how it re-positioned its portfolio to take advantage of an expected recovery of the local market.

The investment manager gave to some extent its views on the general prospects of the local and foreign markets.
Standard Bank Mauritius Ltd discussed relevant business issues in a concise and clear manner. It is also one of the few companies measuring its performance against the set metrics. Because of the nature of its business, it made extensive risk disclosures.

Mr Vikash Tulsidas, CRA Judging Panel Member, presenting the Award for PIEs to Mr Richard Tait, Director and Head of Investment Banking, I.O. at Standard Bank Mauritius Ltd.

Standard Bank Mauritius discussed relevant business issues in a concise and clear manner. It is also one of the few companies measuring its performance against the set metrics. Because of the nature of its business, it made extensive risk disclosures.
The MCB gave an interesting discussion of external forces and the market environment and is one of the few entities setting out its financial objectives and compared its performance against these.

The Winner – SEM-7

Mr Anthony Withers, Chief Executive (Banking) of MCB Ltd, receiving his Award for SEM-7 from the Minister of Finance and Economic Empowerment, The Hon. Dr. Rama Sithanen.
Overall Winner 2010

The Mauritius Commercial Bank Ltd

Mr André Bonieux, Senior Partner of PwC, presenting the Overall Winner Award to Mr Philippe Forget, Deputy Chief Executive (Banking) at MCB Ltd
Nominees and Short Listed Contenders
National Committee on Corporate Governance
• Harel Frères Ltd (Winner)
• MCB Ltd
• P.O.L.I.C.Y. Ltd
• SBM
• Swan Insurance Co Ltd

Contenders

Cat. 1 - SEM-7
• MCB (Winner)
• IBL
• SBM
• Naiade Resorts
• New Mauritius Hotels
• Omnicane
• Rogers
• Sun Resorts

Cat. 2 – Invest Companies
• IPRO Growth Fund (Winner)
• CIDL
• CIEL Investment
• Ascencia Limited
• Camp Investment Co Ltd
• Caudan Development Ltd
• CIEL Investment Ltd
• Deep River Investment Limited
• ENL Commercial
• EUDCOS
• FIDES
• FINCORP Investment
• MDIT
• Medine Shares Holding Co Ltd
• P.O.L.I.C.Y
• Phoenix Investment Co Ltd
• Promotion and Development
• The Black River Investments Co Ltd
• The Union Flacq S.E. Co Ltd
• United Docks Ltd

Cat. 3 - (Other) PIEs
• Standard Bank Mauritius Ltd (Winner)
• FUEL
• Harel Frères Ltd
• Harel Mallac Co Ltd
• Mauritius Revenue Authority

Listed Companies
• Air Mauritius Ltd
• Automatic Systems Ltd
• CIEL Agro-Industry
• CIEL Textile Ltd
• Les Moulins de la Concorde Ltee
• Livestock Feed Ltd
• Mauritian Eagle Insurance
• Mauritius Union Assurance
• MCFI
• Medine Ltd and its Subsidiaries
• MSM
• Phoenix Beverages
• Robert Le Maire Ltd
• Shell Mauritius Ltd
• SIT Land Holdings Ltd
• Swan Insurance
• United Basalt

PIEs who submitted their reports
• Afrasia
• Bank of Mauritius
• Bank One
• CEB
• IVTB
• Mauritius Telecom
• MIPA
• SBI Mauritius
• SIPF

Online Reporting
• MCB Ltd (Winner)
• IBL
• Mauritius Union Assurance
• Naiade Resorts Ltd
• Rogers
• SBM
Photo Gallery
Photo Gallery

2010 Winners

VPM, Minister of Finance and Economic Empowerment, The Hon Dr R. Sithanen with the CRA winners (from left to right):

Mr Philippe Forget (MCB), Louis Denis Koenig (Harel Frères), Vicky Hurynag (MCB), Anthony Withers (MCB), Richard Tait (Standard Bank Mtius), Stéphane Henry (IPRO Growth Fund)
Photo Gallery

Andre Bonieux, Senior Partner, welcoming the Guests

Lindsay Levehang, PwC Partner, welcoming Georges Leung Shing

The cocktail

The floor

André Bonieux, Senior Partner, addressing the floor

The floor
Photo Gallery

Michael Ho Wan Kau, PwC Partner, presenting the Judging Panel Findings

The floor

Georges Leung Shing (MDIT) and Désiré Elliah (Naiade Resports) standing with Dean Lam, Judging Panel Member

The Minister of Finance & Economic Empowerment with Philippe Forget (MCB) & Philip Ah Chuen, Judging Panel Member

Mushtaq Oosman, PwC Partner, in conversation with Bernard Wong (ATS) and Jean-Paul de Chazal, Judging Panel Member

Simon Pierre Rey (IBL), Roger Koenig (Robert LeMaire) and Maurice de Marassé Enouf (Innodis)
Photo Gallery

Dr Raj Daliah, Judging Panel Member with Fabien Enouf from PwC

Anthony Leung Shing, Rajeev Basgeet & Mark Calvert, all from PwC

Sunil Benimadhu (SEM), Sarat Lallah (MT) and André Bonieux (PwC), standing with the Minister of Finance & Economic Empowerment

Guest looking at the Annual Reports

Jean Paul de Chazal, Judging Panel Member, Jean-Claude Béga (CIDL) and Marie-Anne Leblanc (PwC)
PricewaterhouseCoopers (www.pwc.com) provides industry-focused assurance, tax and advisory services to build public trust and enhance value for our clients and their stakeholders. More than 163,000 people in 151 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

PricewaterhouseCoopers Mauritius (www.pwc.com/mu) is recognised as a thought leader and a change initiator, offering the resources of a global organisation combined with detailed knowledge of local issues.

With over 200 professional staff, we serve a large number of multinational companies doing business in Mauritius, a cross section of the local business community as well as public institutions.