

Ciel

**WELCOME TO
THE CIEL
INTEGRATED
REPORT 2020**

ABOUT CIEL

GROUP STRATEGY & PERFORMANCE

CLUSTER REVIEW

SUSTAINABILITY

RISK MANAGEMENT

CORPORATE GOVERNANCE

FACTS & FIGURES

**Dear Shareholder,**

The Board of Directors (“the Board”) of CIEL Limited (“the Company”) is pleased to present its Integrated Report for the financial year ended 30 June 2020.

We invite you to join us at the Annual Meeting of the Company to be held:

Date: **18 December 2020**

Time: **14:00 hours**

Place: **5th Floor, Ebène Skies, Rue de l’Institut, Ebène**

Sincerely,



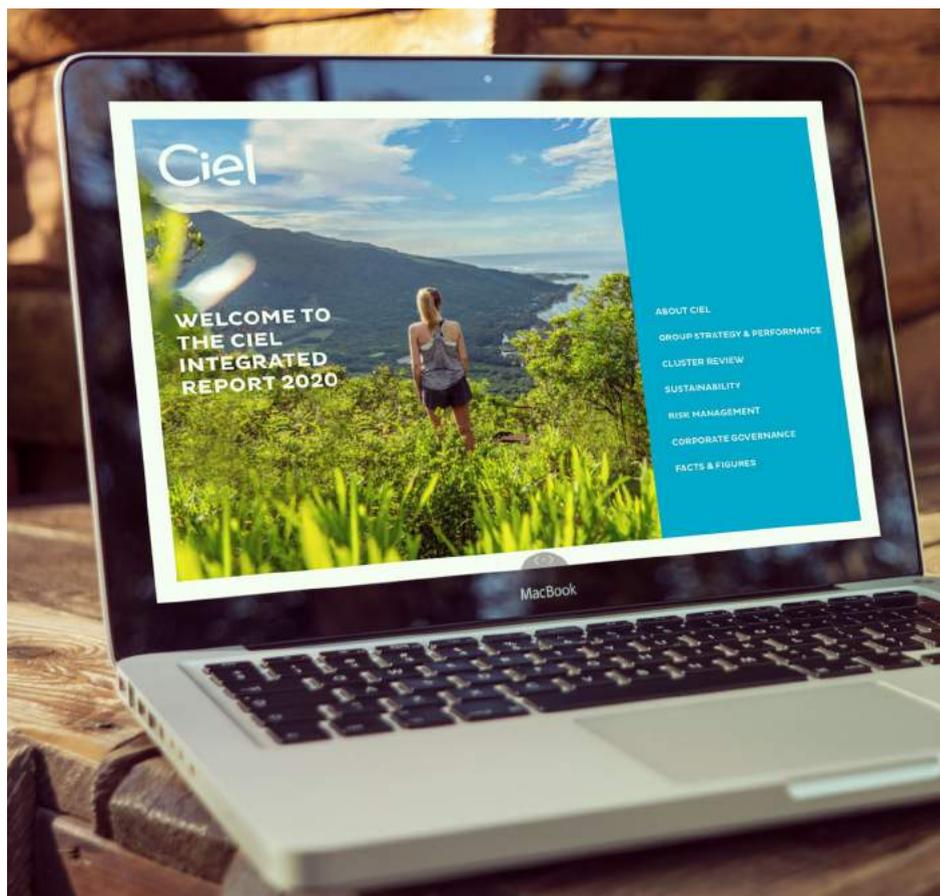
P. Arnaud Dalais
Chairman



Jean-Pierre Dalais
Group Chief Executive

ABOUT THIS REPORT

This year was marked by the emergence of the COVID-19 pandemic which presented a challenge of unprecedented scale. To date, the future economic environment still remains highly uncertain in Mauritius and abroad, and the Group's visibility regarding the crisis and its potential further impacts remains limited. But this pandemic has also forced us to rethink our ways of working and accelerated our sustainable journey to build long-term resilience.



A Digital First Report

For the first time, our 2020 integrated report is presented in a digital format only to align with new digital trends but more importantly, to commit with CIEL's sustainability strategy launched earlier this year.

We have come up with new ways of doing old things, offering an interactive and user-friendly digital report to meet the needs of our shareholders and stakeholders, yet allowing all those still looking for their hard copy to have this opportunity.

Integrated Reporting Principles

This report has been developed following the guidelines of the International Integrated Reporting Council. It will not cover all our operations in details but rather provides key information - considered material at CIEL level - to understand and assess CIEL's performance, effective management and strategic directions. More in-depth information can be found in each Group companies' respective annual report and/or website.

Reporting Scope and Process

This report covers the financial year to 30 June 2020 in terms of performance as well as some key material initiatives that occurred in the first quarter of the current financial year. We have included only what we believe is material, issues that we think have or can have a significant positive or negative impact on the operations, profitability or brand equity of CIEL.

It was prepared by CIEL Head office in close collaboration with our clusters' management teams. We welcome your feedback on the report and invite you to share your comments or questions to: investorrelations@cielgroup.com

Forward-Looking Statement

The report contains forward-looking statements which, by their nature, involve risk and uncertainty because they relate to future events and circumstances that may be beyond our control. We therefore advise readers to use caution in interpreting any forward-looking statements in this report.



ABOUT CIEL

CIEL at a Glance

A Strategic Presence in Emerging Markets

A Strong Network of Global Partners

A Diversified Brand Portfolio

A Strong Leadership and Governance

Group Overview and Value Proposition

Group Structure

CIEL AT A GLANCE

A Diversified **International Mauritian Group Investing & Operating** Across **Emerging Markets**

6 STRATEGIC CLUSTERS



Listed on the

▲ STOCK EXCHANGE OF MAURITIUS (SEM)

▲ SEM SUSTAINABILITY INDEX (SEMSI)



COUNTRIES

32,000

GROUP EMPLOYEES

108

YEARS OF TRACK RECORD

Key Figures - MUR

(as at 30 June 2020)

21.92bn

Group Consolidated Revenue

(24.21bn - 30 June 2019)

3.29bn*

Group EBITDA Before Impairments & Reorganisation Costs

(3.44bn - 30 June 2019)

6.67

Group NAV Per Share

(7.79 - 30 June 2019)

(2.13bn)

Group Impairments & Reorganisation Costs

(2.16bn)

Group (Loss) After Tax

(1.19bn - 30 June 2019)

(1.67bn)

(Loss) Attributable to Owners of the Parent

(0.86bn - 30 June 2019)

* Has been positively impacted by adoption of IFRS 16 Leases MUR 495M

Committed to long-term sustainable development

OUR PURPOSE

FOR A WORLD
 WE CAN ALL FEEL
PROUD OF

OUR VALUES

PEOPLE AT HEART
EXCELLENCE AT CORE
ETHICAL & SUSTAINABLE



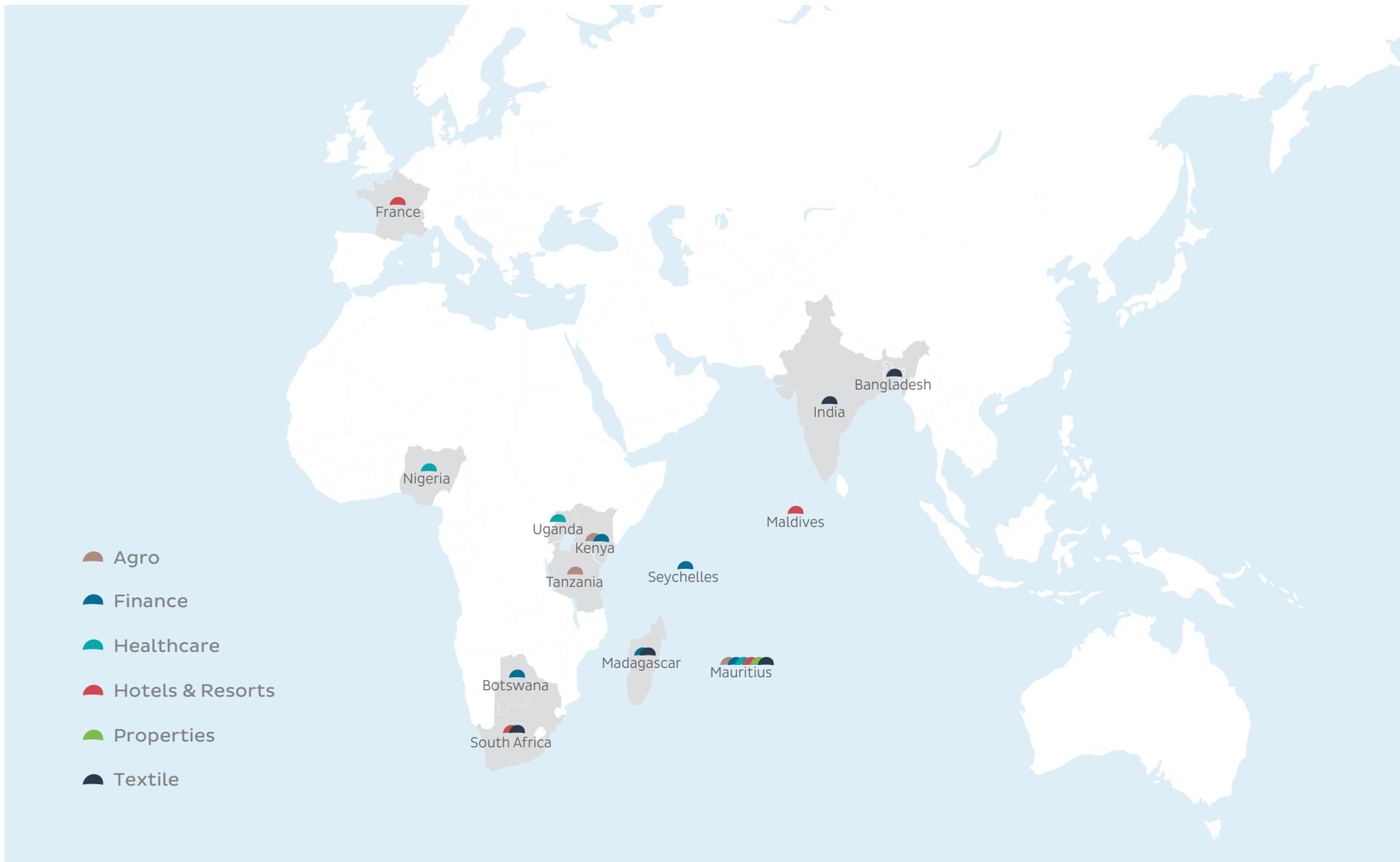
Ciel foundation

MUR

98M

INVESTED IN SOCIAL PROJECTS THROUGH CIEL FOUNDATION SINCE 2005

A STRATEGIC PRESENCE IN EMERGING MARKETS



A STRONG NETWORK OF GLOBAL PARTNERS



Family Investment Holding Companies



Development Finance Institutions



Recognised Industry Players



Private Equity Funds



A DIVERSIFIED BRAND PORTFOLIO



Ciel Agro



Ciel Finance



Ciel Healthcare



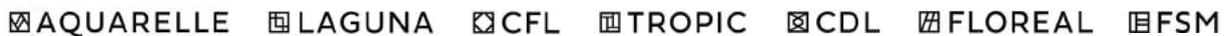
Ciel Hotels & Resorts



Ciel Properties



Ciel Textile



A STRONG LEADERSHIP AND GOVERNANCE

CIEL's Board of Directors

A highly qualified Board to set CIEL's strategy and control its execution.



P. Arnaud Dalais



Jean-Pierre Dalais



L. J. Jérôme De Chasteauneuf



Roger Espitalier Noël



Guillaume Dalais



Marc Dalais



R. Thierry Dalais



M. A. Louis Guimbeau



J. Harold Mayer



Catherine McIlraith



Sébastien Coquard



Pierre Danon



Marc Ladreit de Lacharrière



Xavier Thiéblin



Jean-Louis Savoye



Jacques Toupas
Alternate Director

Read the full biographies of our Board Members under Principle 3 of the Corporate Governance Report. 

CIEL's Executive Management Team

An experienced CIEL management team



Jean-Pierre Dalais
Group Chief Executive



L. J. Jérôme De Chasteauneuf
Group Finance Director



Clothilde de Comarmond
Group Company Secretary



Yogesh Kissoondary
Group Head of Corporate Finance



Mathieu Razé
Group Head of Communications
and Sustainability



Danny Runghen
Group Head of Treasury



Christine Sauzier
Group General Counsel



Dev Sewgobind
Group Head of Human Resources

Supporting cluster CEOs to drive sustainable performance



Guillaume Dalais
CEO of CIEL Properties



Eric Dorchies
CEO of CIEL Textile



Hélène Echevin
CEO of CIEL Healthcare



Francois Eynaud
CEO of Sun Limited



Marc-Emmanuel Vives
CEO of CIEL Finance

GROUP OVERVIEW AND VALUE PROPOSITION



Our Value Proposition

- Over 100 years' experience in the sugar industry
- #1 sugar producer in Mauritius
- Independent energy producer
- Regional sugarcane industry player with strategic presence in East Africa creating value throughout the sugarcane value chain with the production of raw sugars, refined sugars, bagasse, molasses and energy
- Pioneer in establishing dual bagasse-coal power plants
- Owner of strategic land bank in Mauritius and developer of real estate projects

Main Partners

- IBL, Tereos, Quadran, Albioma

Our Value Proposition

- Offers unique complete financial services platform in Mauritius (Banking + Fiduciary + Portfolio Management)
- #1 in the Corporate Banking Segment in Madagascar
- Focus within our portfolio companies on:
 - Customer satisfaction and innovation
 - The permanent search for higher operational efficiency
 - A strong risk management and culture
- Enhanced synergies (within each company, within the Group and with our partners)
- Transparent and open governance with our shareholders and partners
- High priority to compliance, with dedicated upgrading programmes in each operational unit, and to the community at large

Main Partners

- Amethis Finance, I&M Bank, Axian, Telma

Our Value Proposition

- Strong leadership position in Mauritius with high level of care and technicity, welcoming patients from the East African region
- A unique investment portfolio of prime hospitals in East Africa
- Solid expertise in lab management
- Strategic investors and a solid shareholders' base
- Highly reputed network of empaneled doctors

Main Partners

- International Finance Corporation, Proparco, IFHA-II, Kibo Fund

GROUP OVERVIEW AND VALUE PROPOSITION (CONT'D)



Our Value Proposition

- 📌 #2 Hospitality Group in Mauritius
- 📌 Strategically located hotels on the nicest beaches of Mauritius
- 📌 Most recently renovated hotel properties in Mauritius
- 📌 Strategic partners (Four Seasons and Shangri-La) elevating the hotel industry standards in Mauritius and offering career development opportunities to Mauritians
- 📌 In-house Tour Operators (Solea and World Leisure) bringing complementarity and market control to hotel business
- 📌 Owner of strategically located land in Mauritius for potential property development

Main Partners

- 📌 Four Seasons, Shangri-La, Dentressangle

Our Value Proposition

- 📌 Strategically located high-value land bank for property development
- 📌 High-end luxury property development expertise
- 📌 Clear positioning on mixed-use and sustainable property development opportunities
- 📌 140,000 Sqm² of building in Mauritius within CIEL Textile property book to be optimised

Our Value Proposition

- 📌 Global Fashion partner through:
 - Exceptional design
 - Outstanding service and quality
 - Agility and speed
 - Sustainability leadership
- 📌 40+ years of solid track record
- 📌 One-stop shop solution through vertically integrated business
- 📌 Strategically positioned as the Best Alternative to China
- 📌 Great value to medium and upmarket retailers
- 📌 #1 Textile operator in Mauritius and Madagascar
- 📌 #1 in high-quality shirt-making in India
- 📌 Member of Sustainable Apparel Coalition

Main Partners

- 📌 Key clients include: Lacoste, Levi's, ASOS, J. Crew, etc.

GROUP STRUCTURE



Agro

Alteo Limited

- TPC - Tanzania
- Transmara - Kenya

Anahita the Resort

Anahita Golf & Spa Resort



Finance

CIEL Finance Limited

- Bank One
- BNI MADAGASCAR
- MITCO
- IPRO
- KIBO Capital Partners
- LCF Securities
- CIEL Finance Data Services

CIEL Corporate Services

- Azur Financial Services
- EM Insurance Brokers



Healthcare

CIEL Healthcare Limited

- C-Care
- Clinique Darné
- Wellkin Hospital
- C-Care Clinic
- C-Lab
- IMG
- Hygiea



Hotels & Resorts

Sun Limited

- Ambre
- Long Beach
- La Pirogue
- Sugar Beach
- Kanuhura
- Shangri-La's Le Touessrok Resort & Spa
- Four Seasons Mauritius at Anahita
- Solea
- World Leisure Holiday

Anahita the Resort

Anahita Golf & Spa Resort



Properties

CIEL Properties Limited

- Ebène Skies
- Ferney



Textile

CIEL Textile Limited

- Woven
 - Aquarelle
 - CFL
 - Laguna
- Knits
 - Tropic
 - CDL
- Knitwear
 - Floreal
 - FSM



GROUP STRATEGY & PERFORMANCE

[Chairman's Statement](#)

[CIEL's Response to COVID-19 Crisis](#)

[Our Business Model](#)

[Group Chief Executive's Interview](#)

[Group Strategy](#)

[Group Finance Director's Review](#)

[Human Capital Report](#)

CHAIRMAN'S STATEMENT



“

Over the first semester of the June 2020 financial year, CIEL was delivering a strong performance, with solid growth in EBITDA, operating profit and cash flow.

Dear stakeholder,

There is no doubt that we are living through one of the greatest economic and health crises of modern times. The continued proliferation of COVID-19 is curtailing the global economic recovery, making it extremely difficult to plan ahead. In Mauritius, GDP is projected to contract by 13% in 2020, and the outlook for 2021 remains unclear, particularly given the openness of our economy and its dependence on the travel and tourism industries.

Like many other companies, CIEL has not been spared by the adverse financial impact of the pandemic. Our Group has a positive force to do good, and I am proud of the way in which we have supported our customers, our employees and the communities around during the pandemic. The Board of Directors is confident that despite the COVID-19 crisis, we will rise to the complexities and the challenges brought by the virus thanks to our diversification, international presence, financial strength, strong partnerships and talented people.

Above all, I am grateful for the trust and confidence of our teams, shareholders, financial partners and the national authorities. Our goal remains to create sustainable growth in value and with the strong relationships we have built over the years with our stakeholders, we are determined that we will weather the storm and re-invent ourselves to the post-pandemic world.

FINANCIAL PERFORMANCE

Over the first semester of the June 2020 financial year, CIEL was delivering a strong performance, with solid growth in EBITDA, operating profit and cash flow.

However, by February 2020, the pandemic, along with lockdowns in Mauritius, China and other parts of the world, caused major disruptions, suspended business operations and began affecting mainly our Textile cluster and Hotels & Resorts activities.

With Mauritius' main tourism source markets closing their borders and the national lockdown imposed on 18 March 2020, CIEL's Hotels & Resorts cluster saw a drastic fall in revenue as it had to temporarily suspend all of its operations. To mitigate this drop in revenue and preserve cash flow, our hotel business, SUN, sought financial assistance from the Mauritian Government through the Wage Assistance Scheme amongst others and has also applied for MUR 3.1Bn in financing from the Mauritius Investment Corporation. We remain in constant dialogue with our financial partners to ensure we can ride out of this crisis in the best possible conditions.

On the other hand, our Healthcare cluster played a vital role in supporting the Mauritian healthcare sector during the pandemic although our hospitals and clinics saw a drop in occupancy due to the lockdown.

Our Financial Services cluster continued to provide essential services throughout the lockdown and doubled efforts to continue serving our clients and help families across Mauritius and Madagascar.

The Agro & Property cluster fared relatively well throughout the year. Despite the challenging context, CIEL has decided to create a standalone Property cluster to generate sustainable value from the substantial property assets that exist across the Group.

The adverse economic impact of COVID-19 and the uncertainties surrounding future cash flow projections have led to impairments charges and reorganisation costs which have weighed on our financial results. Unfortunately, due to the pervasive nature of the COVID-19 crisis, the Group made a significant loss during the year under review.

Recognising the importance of dividends to our shareholders, the Board's decision has been exceptionally difficult. To navigate through the unprecedented uncertainties caused by COVID-19 without compromising liquidity, the Board concluded that the prudent and proper decision was to suspend the June 2020 final dividend. The Board believes that this decision is in the best long-term interests of shareholders.

As at 30 June 2020 (MUR'bn)

21.92

Group Consolidated Revenue

3.29

Group EBITDA Before Impairments and Reorganisation Costs

(2.16)

Group (Loss) After Tax

8 Cents Per Share Dividends Paid

(interim dividend declared in Dec 2019 and paid in Jan 2020)

CIEL'S RESPONSE TO COVID-19

CIEL's immediate priority was to protect both our business and those who place their trust in us – our people, customers, partners and community. The Group's leadership reacted swiftly and energetically to preserve business continuity and ensure the safety and wellbeing of our stakeholders; and businesses across the Group contributed to national efforts to contain COVID-19 and provided support to those most in need in the community. My fellow Directors and I also worked closely with the executive team to manage the Group's strategic and operational response. More information about CIEL's COVID-19 response is available on [p. 18](#) of the Group Strategy & Performance section.

STRATEGY AND RISK

Despite these challenges, the COVID-19 pandemic has also been an opportunity to fundamentally reassess how we think and work to ensure we remain relevant to the markets and economy of the future.

At a Group level, we are therefore encouraging a culture of cost-consciousness and efficiency, supported by new digital tools. We also continue to strengthen our cybersecurity defenses following the creation of a Group Cybersecurity Committee last year. More than ever, we aim to build on our leadership positions in strategic sectors while adapting our products and services to new trends in demand.

SUSTAINABILITY AND SOLIDARITY

The COVID-19 crisis has also demonstrated how vulnerable our world can be to major systemic shocks. Sustainability has never been more important, either for CIEL or for our stakeholders.

In February 2020, CIEL's Board of Directors adopted a new sustainability strategy, including a new vision and key commitments. It represents a roadmap on how to sustainably transform our Group over the next 10 years, building on our existing governance structure and Environmental & Social management systems.



CIEL's Board of Directors adopted a new sustainability strategy, including a new vision and key commitments. It represents a roadmap on how to sustainably transform our Group over the next 10 years.

We are acutely aware that COVID-19 is leading to rising unemployment and a fall in household incomes in our community. We have therefore created a dedicated fund – the CIEL COVID Fund – to assist Group employees impacted by the crisis. This initiative is financed via contributions from Directors, shareholders and CIEL employees. More information is available on [p. 60](#) of the Sustainability report. Alongside this, CIEL continues to pursue its inclusive growth agenda and support communities via the CIEL Foundation's CSR projects.

OUTLOOK

Though the ongoing crisis makes it difficult to forecast the future with certainty, the coming months are likely to be very challenging.

Our Group will need to monitor the situation and adopt a flexible and agile approach to its decision-making process.

Despite this, it is clear that CIEL's geographical and sectorial diversification is a real asset. We are now seeing signs of recovery in five of our six clusters, and our initial results for the first quarter of the 2021 financial year are encouraging. Our Hotels & Resorts cluster continues to be impacted by restrictions on international travel and the new wave of COVID-19 infections in our major tourism markets.

Mauritius' inclusion on the Financial Action Task Force's watchlist and EU blacklist is a concern. There is a risk that, over time, it will weaken trust in Mauritius as a jurisdiction. However, we are aware that efforts are being made to resolve this situation and hope that Mauritius will be able to swiftly exit both lists.

Overall, in light of CIEL's strategic positioning across a number of emerging markets and our history of strong growth and sound financial management, the Board of Directors is confident in our Group's medium to long-term prospects.

ACKNOWLEDGEMENTS

I would like to express my heartfelt thanks to all of CIEL's teams, from our Healthcare cluster's medical professionals to those who keep our businesses and facilities running every day. Despite the difficulty of the past few months, they have demonstrated incredible innovation and commitment in keeping our Group running and have shown real solidarity towards the most vulnerable in our communities. Our teams are the reason that I am confident about CIEL's ability to emerge from this crisis a stronger and even better positioned Group.

I would also like to express my gratitude to my fellow Board members, who have been an invaluable source of support throughout this crisis. The executive team under the leadership of Jean-Pierre Dalais has done an incredible job of navigating this crisis and making hard decisions despite an ongoing lack of visibility.

I would particularly like to thank Harold Mayer, the outgoing CEO of CIEL Textile, for his 30 years of service in that cluster. Mr Mayer remains on the Board of the CIEL Group and of CIEL Textile. The Board and I wish his successor, Eric Dorchie, every success.

Finally, I would like to thank our financial partners and the national authorities for their support and assistance in what has been an exceptionally demanding year. I am also grateful to our shareholders for their patience and understanding over the past few months. Their continued confidence is vital to CIEL's long-term growth.

To all of our stakeholders, I hope you and your loved ones are doing well and staying safe.



P. Arnaud Dalais
Chairman

CIEL's Response to COVID-19 Crisis

The health, safety and security of our people has been the number one priority since the beginning of the pandemic. Driven by one of our core values, **People At Heart**, we have been striving to keep our people and the surrounding communities safe.

This pandemic also caused unprecedented challenges in terms of operations, supply chain management, cash flow management and in many other areas. Our teams have been fully mobilised to ensure business continuity and customer service despite very challenging conditions.

We would like to take this opportunity to thank all our employees, customers, shareholders and partners for their commitment, flexibility and trust in our capacity to overcome these challenges together.



C-Lab team

Our Actions and Measures to Mitigate COVID-19 Impact, Support the Community and Adapt to the 'New Normal'

| Immediate Operational Response | Financial Response | Community Response | 'New Normal' Response |
|---|--|--|--|
| <ul style="list-style-type: none"> 📌 Crisis committees immediately set-up at CIEL and operational level 📌 Design and implementation of specific COVID-19 health and safety protocols 📌 Stop to all business travel 📌 Sourcing and distribution of protective masks and/or PPEs to employees 📌 Deployment of business continuity plans across operations 📌 Implementation of flexible work arrangements and work from home where feasible 📌 Temporary closure of all hotel operations within 48h following the closure of Mauritian borders 📌 Temporary closure of some of our textile factories depending on country's COVID-19 response measures 📌 Supply chain reorganisation to account for global disruptions and source key materials 📌 Customer and stakeholder ongoing communication to ensure customer service continuity | <ul style="list-style-type: none"> 📌 Immediate freeze of all non essential CAPEX and investment plans 📌 Strict cost cutting exercise across operations 📌 Focus on strict cash flow management 📌 Implementation of Directors and Management Team voluntary salary reduction scheme to protect cash 📌 Active negotiation with debtors and suppliers to revise credit terms 📌 Support from Mauritian government with Wage Assistance Scheme 📌 Deferment of dividend payment given high uncertainty and market volatility | <ul style="list-style-type: none"> 📌 Deployment of PCR tests capabilities 📌 Set-up of a dedicated and isolated COVID-19 care unit within Wellkin Hospital to support public authorities 📌 Handing over of some of our hotels for quarantine purposes 📌 Reorganisation of textile production lines to design and manufacture around 50,000 protective masks per day – 6M masks produced in total 📌 Food donation to support people in need 📌 Boost of contactless payments and implementation of automatic deferment of loans and mortgages to assist those affected by the pandemic 📌 Set up of a CIEL COVID Fund to support our impacted employees | <ul style="list-style-type: none"> 📌 Reorganisation of operations towards more agile and leaner structures 📌 Acceleration of digital transformation agenda 📌 Increased focus on sustainability with the launch of CIEL sustainability strategy and commitments towards 2030 📌 Development of new products and services aligned with emerging needs and trends – food security, eco-tourism, digital financial services, e-health etc. 📌 Implementation of new work mechanisms (remote working, digital) 📌 Business review exercises ongoing to adapt to evolving market demand |

OUR BUSINESS MODEL

GROUP INPUTS AND VALUE WE DRAW FROM



Human Capital

We nurture a winning culture in a decentralised approach with our talented individuals, our unique savoir-faire and technical expertise.

Main inputs during the year

- 32, 000 employees working for the Group across 6 clusters
- A truly international workforce with 61% based in >10 countries
- A young and dynamic workforce with an average age of 39 years



Financial Capital

We draw our financial capital from our equity and debt holders as well as cash flow earned from our operations.

Main input during the year

- MUR 839.96M (net of transaction costs) invested in subsidiaries



Manufactured Capital

We use our fixed assets such as land, buildings, hotels, factories, and logistics assets to create value.

Main inputs during the year

- A strong presence in emerging markets
- Investment in technology and digitalisation (CIEL Textile 3D sampling, C-Care Hospital Information System, Bank One core banking system, etc.)



Intellectual Capital

We foster innovation which is rooted in our culture and the intellectual property created from that includes our solid brands & reputation, new systems and processes, new products and offerings.

Main inputs during the year

- A strong network of global partners
- A diversified brand portfolio



Social & Relationship Capital

We earn and maintain our reputation and a trusting relationship with our key stakeholders thanks to our 108 years track record and to our strategic partners which are essential to our growth.

Main input during the year

- Trusted relationships with NGOs, trade organisations and public authorities



Natural Capital

We source our raw materials using sustainable practices and commit ourselves to use them efficiently.

Main inputs during the year

- Group listed on SEM and SEMSI
- 3,200 hectares of land in Ferney prone to sustainable development
- Ongoing endemic fauna and flora conservation programme at Ferney La Vallée in partnership with the Mauritian Wildlife Foundation

OUR BUSINESS MODEL

Our Ambition

Be the #1 in each of our industries

Our Activities



Our Approach

- A hands-on approach staying close to operations
- Long-term strategic partnerships bringing capital and expertise to our operations and expansion
- An entrepreneurial attitude with 108 years track record
- Mostly controlling stakes in our companies
- Focus on customer experience

MAIN OUTPUTS DURING THE YEAR



Human Capital

- 323,000 training hours invested to grow our people of which:
 - 260,000 hours on leadership
 - 99,000 hours on technical training
- Launch of a CIEL Women Network
- Launch of a Talent playbook to foster best-in class practices
- Adoption of compelling HR data management system



Financial Capital

- Increased stake in CIEL Textile from 92.92% to 100%
- Increased stake in C-Care from 30.79% to 55.83%



Manufactured Capital

- Creation of the Property Cluster
- Successful launch of 6 new C-Lab collection points and 1 new C-Care Clinic in Cap Tamarin Mauritius
- LEED platinum accreditation for the new Aquarelle Samudra factory in India
- Production of > 6M reusable masks to fight COVID-19 pandemic



Intellectual Capital

- Rebranding of CIEL Textile
- Revamped CIEL website
- Launch of Ferney Agri-Hub and Ferney Nature Lodge



Social & Relationship Capital

- Contribution of MUR 7M to community projects by CIEL Foundation
- Successful 13th Light Edition of CIEL Ferney Trail
- Creation of the CIEL COVID Fund to support impacted employees
- Strong mobilisation of employees and active participation of CIEL on the Oil Spill National Crisis Committee



Natural Capital

- Adoption of new sustainability strategy 2020-2030
- 2,745 endemic trees planted this year
- 10,638 plants from 37 varieties in the nursery of Ferney
- 5216.98 tons of waste recycled

GROUP CHIEF EXECUTIVE'S INTERVIEW



“
The Group has been quick in finding innovative solutions to increase our organisational resilience and help us navigate these uncertain times.

The COVID-19 pandemic continues to spread around the world. How has CIEL been affected by the crisis?

The rise of COVID-19 these past few months has been exceptionally challenging for our Group. The measures taken to fight the pandemic have taken a heavy toll on many of our businesses, both in Mauritius and abroad. Despite CIEL's performance being very promising during the first semester of 2019-2020, with a healthy growth across our activities, we began to feel the impact of the crisis early in 2020.

From February onwards, our Hotels & Resorts cluster saw a drop in occupancy due to the lockdown in China, an important tourism source market for our high-end resorts. Certain supply chains in our Textile activities were also impacted as a result, and these two events put together have had major repercussions on CIEL's performance throughout the second half of FY 2019-2020.

By the third quarter, lockdowns in Mauritius and abroad forced us to halt some of our operations across all clusters, except Agriculture. Reassuringly, the Group has been quick in finding innovative solutions to increase our organisational resilience and help us navigate these uncertain times. Consequently, most of our clusters regained momentum as activities resumed in June 2020, notably with Textile and Healthcare rebounding strongly in the first quarter of FY 2021. We are also seeing encouraging results in our Financial Services, Property and Agriculture clusters.

A notable exception is our Hotels & Resorts operations, which continue to suffer from the resurgence of COVID-19 due to ongoing restrictions on international travel.

Fortunately, we have benefited from the help of the Government and the strong support they are providing to the Mauritian tourism sector in these difficult times.

“

I am confident that our diversification, both geographically and across growth sectors, will help us weather this crisis.

Overall, CIEL's foundations remain strong. We are among the top international groups in Mauritius, with operations in India, Madagascar, Bangladesh and many other African countries. I am confident that our diversification, both geographically and across growth sectors, will help us weather this crisis.

How has the Group responded to the crisis on an operational level?

At the beginning of this pandemic, we activated our crisis committees at CIEL's Head Office as well as within each of our operations. From the outset, our objective was to protect our people and stakeholders while securing the future of our company. Our risk management team had raised the possibility of a pandemic very early on in 2020, allowing us to proactively prepare for it.

Consequently, we implemented a selection of measures to secure our cashflows and contain costs, including:

- Trimming overheads and renegotiating contracts with third-party suppliers;
- Putting all new projects and non-urgent capital expenditure on hold;
- Implementing voluntary pay cuts of up to 50% among CIEL's management team; and

- Stress testing our operations' cash flows and closely monitoring our working capital requirements.

In February 2020, well before COVID-19 had reached Mauritian shores, we began implementing safety protocols. We planned for remote working by strengthening our existing flexible working schemes and ensuring digital collaboration platforms were well in place.

When the Mauritian lockdown was announced in March 2020, it was relatively easy for CIEL employees to adapt and start working from home.

Following the lockdown, we created a back-to-work protocol and provided protective equipment to keep our employees well and safe.

How has CIEL supported the community in these difficult times?

In line with our values, CIEL actively contributed to national efforts implemented to fight COVID-19 in Mauritius:

- Our businesses supported the most vulnerable in our communities through donations and volunteering.
- CIEL Textile made notable efforts to manufacture protective gowns and close to six million medical masks.
- C-Care invested in COVID-19 testing while C-Lab became the country's first private laboratory to be authorised to carry out RT-PCR tests.
- We created the CIEL COVID Fund to help those affected by the crisis to secure employment and gain access to healthcare.

How has the pandemic changed CIEL's strategic priorities? Have any opportunities emerged as a result of the crisis?

The COVID-19 crisis has and will change certain consumer behaviours and supply chains. Each of CIEL's clusters is actively assessing these new trends and adjusting its offer accordingly:

-  BNI MADAGASCAR, which is becoming the country's largest bank, and Bank One, are both deepening their digital banking services.
-  CIEL Textile continues to benefit from its international activities in Madagascar, India and Bangladesh. It is accelerating its sustainability and digital transformation, and positioning itself to benefit from the supply chain move of a number of retailers out of China.
-  Though our hotel business is likely to be impacted by the COVID-19 crisis over the medium-term, we are repositioning the SUN brand and developing significantly innovative commercial offers to better welcome guests when they start travelling again.
-  Our Healthcare cluster is strengthening its position as top-quality healthcare provider in Mauritius. We continue to develop C-Lab at a fast rate, notably with the recent launch of a C-Care Clinic at Cap Tamarin.
-  Our newly constituted Property cluster, under the leadership of its CEO, Guillaume Dalais, now focuses on managing CIEL's real estate portfolio. Its objective is to maximise the return on these assets at a time when real estate is becoming an increasingly attractive form of investment.

-  We have launched several initiatives that reflect our commitment to sustainability, such as the Ferney Nature Lodge and the Ferney Agri-Hub, which will produce food for the local market in view of a renewed focus on food security in Mauritius.

Overall, CIEL aims to pursue its diversification and capitalise on its strong international positioning. We also intend to strengthen our Mauritian offering and deepen CIEL's regional integration, to create new value for the Group.

How do you intend to execute this strategy?



Going forward, we will continue to deliver on our sustainability, talent development and digital transformation strategies.

The current international environment has challenged our working processes and encouraged us to become more agile and resilient. Going forward, we will continue to deliver on our sustainability, talent development and digital transformation strategies, all of which are crucial to the successful implementation of our vision.

Throughout the COVID-19 crisis we used digital tools to help operate our facilities, market our products and nurture our stakeholder relationships, using digital tools. With the pandemic driving a significant expansion in digital economy, now is the time to truly transform our approach and capitalise on new efficiencies, notably by implementing digital solutions throughout our activities.

We are working hard to help our businesses become leaner, enabling them to generate improved margins while adapting to new market trends. We also need to hasten our move towards an asset-light business model to generate significantly larger returns on the capital we employ.

We are in a world where new technologies and heightened customer expectations will be ever rising, to be ahead of the curve we need to further empower our teams. Talent development is indeed a key area of our strategy.

Finally, we believe protecting the environment and promoting social inclusion are crucial to our collective future. This year, prior to the pandemic's emergence, CIEL published a sustainability strategy that sets out clear sustainability goals for the Group over the next 10 years. We will ensure each of our clusters focuses on these specific deliverables.

You launched your sustainability roadmap for 2030 in August this year. What role do you see sustainability playing in CIEL's growth?

Sustainability is paramount to our businesses, as our customers and investors are increasingly seeking out sustainable products and experiences.

This new sustainability strategy will further strengthen our stakeholders' trust and loyalty. It will also enhance our commitment to good governance and transparency across our value chain.

Built on three key pillars, CIEL's sustainability strategy seeks to foster engagement among our teams, drive innovation and inclusive growth, while accelerating our climate response.

I am confident that our strategy will lead to meaningful change for both our company and the communities within which we operate. More information can be found on [p. 54](#).

What is the outlook for the CIEL Group?

Our operating context remains very volatile and it is difficult to forecast the next financial year with any certainty. We are doing everything we can to foster our operations, keep our people safe whilst closely monitoring market trends to ensure we can tap into the opportunities of the post-pandemic world. We anticipate that a month-to-month management approach will be required.

A number of positive trends are already emerging. Our Healthcare cluster enjoyed strong growth in the first quarter of FY 2021, building on a rise in healthcare spending and a growing need for investment in the African healthcare market. We are the market leaders in Mauritius and are also present in Uganda and Nigeria. I believe we have a very important role to play in improving the quality and access to healthcare in Mauritius and on the continent.

As for Bank One, it successfully raised MUR 600M in its maiden issuance on the Mauritian market in June 2020 – a crucial sign of investor confidence. This capital injection will allow Bank One to pursue its local and international growth strategy.

There are also exciting opportunities in CIEL's Financial Services cluster, notably with our two banks. BNI MADAGASCAR is going from strength to strength and is taking a leadership position in terms of market share in Madagascar.

While Mauritius' inclusion on the EU blacklist and FATF watchlist is troubling, I believe the country remains in a good position to provide financial services to key markets in the region. It is my hope that this issue will soon be behind us by 2021.

The prospects for our Property, Agriculture and Textile clusters are also encouraging, as demonstrated by their results for the first quarter of 2021. Our Textile cluster is seeing renewed demand from large international retailers and a marked shift towards online sales and casual wear, both of which we are well positioned to respond to.

It is, however, unclear when the travel and tourism industry will recover, and our Hotels & Resorts cluster's performance is affecting CIEL's overall financial health. That being said, we have taken steps to protect the future of our businesses and of the people we employ. Furthermore, SUN Resorts' assets are world-class and our positioning in Mauritius is robust. I have no doubt that demand for our hotels and for Mauritius as a holiday destination, will pick up once COVID-19 is contained.

Acknowledgements

It has been a difficult year for CIEL's teams, marked by economic uncertainty, a need to adapt to new ways of working and an on-going pandemic. I would like to express my gratitude to all our people for their positive spirits and drive towards innovation despite these exceptional circumstances. I am incredibly proud of how our team at large continues to rise to the challenge of this crisis.

I would also like to thank CIEL's Chairman, P. Arnaud Dalais, and our Board of Directors, for their guidance and hands-on support. My thanks also go to our shareholders for their support despite what has been a disappointing year in the absence of a final dividend.

I am grateful to Harold Mayer, the outgoing CEO of CIEL Textile, for his role in turning our Textile cluster into a major international player over the last three decades. I am thankful for his continued help as a member of both CIEL and CIEL Textile's Board of Directors, and I would like to extend my best wishes to Eric Dorchies, who now helms our Textile activities.

I would also like to express my gratitude to the Mauritian authorities for their support, notably to our hotel activities, during this unprecedented crisis.

I have been deeply touched by the solidarity our teams have shown to one another and to those most in need.



Jean-Pierre Dalais
Group Chief Executive



GROUP STRATEGY



Guided by our purpose
“For A world We Can All Feel Proud Of”,
 CIEL continues to implement its strategy to be
the #1 in each of our industries.

| | Associated KPI | Key Residual Risk Impacted |
|---|---|----------------------------|
| <p>1 Optimise Assets and Performance with Focus on EBITDA Generation and Return on Capital Employed</p> | EBITDA Growth and Return on Capital Employed | 1, 2, 3, 4, 8, 10 |
| <p>2 Drive Operational Excellence Across the Group</p> | OPEX Dashboard | 4, 8 |
| <p>3 Consolidate our Presence in Selective Regional Markets</p> | Share of Revenue & Profits from International Markets | 1, 2, 4, 6, 8, 10 |
| <p>4 Increase Focus on Services-Oriented Businesses - B2B2C - and Customer Satisfaction</p> | Customer Satisfaction Scores | 1, 2, 4, 7, 8, 9 |
| <p>5 Nurture Talent Development</p> | Enhance HR Capabilities Across the Group Through Accelerated Exchange of Best Practices | 1, 8 |
| <p>6 Embrace Sustainability for Competitive Edge</p> | Sustainability Dashboard | 5 |

Key Capitals Impacted



Financial Capital



Manufactured Capital



Human Capital



Social & Relationship Capital



Intellectual Capital



Natural Capital

| Strategic Pillars | Progress this Year | Next Steps | Key Capitals Impacted | SDGs Tackled |
|--|---|---|---|--|
| <p>Optimise Assets and Performance with Focus on EBITDA Generation and Return on Capital Employed</p> | <ul style="list-style-type: none"> • Significant impact of COVID-19 crisis on the Group's performance • Cost cutting exercise and CAPEX freeze to protect cash flow • Debt restructuring exercise • Creation of a Property cluster and appointment of dedicated CEO and team to unlock value around Group non-core Property assets | <ul style="list-style-type: none"> • Strategic review of non-performing assets • Focus on cash flow and EBITDA generation |  |  |
| <p>Drive Operational Excellence Across the Group</p> | <ul style="list-style-type: none"> • Significant COVID-19 impact on operations: <ul style="list-style-type: none"> • Reorganisation of workflow and processes in some cases • Implementation of COVID-19 protocols and work from home policies • Restructuring exercises in Textile for leaner organisations • Continued roll-out of Operational Excellence roadmap through cluster committees and dashboards • Kick-off of first CIEL Finance Innovation Awards nurturing ideas | <ul style="list-style-type: none"> • Monitor Operational Excellence governance and progress • Pursue Group Forum Dynamics across functions • Work towards a leaner and more agile organisation |       |    |

| Strategic Pillars | Progress this Year | Next Steps | Key Capitals Impacted | SDGs Tackled |
|--|--|--|--|--|
| <p>Consolidate our Presence in Selective Regional Markets</p> | <ul style="list-style-type: none"> • CIEL Textile's international operations in Madagascar, India and Bangladesh continue to prove strategic • BNI Madagascar #1 position maintained for the corporate segment, whilst the bank has gained market share on the retail front as well • Turnaround of IMG Uganda hampered by COVID-19 pandemic • Kanuhura Resort (Maldives) operations stopped in March 2020 • Good momentum of Alteo's Tanzanian and Kenyan operations | <ul style="list-style-type: none"> • Review of non-performing assets • Consolidate our presence in regional markets by increasing efficiency and profitability of existing assets |  |  |
| <p>Increase Focus on Services-Oriented Businesses – B2B2C – and Customer Satisfaction</p> | <ul style="list-style-type: none"> • Rebranding and reorganisation of CIEL Textile companies as “Best Global Fashion Partner” • Investment in technology and digitalisation (CIEL Textile 3D sampling, C-Care Hospital Information System, Bank One core banking system, etc.) • Successful launch of C-Lab collection points and new C-Care Clinic in Cap Tamarin Mauritius • Launch of Ferney Agri-Hub • Successful launch of Fihariana by BNI-KRED with the Malagasy government to provide financial and technical support to SMEs | <ul style="list-style-type: none"> • Increased focus on growth sector, i.e. Finance, Healthcare and Property • Sustainable transformation of traditional industries (Agro, Hotels & Resorts and Textile) |  |  |

| Strategic Pillars | Progress this Year | Next Steps | Key Capitals Impacted | SDGs Tackled |
|---|---|---|---|--|
| <p>Nurture Talent Development</p> | <ul style="list-style-type: none"> Adoption of compelling HR data management system Invested in the capability and competency of HR Teams Digitalisation of HR processes with focus on recruitment and selection Launch of CIEL Women Network to empower women across the Group to take senior leadership positions | <ul style="list-style-type: none"> Pursue journey to become an Employer of Choice Continuously explore and identify opportunities to digitalise key HR processes |  |  |
| <p>Embrace Sustainability for Competitive Edge</p> | <ul style="list-style-type: none"> Adoption & launch of Group Sustainability Strategy 2030 with clear commitments and non-financial KPIs Platinum LEED Certification of Aquarelle Samudra (India) factory Creation of CIEL COVID Fund to support impacted employee Strong mobilisation around Ferney and Anahita to prevent and manage MV Wakashio oil spill in Mauritius | <ul style="list-style-type: none"> Adoption of cluster sustainability strategy aligned with Group engagements Launch of online management system to collect and analyse sustainability data Increased engagement around sustainability issues within and outside the Group Publication of first sustainability report |   |  |

GROUP FINANCE DIRECTOR'S REVIEW



Revenue decline was contained to 9.4% owing to good momentum in the first nine months supported by CIEL's sectorial and geographical portfolio diversification. EBITDA before impairments and reorganisation costs was 4% lower than prior year although good growth was noted in the first nine months. 2020 financial performance reflects the impact of impairments and reorganisation costs of MUR 2.13bn borne by the Group due to the current unprecedented economic crisis. We have achieved a higher Free Cash Flow owing to an effective cash flow management and lower working capital requirements with the slowdown of activities in the last quarter of the financial year.

FINANCIAL OVERVIEW

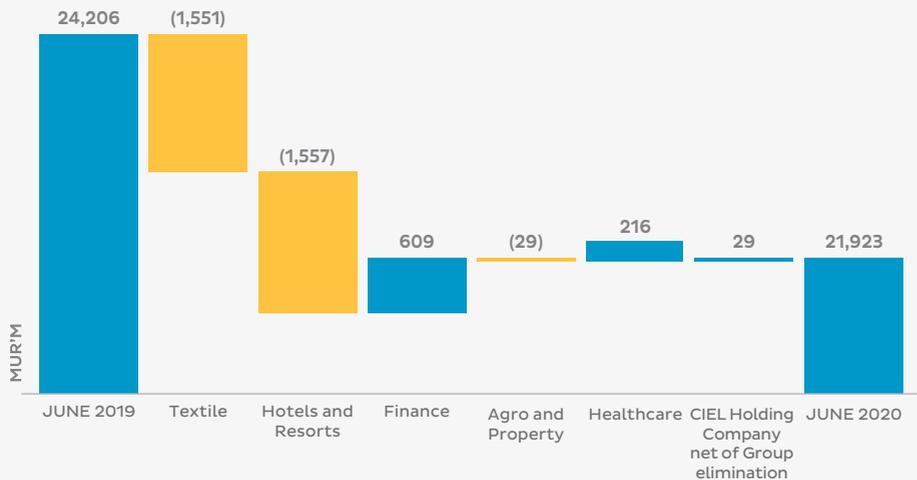
| MUR 'M | 2020 | 2019 | % Change | 2018 | CAGR |
|---|---------|---------|----------|--------|-------|
| Revenue | 21,923 | 24,206 | (9%) | 22,608 | (1%) |
| EBITDA before impairments and reorganisation costs | 3,292 | 3,443 | (4%) | 2,953 | 4% |
| EBITDA Margin | 15% | 14% | 1% | 13% | 5% |
| (Loss)/Profit after tax | (2,163) | (1,189) | (82%) | 1,090 | - |
| (Loss)/Profit attributable to: | | | | | |
| Owners of the Parent | (1,672) | (860) | (94%) | 441 | - |
| Non controlling interests | (491) | (329) | (49%) | 649 | - |
| (Loss)/Profit after tax before impairments and reorganisation costs | (33) | 1,307 | (103%) | 1,090 | - |
| Basic and diluted (loss)/earnings per share (MUR) | (0.99) | (0.52) | (90%) | 0.27 | - |
| Total Assets | 77,062 | 68,984 | 12% | 68,885 | 4% |
| Return on Assets* | 0% | 2% | (2%) | 2% | - |
| Equity | 18,536 | 22,131 | (16%) | 24,748 | (9%) |
| ROE* | 0% | 6% | (6%) | 4% | - |
| Net Asset Value per Share (Group) | 6.67 | 7.79 | (14%) | 8.76 | (9%) |
| Net Asset Value per Share (Company) | 6.00 | 7.02 | (15%) | 8.49 | (11%) |
| Net Interest Bearing Debt** | 16,908 | 15,521 | 9% | 15,498 | 3% |
| Gearing = Debt/(Debt+Equity) | 47.7% | 41.2% | 6.5% | 38.5% | 7.4% |
| DEBT to EBITDA before impairments and reorganisation costs (times) | 5.1 | 4.5 | 0.6 | 5.2 | (1%) |
| Capital Employed | 35,444 | 37,652 | (6%) | 40,246 | (4%) |
| ROCE* | 5% | 6% | (1%) | 4% | 4% |
| Dividend per share (MUR) | 0.08 | 0.21 | (13%) | 0.20 | - |
| Market Capitalisation (MUR 'bn) | 5,859 | 10,460 | (4,601) | 11,500 | (20%) |

*Adjusted for Impairments and reorganisation costs

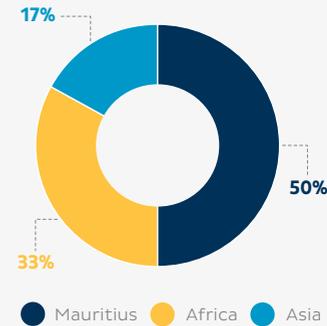
**Excludes right of use liabilities under IFRS 16 and Banking liabilities

Group revenue for the full year fell by 9% to MUR 21.9bn (2019: MUR 24.21bn) mainly in the fourth quarter ended June 2020. The Hotels & Resorts and Textile clusters took the full blow of the lockdown enforced in Mauritius and abroad. The marked year-on-year revenue decline was however mitigated by growth in the Finance cluster resulting from higher net interest income generated by its banking activity – BNI MADAGASCAR and the Healthcare cluster driven by higher occupancy levels in Mauritius and Uganda until the COVID-19 outbreak.

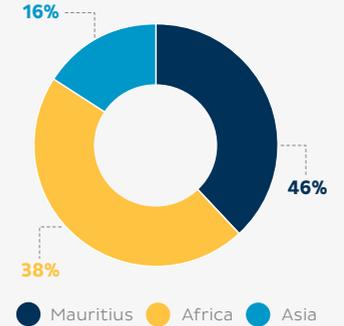
The increase in revenue from BNI MADAGASCAR marks our presence in Africa. On the other hand, the lower contribution from the Textile and Hotels & Resorts clusters due to closure of our activities caused by the national lockdown decreases the % turnover generated in Mauritius. A slightly lower contribution to turnover in Asia is the result of lower revenue from CIEL Textile’s Asian operations following operational disruptions caused by the pandemic.



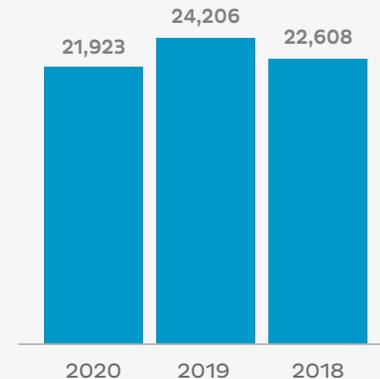
Revenue by Geographical Area 30 June 2019



Revenue by Geographical Area 30 June 2020



Group Consolidated Revenue (MUR 'M) (CAGR: -1%)



Adoption of IFRS 16

CIEL Group has adopted IFRS 16 Leases using the Modified Retrospective Approach in the reporting period beginning on 1 July 2019 with a transitional impact of MUR 511M made to Retained Earnings on 1 July 2019. This has a negative adjustment on the Group Net Asset value ('NAV').

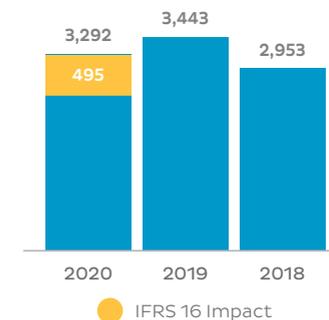
The implementation of IFRS 16 results in the recognition of lease liabilities of MUR 3.77bn and right-of-use assets of MUR 3.25bn as at 30 June 2020. The new standard also impacted depreciation charges, interest expense and operating lease rental with a net increase of MUR 495M and MUR 32M in Earnings before Interest, Tax, Depreciation, Amortisation and Exceptional Items and in profit after tax respectively for the year ended 30 June 2020.

Down by 4% to MUR 3.29bn (2019: MUR 3.44bn), **EBITDA before impairments and reorganisation costs** showed resilience supported by the improvement registered in the first nine months and cost savings measures implemented in the face of the crisis. It also includes a positive impact of MUR 495M from the adoption of IFRS 16 as detailed above. All clusters, except the Hotels & Resorts and Textile clusters, posted improved EBITDA before impairments and reorganisation costs against prior year.

Depreciation and amortisation charges rose to MUR 1,516M – up MUR 300M from prior year. The increase includes an impact of MUR 180M resulting from the adoption of IFRS 16 and higher depreciation charges on the higher asset base of the Hotels and Resorts cluster.

The adverse economic impact of COVID-19 and the uncertainties surrounding future cash flow projections have led to **impairment charges** of MUR 2,022M corresponding to property, plant and equipment of SUN's luxury hotel, Kanuhura, Maldives, the Finance cluster's loan book (expected credit losses as per IFRS 9 Financial Instruments requirements), inventories and debtors within the Textile cluster, the goodwill of the Ugandan arm of the Healthcare cluster – International Medical Group (IMG) and an associated undertaking within SUN's portfolio. Furthermore, the Textile and Hotels & Resorts clusters incurred **reorganisation and other related costs** of MUR 108M in relation to cost saving actions taken by the Group to preserve liquidity.

EBITDA Before Impairments and Reorganisation Costs (MUR 'M)
(CAGR: 4%)



| COVID-19 Effect on Clusters | | | |
|-----------------------------|--------|--|--|
| Cluster | Effect | Impact | Impairments and Reorganisation Costs (MUR 'M) |
| Hotels & Resorts | ● | <ul style="list-style-type: none"> Ban on tourist arrivals (Mauritius & Maldives) Closure of resorts | <ul style="list-style-type: none"> Impairments (PPE & Inventories): MUR 760M Impairments (Associate – Ambre): MUR 107M Provisions for bad debts: MUR 76M Reorganisation costs: MUR 33M |
| Textile | ● | <ul style="list-style-type: none"> Drop in order books Factory closures Lower demand for formal wear (Woven segment) | <ul style="list-style-type: none"> Impairments (Inventories): MUR 285M Debtor write offs & others: MUR 266M Reorganisation costs: MUR 75M |
| Finance | ● | <ul style="list-style-type: none"> Loan book of BNI Madagascar impaired due to adverse economic impact forecasted | <ul style="list-style-type: none"> Provision for loan impairment: MUR 321M |
| Healthcare | ● | <ul style="list-style-type: none"> Lockdown – Deferred operations, fall in occupancy Goodwill – IMG Group IFRS 9 – Financial Instruments provisions | <ul style="list-style-type: none"> Impairment of goodwill: MUR 128M Provisions for bad debts: MUR 77M (C-Care – MUR 50M, IMG – MUR 26M) |
| Agro | ● | <ul style="list-style-type: none"> Minimal | <ul style="list-style-type: none"> Impairments (Associate – Laboratoire International de Bio Analyse Ltée) : MUR 2M |
| Property | ● | <ul style="list-style-type: none"> Minimal | <ul style="list-style-type: none"> Not applicable |

Effect:

● High

● Medium

● Low

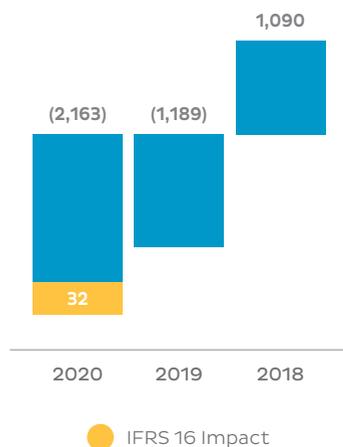
The increase in **net finance costs** from MUR 781M to MUR 1,542M is mainly attributable to an ineffective cash flow hedge on SUN's foreign denominated debts which resulted in a loss of MUR 369M, and the negative impact of MUR 283M from IFRS 16 versus the prior year.

The **share of results of joint ventures** fell from a positive MUR 161M to a loss of MUR 67M mainly due to the impairment of a non-performing loan recognised at Bank One.

The **share of results of Associates** is a positive MUR 16M compared to a loss of MUR 232M last year which included total impairment charges of MUR 311M booked in Alteo, The Kibo Fund LLC – the Finance cluster's private equity arm – and the Healthcare cluster's Nigerian operations.

Loss before tax increased from MUR 753M in the prior year period to MUR 1,947M due to the negative impact of COVID-19 on the Textile, and Hotels & Resorts clusters. Consequently, after a **lower taxation charge** reflecting significantly reduced activity levels, **Group loss after tax** amounted to MUR 2.1bn, or (MUR 0.99) per share.

(Loss)/Profit after tax (MUR 'M)



FINANCIAL STRUCTURE

IMPROVED FREE CASH FLOW

Free Cash Flow* (MUR 'M)



*Cash flow from operations net of working capital movements after recurrent capital expenditure (Excluding specific banking working capital movements)

| FULL YEAR (In MUR 'M) | Textile | Hotels & Resorts | Finance | Agro & Property | Healthcare | CIEL Holding net of Group eliminations | Group |
|-----------------------|---------|------------------|---------|-----------------|------------|--|-------|
| June 2020 | 1,018 | 356 | 839 | (7) | 67 | (946) | 1,327 |
| June 2019 | 254 | 1,169 | 493 | 13 | (62) | (811) | 1,056 |

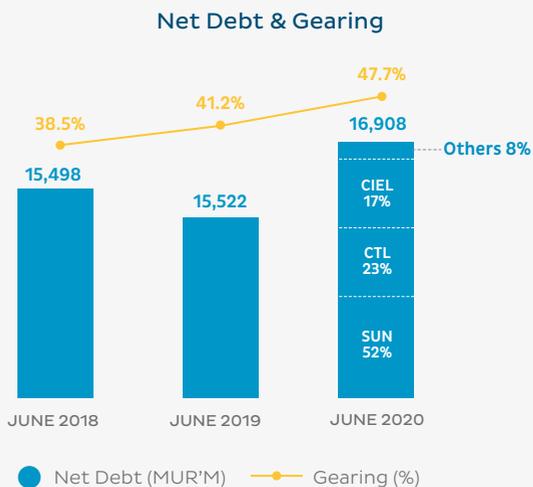
The Group achieved a higher Free Cash Flow of MUR 1,327M year-on-year (2019: MUR 1,056M).

With cash preservation a key priority, the Group tightened its cash flow management processes with:

- closer debtor monitoring
- renegotiation of credit terms with suppliers
- salary cuts by Management staff
- deferment or cancellation of non-essential capital investments.

Recurring capital expenditure was reduced by half from prior year.

GROUP LEVERAGE



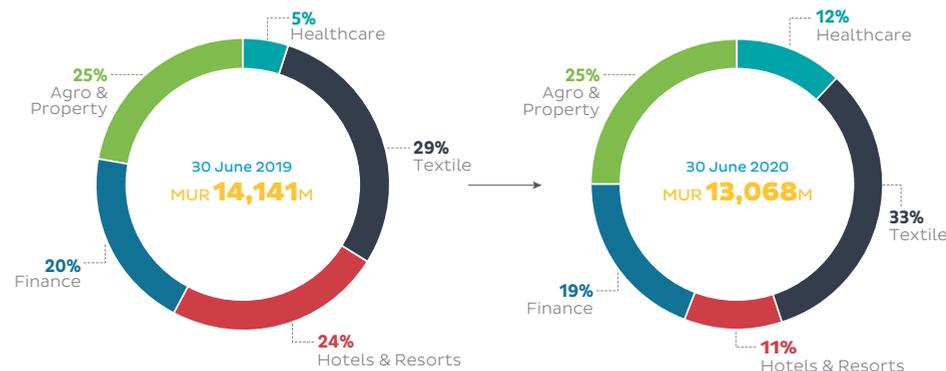
*Gearing = Debt / (Debt+Equity)

Net debt increase from June 2019 due to:

- Financing by CIEL Limited of a higher stake in CIEL Textile and C-Care (MUR 500M)
- Investment of CIEL Finance in Bank One's capital increase (MUR 300M)
- Foreign exchange fluctuations on SUN's bonds denominated in foreign currencies (MUR 600M)

CIEL maintains a solid financial structure with a gearing ratio of 47.7%, up from 41.2% as at 30 June 2019.

INVESTMENT PORTFOLIO

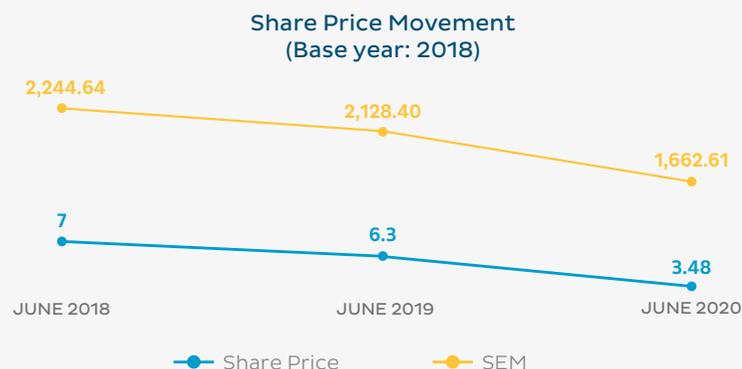


- All listed subsidiaries are valued at market price except for SUN which is valued at market price plus a 10% premium.
- Over the year ended 30 June 2020, at Company level, the total portfolio value has decreased by 7.6% mainly due to a fall in the share price of SUN and Alteo by 58% and 19% respectively.
- CTL has been valued using the discounted cash flow model to arrive at a price of MUR 42 per share. Prior year the valuation was based on latest transaction price of MUR 44 per share.
- The value of the Finance investment fell due to additional debt contracted to finance an investment in an underlying entity and also due to a drop in the market multiples used to value Bank One.
- The Hotels & Resorts cluster's lower contribution to the portfolio is due to the 58% fall in the share price of SUN from MUR 35 as at 30 June 2019 to MUR 14.80 as at 30 June 2020.
- Alteo's share price fell by 19% from MUR 18.80 as at 30 June 2019 to MUR 15.20 as at 30 June 2020. However, the revalued asset base at Ferney Limited and Ebene Skies Limited have mitigated the lower contribution from Alteo.
- The value of the Healthcare cluster increased due to:
 - an increased stake of CIEL Healthcare in C-Care from 58.60% to 67.41%
 - CIEL's direct acquisition of 20.08% of C-Care
 - an increase in the share price of C-Care from MUR 2.84 in June 2019 MUR 4.34 as at 30 June 2020.

The Healthcare cluster now represents 12% of the Group's investment portfolio, compared to 5% a year ago.

- The Company Net Asset Value ('NAV') per share stood at MUR 6.00 as at 30 June 2020 (30 June 2019: MUR 7.02).

SHAREHOLDER VALUE



CIEL shares largely followed the trend of the Stock Exchange of Mauritius in the June 2020 financial year as the domestic economy faced major challenges. The closing price of CIEL on 30 June 2020 was MUR 3.48.

Quality of assets and business fundamentals are inaccurately reflected in share price. The Hotels & Resorts cluster represents only 11% of our portfolio – down from 24% in June 2019 – and accounted for only approximately 25% of Group revenue and 30% of EBITDA as at 30 June 2020.

Dividend

The Board has decided that it was appropriate to suspend the final dividend for the June 2020 financial year. The Board believes that suspending and re-basing the dividend is the right thing to do for the long-term future of CIEL Group and that the headroom generated by this decision is prudent given the COVID-19 pandemic.

OUTLOOK

Based on our first quarter September 2020 results, revenue stood at MUR 4.63bn picking up from the previous quarter mainly at the Textile, Finance and Healthcare clusters, but was lower than prior year owing to the limited activity of the Hotels and Resorts cluster. EBITDA was MUR 431M compared to MUR 728M in the corresponding quarter in prior year – a decrease mitigated by improvements in the Healthcare and Finance clusters and a rebound of the Textile cluster compared to the previous quarter. The various cash flow measures taken by the Group clusters contributed to a positive Free Cash Flow of MUR 336M (2019: MUR 368M). The Textile, Finance, Healthcare and Agro & Property clusters also posted an improved operational performance which helped contain the Group losses to MUR 270M after tax in the period. We maintained a solid financial structure with a gearing ratio of 48.6%.

Our results in the first quarter of the new financial year show encouraging signs in certain business areas and geographies.

We expect that our Hotels and Resorts cluster results will continue to weigh on the Group's overall performance in the 2021 financial year.

Our Textile cluster is performing better as the Knits and Knitwear segments have managed to emerge successfully from the pandemic.

The Finance cluster should continue to show balance sheet growth mainly at BNI Madagascar level, and improved operational performance at both Bank One and BNI Madagascar although higher provisions for impairment would affect the Group's results.

The Healthcare cluster is performing well with the ease of restrictions since June 2020 in Mauritius and since July 2020 in Uganda with occupancy rates and operations better than prior year due to increased activities.

The Agro cluster has had limited exposure to the pandemic so far but there is a lot of uncertainty around Alteo's main sugar export market to date. The Property business, on the other hand, has launched its Agri-Hub within Ferney estate in the south-east of the island and has various other development projects in the pipeline to optimise CIEL Properties' portfolio.

In these highly uncertain times, we are determined to continue to preserve cash, optimise capital allocation and emerge stronger from the pandemic.

I would like to conclude by thanking our dedicated and hardworking finance teams across the Group who, notwithstanding the difficulties encountered during this COVID-19 period, have maintained high standards and professionalism. I also thank all our shareholders and the broader investment community both locally and internationally for your continued investment and interest in CIEL Group.

L. J. Jérôme De Chasteauneuf
Group Finance Director

HUMAN CAPITAL REPORT

CIEL's Human Capital management is central to our business strategy and our focus remains on developing and investing in future capability of our Group. Beyond our current practices, CIEL continues to foster a systematic and integrated approach to manage the career growth of employees and help ensure that we have the right people ready for key leadership roles now and in the future. Along with its actions to promote diversity, our Human Capital management aims to prepare the Group for changes in its environment.

FOSTERING A VIBRANT WORKFORCE

At the heart of our growth over the years, has been our People, hence our value of 'People at Heart' which is now well embedded in our ways of doing business. Our people's skills, experience and diversity enable us to provide competitive and reliable products and services to our customers.

This year we have witnessed an unprecedented situation with the COVID-19 pandemic. Despite being highly disruptive, it has forced us to rethink, adapt and reset our actual practices to develop a more resilient workforce and restore confidence to achieve sustainable growth.

At CIEL we have undergone a major rethink to sustain our operations in the long-term and to sustainably transform our businesses we have adopted our Sustainability strategy with a clear commitment to **Foster a vibrant workforce.**

Our ambition for the coming years remains to firmly establish CIEL as an **employer of choice** by offering career experiences through mobility across the Group.

Ultimately our people strategy focuses on creating a workplace that can attract and retain the best talent in the markets where we operate.



COVID-19 Impact on Talent Management

1

Health and Safety of our people as a priority #1

- Designed and implemented clear COVID-19 protocols for all our operations
- Minimised disruptions by implementing flexible work arrangements and remote work
- Enforced strict back to work protocol after lockdown

2

Adjusting our structure and operations

- Postponing Group events and major training programmes (HEC Executive Leadership programme; CIEL Textile International Graduate Programme)
- Optimisation of our structures for leaner operations
- Increased digitalisation
- Reviewing our cost of operations

3

Supporting our people

- CIEL COVID Fund set up to help our employees impacted by the pandemic
- Acceleration of internal mobility and outplacement programmes

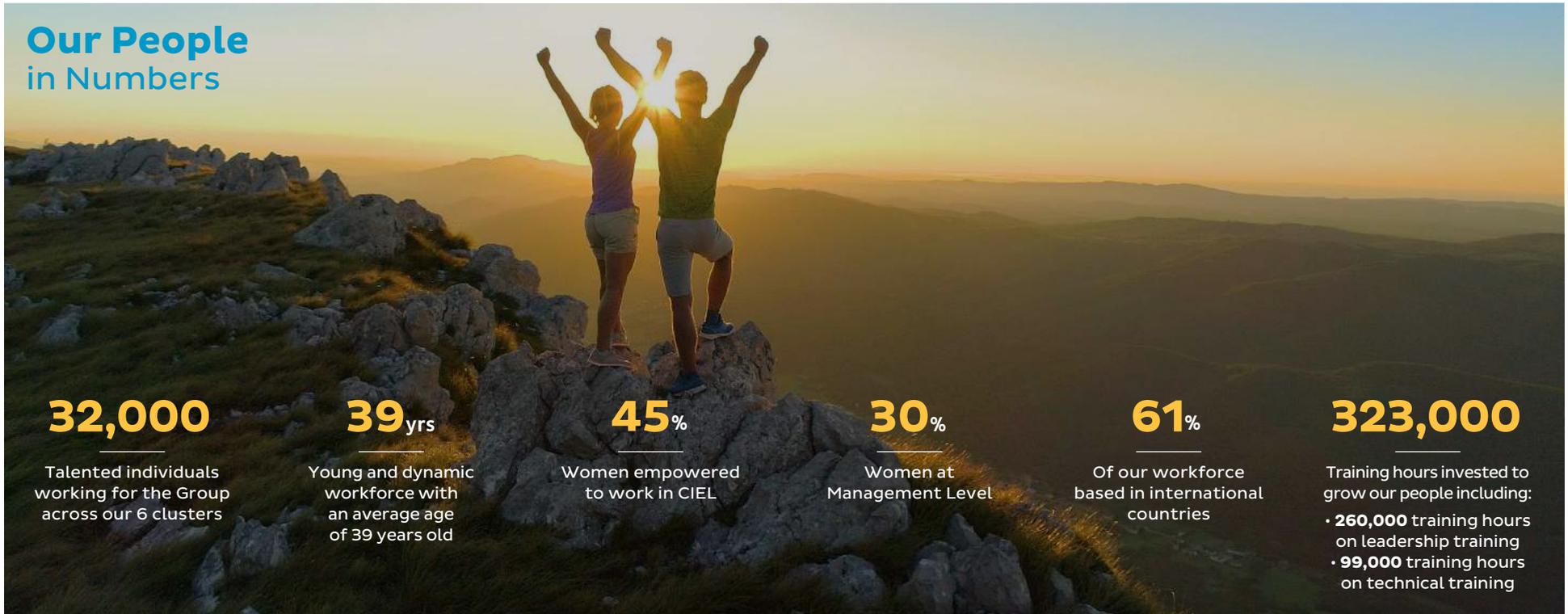
Creation of a CIEL Women Network

In line with our ambition to empower women to take senior leadership positions within CIEL Group and its subsidiaries, a CIEL Women Network has been launched with the objective of creating awareness around the challenges that women face in the workplace and devise recommendations for women friendly policies.

The Women Network forum consist of more than 20 ladies from the various clusters and Head Office of CIEL Group.



Our People in Numbers



32,000

Talented individuals working for the Group across our 6 clusters

39 yrs

Young and dynamic workforce with an average age of 39 years old

45%

Women empowered to work in CIEL

30%

Women at Management Level

61%

Of our workforce based in international countries

323,000

Training hours invested to grow our people including:

- **260,000** training hours on leadership training
- **99,000** training hours on technical training

Moving Forward our Human Capital Roadmap

Foster a Vibrant Workforce

- Positively contribute to the overall sustainability agenda of the Group driving impactful people related programmes.

Roll-out Best-in-class HR Practices Across the Organisation

- Cascade down CIEL Talent playbook setting out guidelines with regards to processes, common tools and application of Talent Management principles within the Group.

Reinforce HR Capabilities

- Enhance HR capabilities across the Group through accelerated exchange of best practices, collaboration across clusters and training on key HR competencies.

Digitally Transform HR Function and Services

- Continuously explore and identify opportunities to digitalise key HR processes.



CLUSTER REVIEW

CIEL Finance

CIEL Healthcare

CIEL Hotels & Resorts

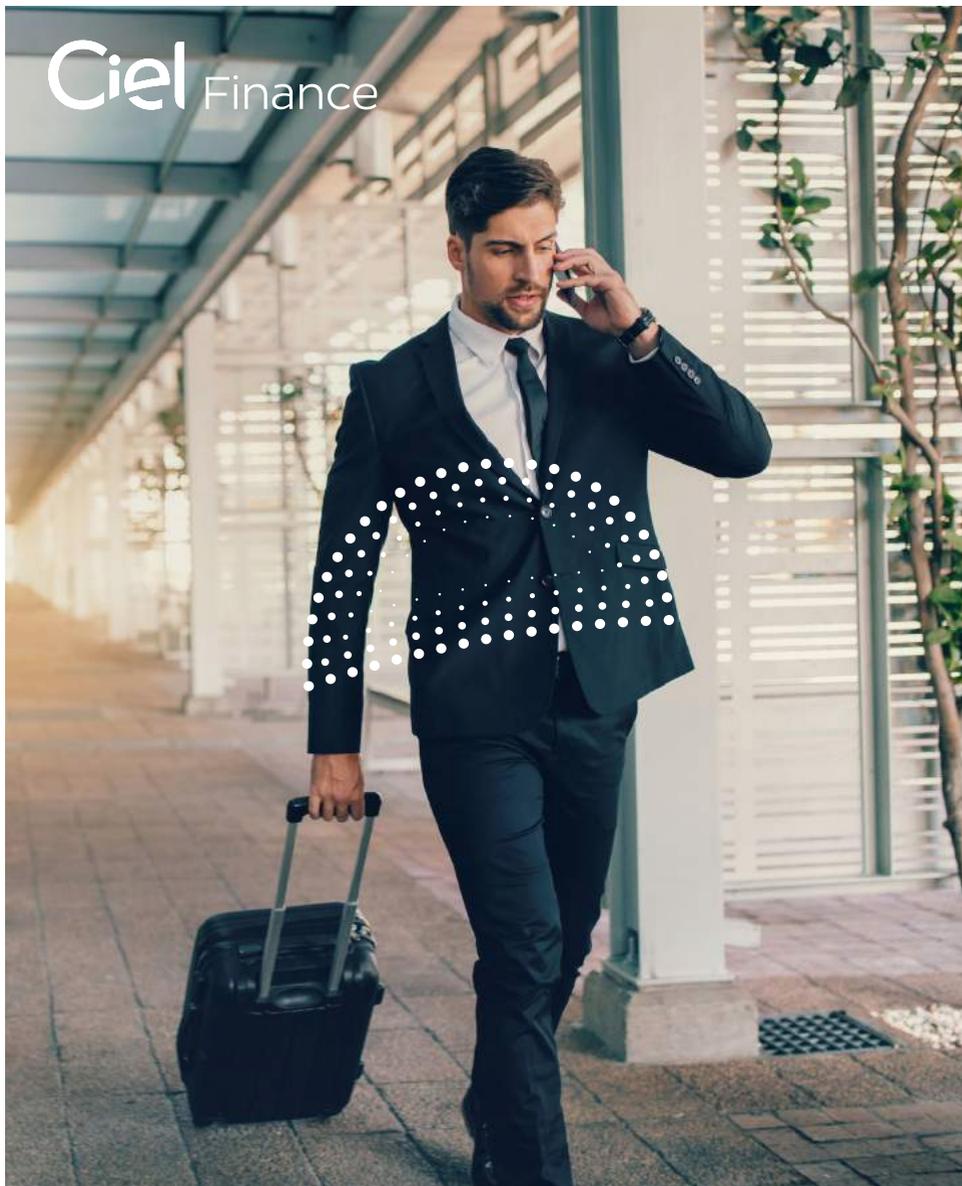
CIEL Textile

CIEL Agro & Properties

CIEL Agro

CIEL Properties

CLUSTER REVIEW



OVERVIEW

MUR **3,462M**

Cluster Revenue

MUR **1,305M**

EBITDA before Impairments and Reorganisation costs

MUR **501M**

Profit After Tax



5
Countries



2
Banks



1
Portfolio management & mutual funds company



1
Fiduciary & corporate services company



1
Private equity investments with 2 funds



1
Stockbroking company



1,600
Employees (Approx.)

OPERATING CONTEXT

COVID-19 Impact

- Overall impact contained as at 30 June 2020 and liquidity under control. However, the impact may be felt more significantly in subsequent months, with credit portfolios being delayed by initial support measures taken by banks and the local authorities
- No interruption of services to clients, despite lockdown
- Increased adoption rate of digital solutions
- The 2 banks developed formal schemes to provide speedy credit support to enterprises and individuals

Market Dynamics

BANK ONE & MITCO

- Uncertainties around the ongoing inclusion of Mauritius on the Financial Action Task Force (FATF) grey list and EU black list
- Delay in the re-opening of the borders in Mauritius is having some impact on the business development of MITCO, in particular

BANK ONE & BNI MADAGASCAR

- Potential effect of the Global Pandemic and recession on our banking activities in Mauritius and Madagascar

I PRO

- Impact of the COVID-19 Pandemic on stock markets leading to drop in share prices

Key Risks



Strategic

Inability to attract new clients or strong reduction activity levels due to abrupt changes in the environment (e.g. global health crisis, EU blacklisting)



Operational

Loss from fraud and criminal activity, as well as caused by human errors and inadequate internal processes and systems



Cyber

Breach of IT security resulting in adverse effect on confidentiality, availability of services, or integrity of information



Credit

Financial loss resulting from borrowers failing to fulfil their financial or contractual obligations



Investment

Loss from adverse changes in fair value of an investment in a company, fund or any financial instrument

FIND OUT MORE

The cluster risks are aligned with the risks of CIEL Group, but expressed using different risk headings and wording, in accordance with the risk management structure at CIEL Ltd

Performance & Strategy

Progress Report for FY20

Bank One

-  Onboarded a new CEO in March 2020 and a new COO in September 2020
-  First structured and syndicated transactions done in favour of 2 African Central banks
-  Re-engineered retail division into three sub-segments: elite, mass retail and SME Banking, allowing main KPIs to be met
-  Active in developing innovative products, offering added value solutions such as cashback on credit cards, contactless feature on all payment cards, launch of the new ONE Alliance club and set up of a digital desk in each branch to foster the use of electronic channels by clients
-  Significant growth of the asset book and deposit book of the private banking segment with the diversification of the geographical reach made possible by reviewing the Bank's internal approval and documentation processes and by going the technological route
-  With the onboarding of a new Head of International Banking in the FY19, the Bank has leveraged on his network to grow its presence in Sub Saharan Africa during FY20. However, the COVID-19 crisis and subsequent lockdowns have led to a temporary slowdown in the Bank's geographical deployment

Priorities for FY21

Bank One

-  Continue the deployment of innovative products and solutions for its customers as well as progress on its digitalisation journey
-  Work with its customers to assist them address the impact of the Pandemic and ensure the latter has a limited impact on its portfolio
-  Develop the e-commerce business, through partnerships, to offer alternative payment solutions

Performance & Strategy

Progress Report for FY20

BNI MADAGASCAR

- Number 1 position maintained for the corporate segment, whilst the bank has gained significantly in market share on the retail front
- First e-commerce platform BNI P@Y launched in partnership with Mastercard
- Successful launch of Fihariana by BNI-KRED with the Malagasy government to provide financial and technical support to SMEs

MITCO

- Turnaround largely completed – however, the company faced several challenges (changes at Top Management level, threat of EU Blacklisting, COVID-19) erasing part of the progress made

IPRO

- Revised strategy implemented but effects of the Pandemic on the stock markets has impacted the growth of the portfolios, including the size of IPRO Growth Fund

Kibo Capital Partners / Kibo Funds

- Successfully managed end of process for Kibo I, which has been put in liquidation
- Actively working on exits for Kibo II, but the Pandemic has slowed down the process and similarly, the fund raising for Kibo III has been delayed

Priorities for FY21

BNI MADAGASCAR

- Maintain its number 1 position on the corporate segment whilst also growing its market share on the retail front
- Continue its digitalisation process through the development of new products and services

MITCO

- Develop innovative marketing and sales strategies to overcome the challenge of closed borders
- Develop new products and services to retain the EU clients
- Significantly improve the upselling / cross-selling levels on the existing client base

IPRO

- Develop innovative sales strategies to attract new investors whilst growing the size of IPRO Growth Fund
- Launch of a new global equity fund, initially geared towards IPRO's private and pension fund client base and to be extended to other local pension funds thereafter

KIBO

- Successful fund raising and launch of the Kibo III

Ciel Healthcare



OVERVIEW

MUR **2,711M**
Cluster Revenue

MUR **342M**
EBITDA before Impairments and
Reorganisation costs

(MUR **96M**)
(Loss) After Tax



3
Countries



5
Hospitals



19
Clinics



2
Health
Membership
Organisations



3
Main
Laboratories



24
Lab collection
points



2,100
Employees
(Approx.)

OPERATING CONTEXT

COVID-19 Impact

- Drop of occupancy rates during the lockdown period

Market Dynamics

- Economic uncertainty due to COVID-19 which could affect purchasing power of patients
- Money devaluation affecting cost of drugs & consumables
- New Workers Rights Bill and Finance Bill in Mauritius significantly affecting labour cost
- Healthcare industry gaining momentum worldwide

Key Risks



Strategic

Ability for patients to pay for quality private healthcare in countries we operate



Financial

Claims volatility

Credit default risk - insurances



Human Resource

Lack of qualified nurses in Mauritius



Reputational

Patient complaints and legal action including medical negligence



Cyber

Electronic health records increasingly exposing to cyber risks



Operational

Lack of training and talent development

High dependency on consultant doctors

FIND OUT MORE

The cluster risks are aligned with the risks of CIEL Group, but expressed using different risk headings and wording, in accordance with the risk management structure at CIEL Ltd

Performance & Strategy

Progress Report for FY20

Priorities for FY21

CIEL Healthcare

- COVID-19 impacted occupancy and therefore delay in achieving financial targets
- International growth hampered by border closures

C-Care

- Launch of accreditation process by CHKS UK
- Successful launch of C-Lab including 6 collection points in Mauritius
- Launch of C-Care Clinic in the West in August 2020
- Ongoing extension of Clinique Darné

IMG (Uganda)

- Turnaround of Hospital Kampala hampered by COVID-19
- 18 IMC clinics in operation
- Re-organisation of HMO in progress

- Continue to focus on patient care and quality
- Improve procedures in view of CHKS certification
- Improve reporting through quality performance dashboard for better internal controls
- Focus on enhancing accessibility to medical services throughout Mauritius
- Empower and develop a pool of qualified nursing staff
- Propose an array of new medical services to accommodate patients from the region

Ciel Hotels & Resorts



OVERVIEW

MUR 5,058M

Cluster Revenue

MUR 1,029M (MUR **1,833M**)

EBITDA before Impairments and
Reorganisation costs

(Loss) After Tax



9
Owned &
managed
properties in the
Indian Ocean



2
Tour
operators



1,500+
Rooms



3,800
Employees
(Approx.)

OPERATING CONTEXT

COVID-19 Impact

- 🔴 No operations and revenue generation with the closure of borders
- 🔴 Government providing financing facilities through wage assistance scheme and Mauritius Investment Corporation
- 🔴 Low employee morale due to uncertainties around the reopening of borders
- 🔴 Element of fear to interact with guests for reopening
- 🔴 New operational norm for the industry

Market Dynamics

- 🔴 COVID-19 crisis and uncertainties around borders reopening
- 🔴 Evolution in travellers' expectations: looking for more eco-tourism and wellness experiences
- 🔴 Negative impact of environmental crisis – Wakashio oil spill
- 🔴 Worker's Rights Bill and new Finance Bill in Mauritius weighting on labour costs and business flexibility
- 🔴 Probable drop of long hand and MICE travel
- 🔴 Increased distribution of the travel experience

Key Risks



Strategic

Global economic uncertainties in the wake of the COVID-19 pandemic and Brexit
Lower demand arising from the post effect of COVID-19 and the recent ecological oil spill disaster, in the short to medium term



Financial

Long-term air access closure resulting in major short-term cash flow crisis and financial loss

Major disease outbreaks in tourism destinations in which SUN operates

Constraints related to prolonged border lockdown and air access to Mauritius including the National Carrier being under voluntary administration

Major credit risk resulting from the bankruptcy of major tour operators



Compliance/Reputation

Failure to ensure guests or associates' health, safety and security

FIND OUT MORE

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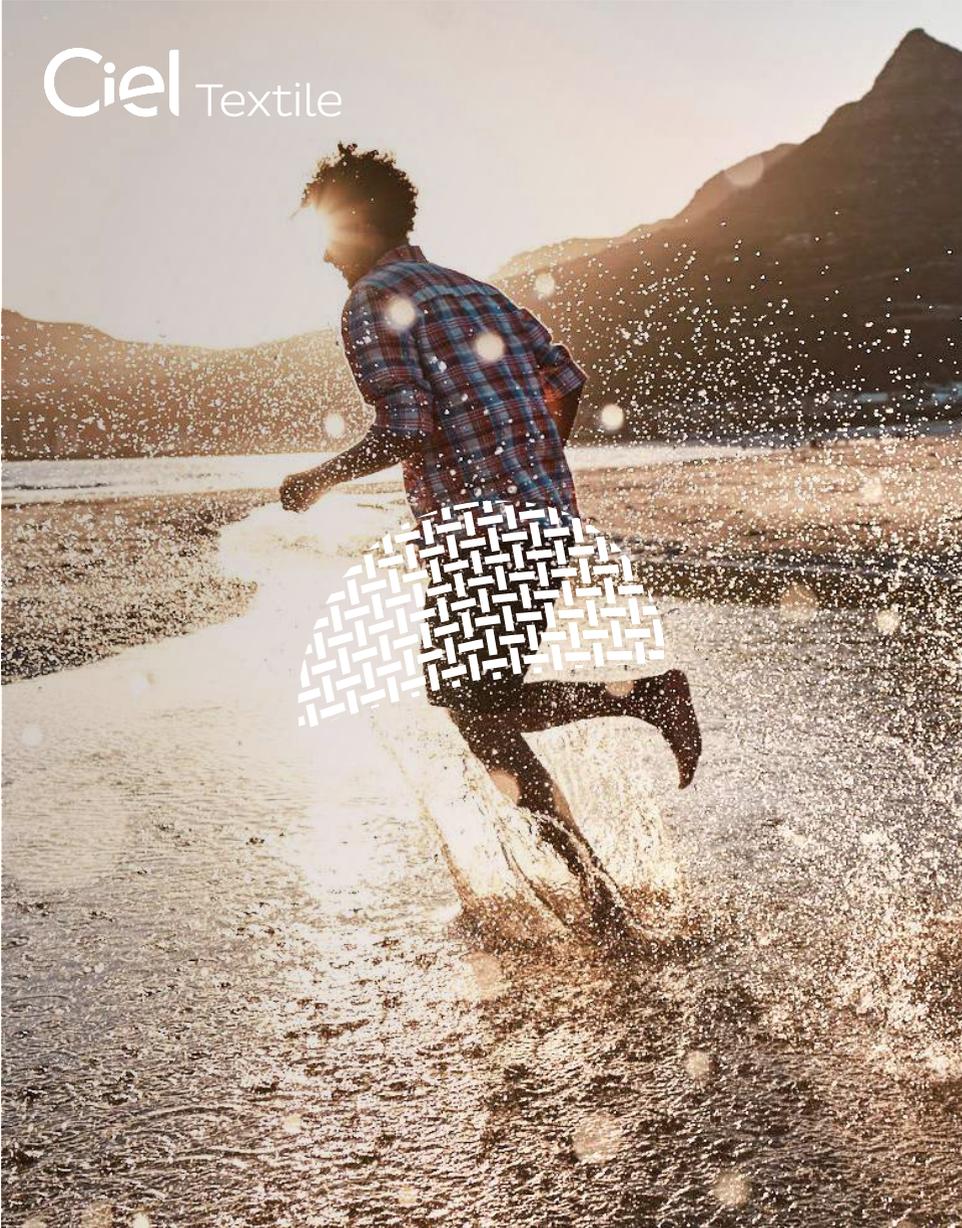
Performance & Strategy

Progress Report for FY20

-  Completion of renovation works and repositioning of Sugar Beach Hotel as premium 5-star resort
-  Appointment of Chief Sales and Marketing Officer and VP Revenue Management
-  Strategic partnership in France between Solea (Tour Operator) and Marrietton Group
-  Restructuring at Head Office level for leaner management
-  Stronger synergies and coherence between sales, marketing and revenue management teams
-  Debt restructuring exercise with injection of quasi-equity from Mauritius Investment Corporation (MIC)

Priorities for FY21

-  Reopening of all hotels and resorts as soon as possible if demand justifies
-  Repositioning and potentially rebranding of Sun through strategic exercise and enhanced customer experiences
-  Leverage on real-estate assets to deleverage and generate cash
-  Embrace and leverage on sustainability leadership with clear commitments through SUNCARE programme and enhanced sustainability offering
-  Seize the COVID-19 crisis opportunity to transform quicker SUN into a lean and agile organisation (Head Office and operations restructuring)
-  Enhanced Sales & Marketing strategy and organisation
-  Optimise cash flow monitoring
-  Finalise SUN financial restructuring with the MIC fund assistance
-  Work on new concepts to generate new revenues and differentiate Sun Resorts' hotels
-  Establish a 3-year plan to turnaround non-performing business units



Ciel Textile

OVERVIEW

MUR 10,600M

Cluster Revenue

MUR 517M

EBITDA before Impairments and
Reorganisation costs

(MUR 656M)

(Loss) After Tax



3
Clusters
(Knits, Knitwear,
Woven)



4
Countries



20
Production
units



31M
Garments
exported



18,000
Employees
(Approx.)

OPERATING CONTEXT

COVID-19 Impact

- 📌 Global crisis and lockdown affecting retailers' sales causing demand fluctuation
- 📌 Temporary closure of some factories due to lockdown
- 📌 Business restructuring to cut costs and adapt to lower demand
- 📌 Adapted existing product lines to manufacture face masks
- 📌 Implementation of strict sanitary measures to ensure safety of our employees at all times

Market Dynamics

- 📌 Rising demand for sustainable products and multi products manufacturers (one stop shop) which is favourable to CIEL Textile
- 📌 High currency volatility - depreciation of the Mauritian Rupee
- 📌 Strategic positioning of CIEL Textile as 'the best alternative to China'
- 📌 Uncertainty around global market demand

Key Risks



Operational

Business continuity and cybercrimes
Succession planning
Rising labour costs



Market

Inability to adapt to major market change
Interest rate hikes



Compliance

Sustainability compliance
Outsourcing risk



Financial

Lack of long-term perspective and cash management risks

FIND OUT MORE

The cluster risks are aligned with the risks of CIEL Group, but expressed using different risk headings and wording, in accordance with the risk management structure at CIEL Ltd

Performance & Strategy

Progress Report for FY20

Sustainability Leadership

● Sustainability report postponed to 2021 given COVID-19 impact; sustainability efforts ongoing and getting customers' interest

Markets

● Aquarelle Samudra factory (India) received LEED Platinum certification becoming the first eco-factory in India

● Manufacturing of face masks to help fight global sanitary crisis

● Successful restructuring and cost saving exercise to adapt to temporary drop in demand

Operational Excellence

● Ongoing journey towards operational excellence

Talent Management

● Appointment of Eric Dorchies as CIEL Textile CEO and subsequent management reorganisation with appointment of key leaders to drive digital transformation, HR agenda and operational excellence

● International Graduate Programme postponed due to COVID-19

Cross-Selling Marketing Approach

● Launch of new brand identity, vision and mission, leveraging on Group's scale and multi-product offering

Digitalisation and Automation

● Acceleration of 3D sampling capabilities and demand

Priorities for FY21

● Pursue strategic vision around:

- Sustainability
- Digitalisation
- Talent Development

● Attract new business thanks to one stop shop solution

● Continue rolling-out new brand identity

● Foster better integration of MOE 361° Leadership Academy within HR processes

● Accelerate digital transformation agenda



Ciel Agro & Properties

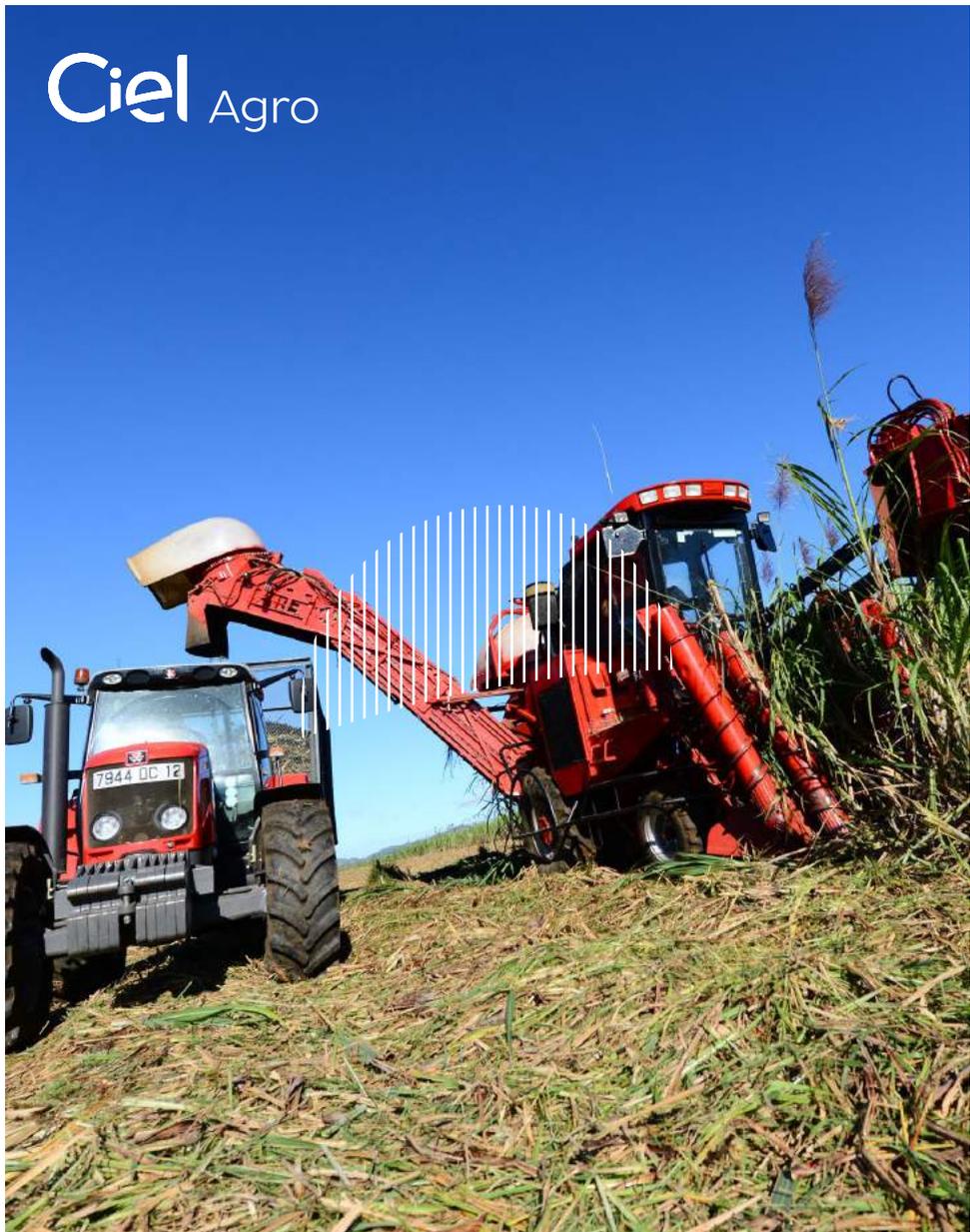
KEY FINANCIAL FIGURES

MUR 113M
Cluster Revenue

MUR 184M
EBITDA before Impairments and
Reorganisation costs

MUR 131M
Profit After Tax

Ciel Agro



OVERVIEW

(MUR **24M**)

Share of results of associate (Alteo Limited)



3
Countries



3
Sugar factories



3
Power plants



5,723
Employees

OPERATING CONTEXT

COVID-19 Impact

- 📌 Limited impact on sugar operations and property business during financial year under review
- 📌 Anahita Golf & Spa Resort closed since the closure of borders
- 📌 Implementation of sanitary measures to ensure the safety of our employees, at all times

Market Dynamics

- 📌 Depreciation of Mauritian rupee in favour of sugar exports
- 📌 New Worker's Rights Bill and Finance Bill, increasing already high production costs in Mauritius
- 📌 Biomass Framework in Mauritius still pending
- 📌 Growing demand for local food production

Key Risks



Strategic

Global sugar market conditions and sugar price volatility affecting performance

Unfavourable Government Policy decisions (market and industry regulation)



Cost competitiveness

Cost pressures impacting on the Sugar cluster performance as a going concern

Under-utilisation of milling capacities because of reduced supply of cane



Agility

Ability to attract and retain management competencies to support our business development objectives

Breakdown of major industrial assets



Financial

Foreign exchange risk



Compliance – Health & Safety

Compliance with safety regulations and labour /environmental laws and regulations

FIND OUT MORE

The cluster risks are aligned with the risks of CIEL Group, but expressed using different risk headings and wording, in accordance with the risk management structure at CIEL Ltd

Performance & Strategy

Progress Report for FY20

-  2,000 additional hectares under cane in Kenya for the year 2019/20 thanks to a continuous support from Transmara Sugar Company to the out growers' community
-  Regular increase in cane yields in Kenya thanks to application of agricultural best practices
-  Alteo is still working on the feasibility to develop a 100% biomass thermal project with sources from Cane trash and eucalyptus
-  Helios has produced 16 GwH in 2020 and Alteo is looking into other renewable energy sources such as wind and solar
-  Good progress overall with 10 villas/ plots of land sold at Anahita

Priorities for FY21

Mauritius

-  Increase mechanisation of agricultural activities, factory automation initiatives and the exploitation of machinable lands
-  Product diversification into higher value-added products such as special sugars and optimisation of revenues from by-products such as bagasse and cane trash for energy
-  Working in collaboration with relevant authorities to establish a national biomass framework and incentivize biomass production
-  Complete the development of the Northern Parcel of Anahita
-  Continue developing the coastal area in the east of Mauritius through new projects
-  Achieve gross margins from the ongoing construction of villas and the conversion of reservations into sales
-  Sale of non-strategic and abandoned cane land

Kenya

-  Maintain support on cane development by out growers and improve factory reliability
-  Progress on co-generation project to diversify revenues

Tanzania

-  Complete development of additional area under cane over 2 years
-  Proactive management of pervasive pests such as Yellow Sugarcane Aphid
-  Implementation of a holistic drainage master plan over the Estate



Ciel Properties

OVERVIEW



3,200
Hectares of land
in Ferney



100
Hectares of
nature reserve



A 6-level
Building in Ebene



70
Employees
(Approx.)

OPERATING CONTEXT

COVID-19 Impact

- Limited impact for the property cluster as at June 2020
- Slowdown in activities at Ferney La Vallée and Ferney Falaise Rouge due to closed borders

Market Dynamics

- Opportunity to develop food security in Mauritius
- Growing market for eco-tourism and sustainable offering
- Growing demand for sustainable property projects
- Lack of visibility around property market demand
- Government incentives to attract foreign investment and property buyers
- Uncertainty around EU black list impact on property market
- Potential negative impact of the Wakashio oil spill on market demand

Key Risks



Development

Priority projects deferred due to unfavourable market conditions and availability of project finance



Property Management Operational/Market

Tenants business defaults and bankruptcies

Loss of revenue from falling rental rates and payments

Loss of customers from international tourism

Tenants reducing leased areas



Ferney Ltd Operational risk

Reduction in revenues due to a drop in tourist arrivals

[FIND OUT MORE](#)

The cluster risks are aligned with the risks of CIEL Group, but expressed using different risk headings and wording, in accordance with the risk management structure at CIEL Ltd

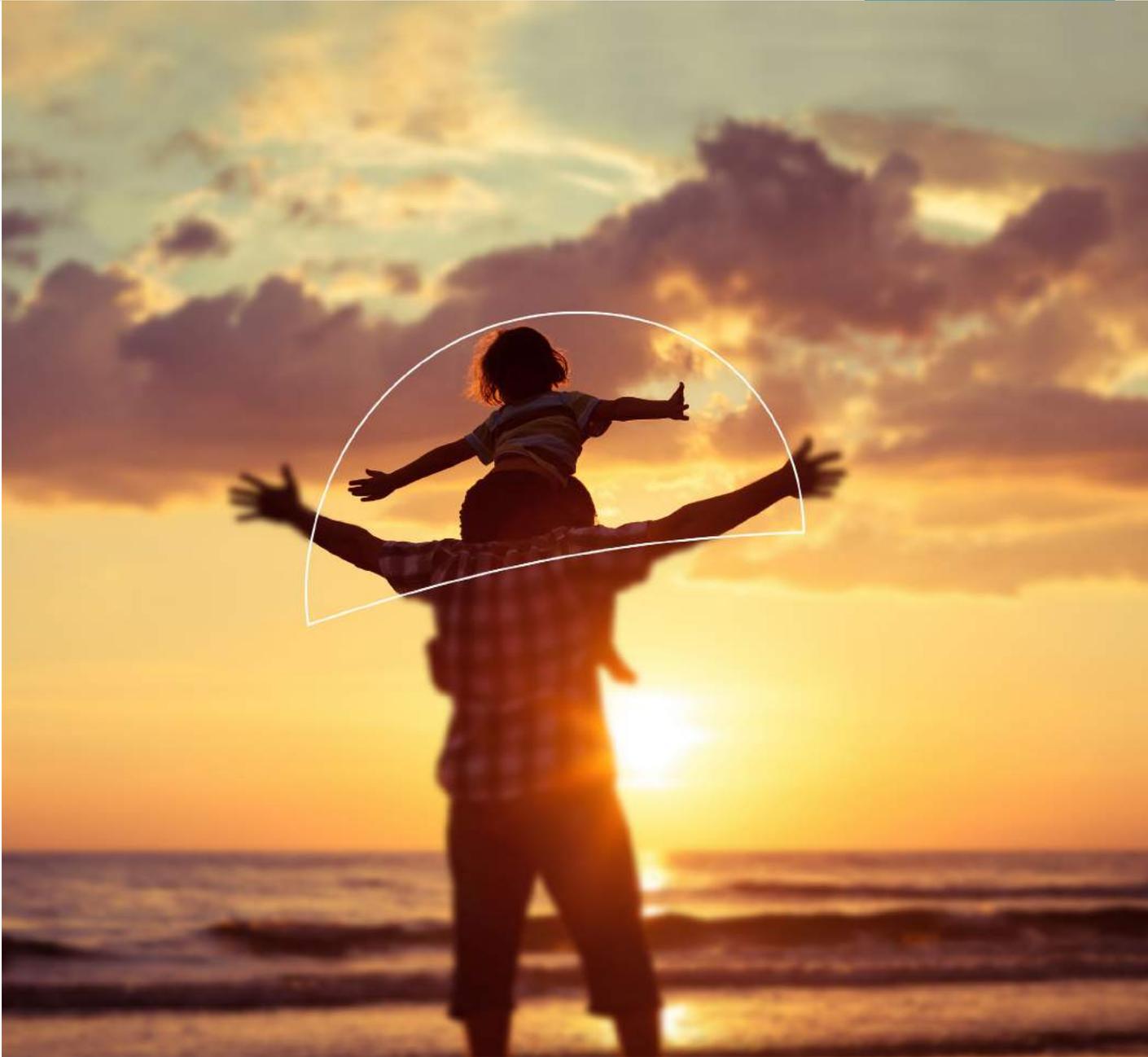
Performance & Strategy

Progress Report for FY20

-  Sale of non-strategic land at Ferney
-  Appointment of Guillaume Dalais as CEO of CIEL Properties
-  Development of Property cluster structure and team
-  Development of Ferney's vision and planning
-  Progress on Ferney's Smart City Letter of Intent from the Economic Development Board
-  Launch of Ferney Agri-Hub and Ferney Nature Lodge

Priorities for FY21

-  Development of Ferney Master Plan in line with the Smart City guidelines
-  Commercialisation of Falaise Rouge morcellement
-  Leverage the group real estate non yielding assets to create value
-  Growth of Ferney eco-tourism activities



SUSTAINABILITY

A Pivotal Year for Sustainability at CIEL

The 2020–2030 Strategy

Stakeholder Engagement

CIEL COVID Fund

Key Performance Indicators

Ferney Flagship Project

La Vallée de Ferney Conservation Trust

CIEL Foundation

A PIVOTAL YEAR FOR SUSTAINABILITY AT CIEL

Adopting a Clear 2030 Sustainability Roadmap

2019 to 2020 marked a turning point in our Group approach to this vast and increasingly important topic. Since 2015, we implemented a five-year action plan focused on governance and management systems, following the International Finance Corporation (IFC) performance standards. Our teams are now well equipped to engage in a new and increased results-driven dynamic, putting sustainability as a major axis of the Group's business transformation. Following a Group-wide consultation exercise with key internal stakeholders, a 10-year sustainability strategy was developed and approved by the Board of Directors of CIEL in February 2020.

Accelerating Change in the Context of **COVID-19**

In March, the global COVID-19 outbreak forced us into lockdown and continues to reshape operations and supply chains for the long term. Arising circumstances called for heightened focus on operations and close monitoring of market responses, causing us to suspend sustainability workshops and postpone the annual sustainability forum initially scheduled in May 2020. Still, we believe the broader sustainability agenda is of essence. The pandemic highlighted the world's interconnectedness and our economic system's vulnerability, especially while already pushing towards social and environmental limits. This context proved the relevance and robustness of our sustainability commitments, and the necessity to accelerate our efforts. The sustainability strategy was thus launched early August and we are working on a comprehensive communication and engagement plan in this direction, starting with awareness sessions in all clusters.



MV Wakashio

Taking Part in the National Effort

On 6 August 2020, the bulk carrier MV Wakashio, grounded on the reef of Pointe d'Esny, started leaking oil in the lagoons of the South East coast of Mauritius. This pollution would soon reach Ferney and the surrounding communities at Rivière des Créoles, Vieux Grand Port, and other villages further Northwards. CIEL responded immediately by coordinating relief efforts in collaboration with authorities and key stakeholders in this area. Employees, local fishermen and the public mobilised to produce and deploy several kilometres of artisanal booms at Falaise Rouge and Anahita, using fabric from our textile factories and cane trash from Alteo. This incident has affected marine and coastal ecosystems as well as communities. However, it strongly reinforced our commitment to make Ferney a sustainable development hotspot, namely with the launch of Ferney Agri-Hub, an innovative concept to address food security in Mauritius, fostering a conducive eco-system for agri-entrepreneurs. Further relief and regeneration projects are currently being designed and implemented.



THE 2020-2030 STRATEGY

As a diversified Group, our approach implies a degree of universality yet remains relevant to each of the industries we are invested in. We believe that sustainability should be centered on people's, their communities', and nature's ability to thrive, all three scales being inter-dependent and essential to long-term prosperity. Through consultations with sustainability champions, heads of departments and management across our clusters, we have identified the following as key pillars of our strategy:

1 Our People Foster a Vibrant Workforce



Our 32,000 employees dedicate their time to the business daily. Their health and wellbeing are not only a matter of responsibility but also critical to performance, morale, adaptability and team spirit. On this aspect, we focus on actions towards our work environment, diversity & ethics and learning & development.

2 Communities Champion Inclusive Growth



By expanding in several market sectors and to 10 countries, we have multiplied our reach in society and thus our number of clients and stakeholders. It is important that our growth is both transparent and shared, to build mutual recognition and trust. Here, we develop responsible & inclusive offerings, support the local economy, and facilitate community empowerment.

3 Nature Activate Climate Response



Ultimately, nature still makes the air we breathe, the water we drink, food we eat, cotton we wear, and virtually everything we use and trade. Its ability to provide these essential services is threatened by pollution and climate change, we must mitigate pollution & emissions, but also tend to our natural resources. On this topic, we address energy, value chain impacts, and conservation & regeneration.

To make progress effectively on the above, we have retained the fourth and over-arching dimension of **organisational capacity**, whereby we upkeep our governance structure, improve data infrastructure and build engagement.

Our commitments

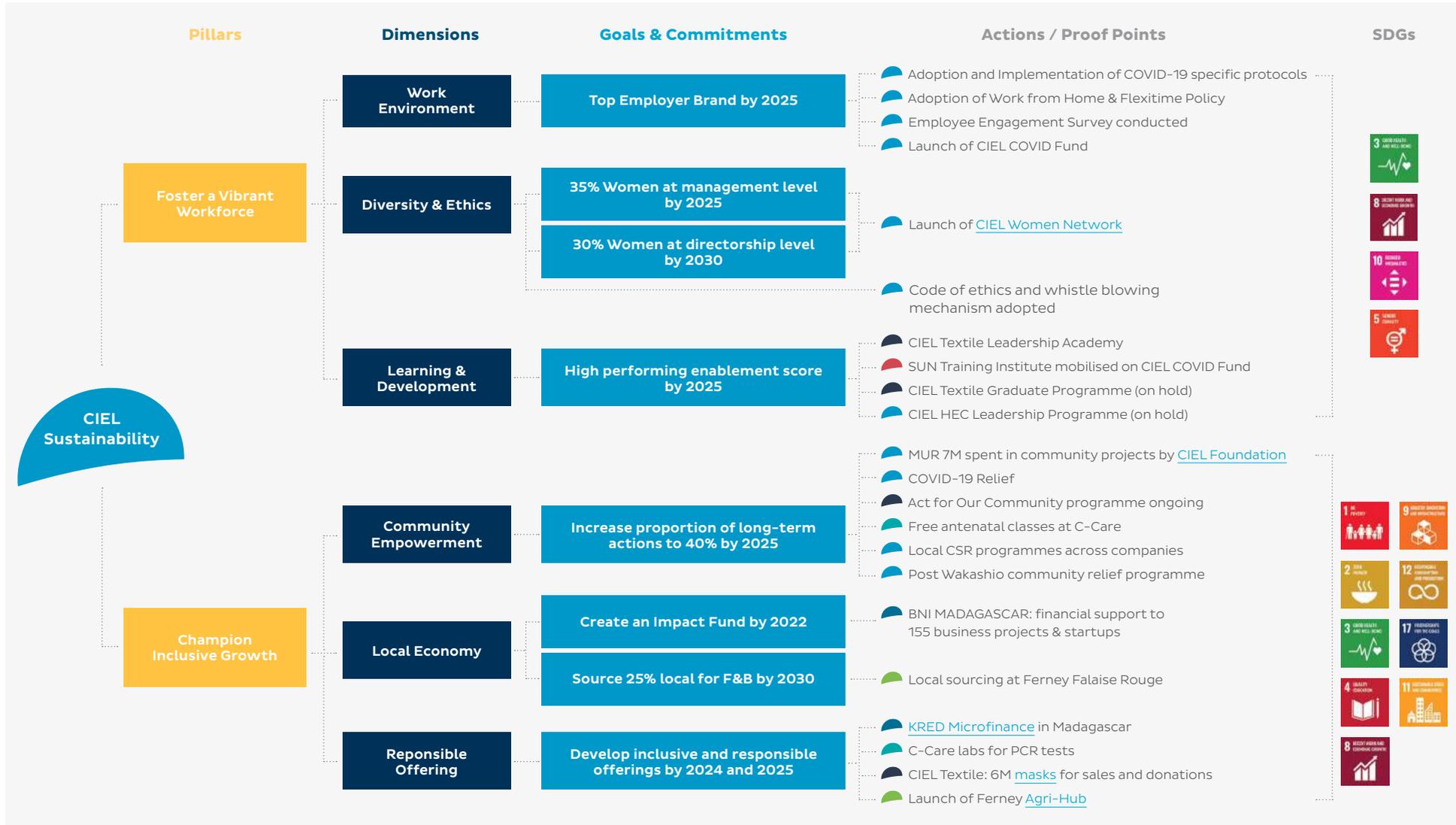


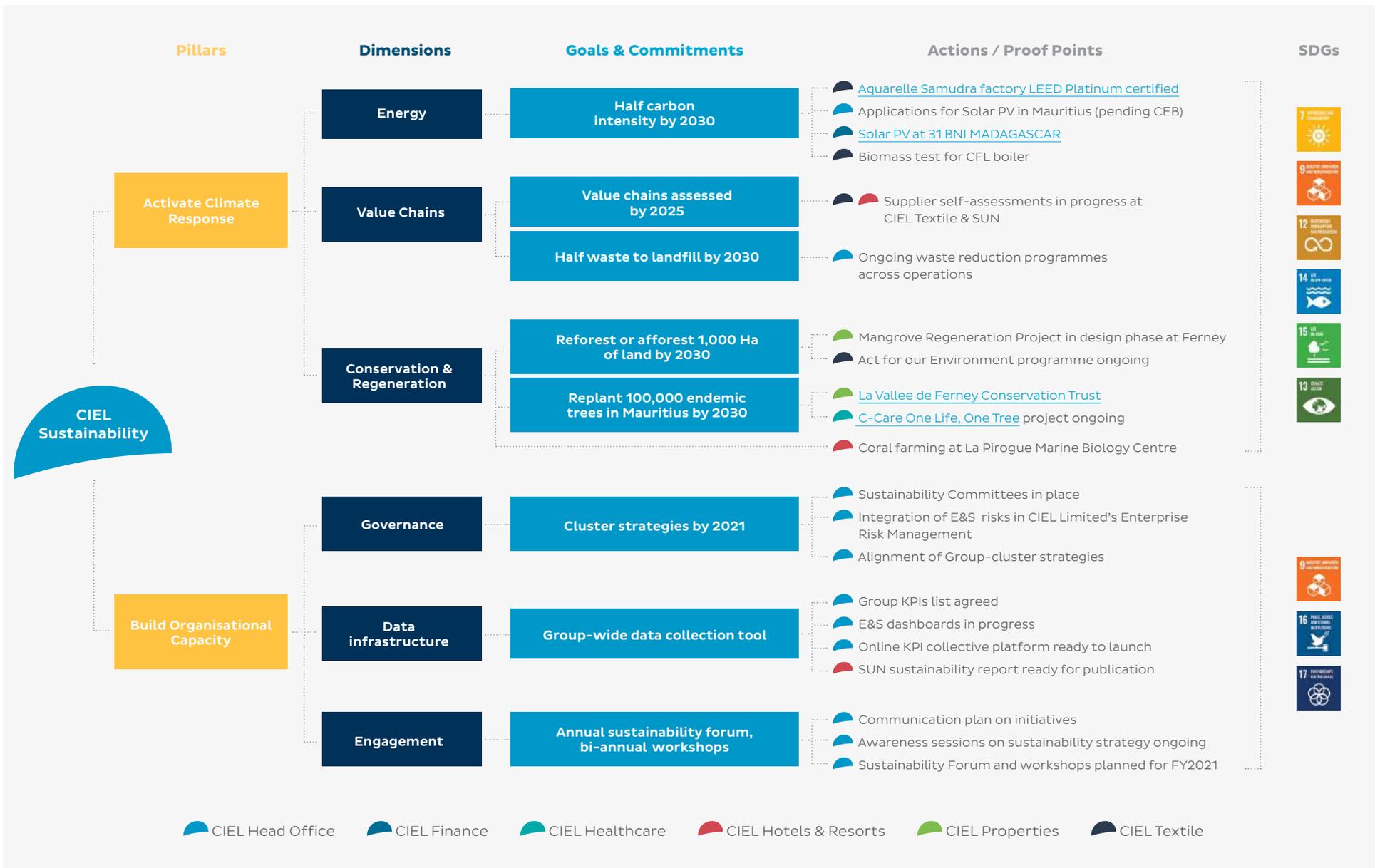
[FIND OUT MORE](#)

For more information including definitions, boundaries, all goals and commitments, proposed actions and timelines, please consult the full strategy paper.

Highlighting Actions and Achievements:

Despite the special circumstances of 2020 and sometimes because of them, we have continued progress on key actions and started new initiatives, be they in response to crises or to address long-term challenges. The following shows these in alignment with the new strategy and the UN Sustainable Development Goals (SDGs).





STAKEHOLDER ENGAGEMENT

| Stakeholders | Key topics covered | Means of engagement |
|---|--|--|
|  <p>Investors, Shareholders, Analysts</p> | <ul style="list-style-type: none"> • Strong governance and transparency • Alignment with International Standards • Financial and non-financial performance • Environmental and social management system and initiatives • Responsible investment practices • Access to management team | <ul style="list-style-type: none"> • Board meetings • Shareholders' meetings • Quarterly financial publications • Bi-annual analyst meetings • Teleconferencing • Integrated reporting |
|  <p>Employees</p> | <ul style="list-style-type: none"> • Good working conditions • New Worker's Rights Act • Training and career opportunities • Work-life balance and recognition • Environmental and social management system • Sustainability leadership • Regular communication • Group privileges | <ul style="list-style-type: none"> • Awareness sessions and activities • Regular engagement with management teams • Routine meetings and working sessions • Group function forums and events • 4th edition of CIEL Annual Symposium • 13th edition of CIEL Ferney Trail, 'light edition' • Employee engagement survey • E-newsletter |
|  <p>Operational sites</p> | <ul style="list-style-type: none"> • Compliance management • Business opportunities • Labour and human resources practices • Environmental management • Community engagement | <ul style="list-style-type: none"> • Site visits • Teleconferencing • Group function forums • Audits and audit reports • Gap analysis • Coaching • Workshops |
|  <p>Trade unions, Partners, Suppliers</p> | <ul style="list-style-type: none"> • Working conditions and contractual arrangements • Fair & Ethical trading practices • Business opportunities • Good relationship management • Social and environmental issues • Transparent communication on relevant supplier topics | <ul style="list-style-type: none"> • Trade unions and partner meetings • Supply chain assessment and management • Supplier meetings • Presence on the Council of Business Mauritius – CIEL CEO as Vice-President • Presence on Business Mauritius working groups • Involvement with MEXA, AHRIM, MioD |

| Stakeholders | Key topics covered | Means of engagement |
|---|--|---|
|  <p>Government, Regulators</p> | <ul style="list-style-type: none"> • Crisis management and business continuity • Economic performance • Legal compliance • Job preservation and creation • Governance and ethics • Sustainable practices • Biodiversity conservation • Social investment | <ul style="list-style-type: none"> • High level meetings between CEOs and ministers on COVID-19 sector-specific impacts • Involvement of CIEL Properties CEO on the Oil Spill National Crisis Committee • Regular meetings with the authorities and parastatal bodies • Partnership with specific ministries (La Vallée de Ferney Conservation Trust) |
|  <p>Local communities</p> | <ul style="list-style-type: none"> • Risk and impact on communities • Community engagement and involvement • Financial & non-financial support • COVID-19 impact relief • Wakashio impact relief | <ul style="list-style-type: none"> • Social relief & investment (CIEL Foundation) • Social Impact Assessment of Ferney • Community support by Ferney Agri-Hub Platform for citizens and NGOs (ACTogether.mu) • Yearly sporting event (CIEL Ferney Trail) • Community events, cultural, arts and sports sponsorships |
|  <p>Civil society, customers, clients</p> | <ul style="list-style-type: none"> • Human rights • Fair working conditions • Environmental impact • Biodiversity conservation • Community engagement • Quality products and services • Social investment | <ul style="list-style-type: none"> • Citizen platforms (ACTogether.mu) • Partnership with NGOs (SEDAM, Inclusion Mauritius, Mauritian Wildlife Foundation) • Environmental management system • Forest restoration programme (La Vallée de Ferney) • CIEL stories monthly e-news • Social media and website • Customer satisfaction surveys |
|  <p>Private sector peers</p> | <ul style="list-style-type: none"> • National interest initiatives for the economy and the sustainable development of Mauritius | <ul style="list-style-type: none"> • High level participation in Business Mauritius • Participation in sectorial organisations |

CIEL COVID FUND

Solidarity with our Colleagues

As the economic situation evolved, the welfare of our people became a forefront concern, and we created the CIEL COVID Fund to support affected employees. HR, training departments and other key resources across the Group are working together to facilitate professional reintegration, focusing on staff health and wellbeing, mobility, and back-to-work capacity through training and strategic support.

CIEL COVID Fund Professional Reintegration Programmes

Health and wellbeing

Psychological support

- 2 sessions with a psychologist over 12 months

Medical assistance

- MUR 3,000 C-Care voucher, valid for 6 months

Staff mobility

3-day outplacement programme with ADECCO

- Professional coaching
- CV writing
- Skills assessment
- Entrepreneurship workshops

External placement

- Identifying employment opportunities, in collaboration with ADECCO

Internal placement

- Identifying employment opportunities within the Group

Training & strategic support

Professional trainings by the SUN Training Institute (STI)

- Food production
- Pastry & bakery
- Baby sitting
- Housekeeping
- Spa & beauty therapy

Professional training of your choice

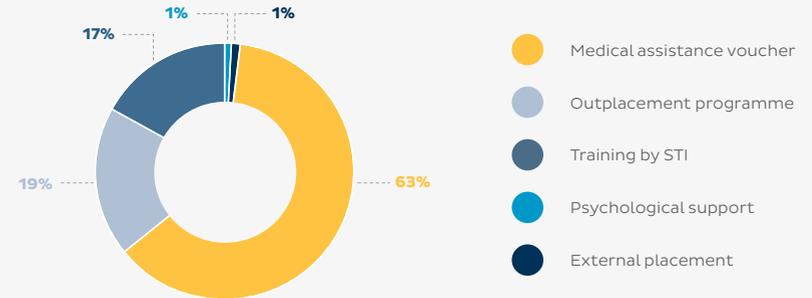
- Support of up to MUR 5,000

Entrepreneurship support

- Advice on specific projects by Bank One SME team

Participation in CIEL COVID Fund Programmes

Total fund collected = MUR 6,992,225



Clusters mobilised:

All: HR departments

Hotels & resorts: SUN Training Institute (STI)

Healthcare: C-Care vouchers and psychologist sessions

Finance: Bank One SME

Additional resources:

ADECCO outplacement team

SUN Training Institute



DOING MORE WITH LESS: KEY PERFORMANCE INDICATORS

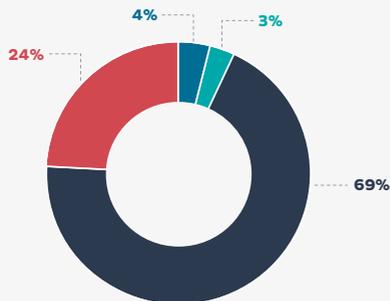
Data collection on a set of environmental and social KPIs started in 2018/2019 and has been continuing in 2019/2020. This year's special circumstances have caused delays in the development and implementation of our online KPI monitoring tool. A separate sustainability report will thus be published by the first quarter of 2021 at the latest. We anticipate this year's data to sharply break from the 2018/2019 baseline and following years will tell the story of recovery and what the "new normal" will look like. The following shows our baseline data for environmental performance, namely carbon, water, and waste.

Focus on carbon



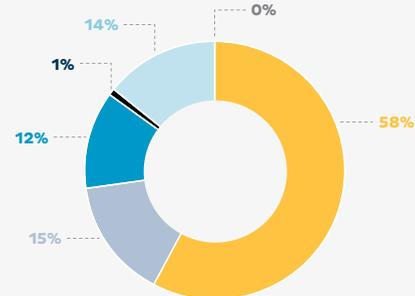
Our carbon footprint:
125,780 tons of CO₂¹
in FY2019 – baseline emissions.

Carbon footprint per cluster



- CIEL Textile
- CIEL Hotels & Resorts
- CIEL Finance
- CIEL Healthcare

CO₂ Emissions by source (tCO₂)



- Electricity MRU
- Electricity INT
- Coal
- Diesel
- HFO
- Gasoline

¹Scope 1 and 2, i.e. stationary combustion at operational sites and purchased electricity. Calculation was made following IPCC guidelines from available data and does not account for NO₂ and CH₄ emissions. Further details to be provided in the upcoming sustainability report.

Carbon Intensity

To bring our carbon footprint to a comparable measure, we choose to represent carbon intensity in tons of CO₂ per million dollars of revenue². This is similar to the international [MSCI index carbon footprint metric](#), where the weighted average carbon intensity of over 15,000 indexes is reported. It also allows us to better understand the impact of our clusters, relative to a financial metric.

Carbon Intensity (tCO₂/\$m of Revenue) - FY2019



Unsurprisingly, the most resource-intensive sectors, namely Textile and Hotels & Resorts, are the biggest emitters. As it can be seen from the CO₂ emissions by source, the largest contributor to our footprint is electricity in Mauritius due to a carbon-intensive energy mix in the national grid. From initial estimates, reducing our carbon intensity by 50% by 2050 will consist of:

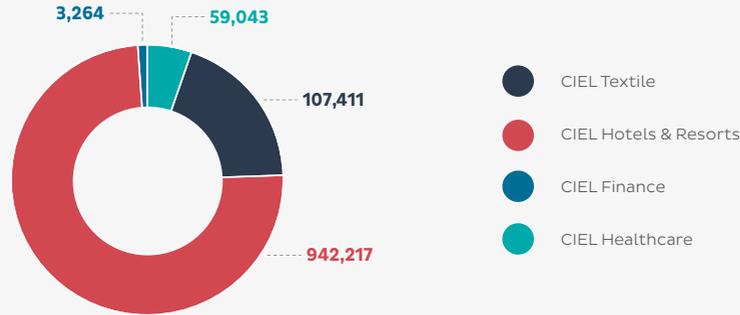
- 8.5% from renewable sources of electricity
- 3.5 to 14% by switching from coal combustion to a cleaner or renewable fuel
- 10% via energy efficiency measures
- Up to 9% by contributing renewable energy to the Mauritian electricity grid
- 11% through reforestation and other forms of carbon capture.

²Using an exchange rate of MUR 36 per USD – the approximate average for 2019.

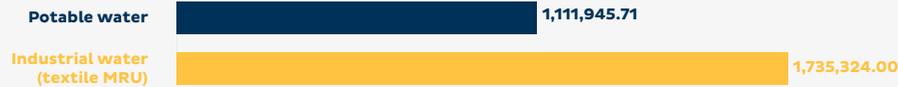
This analysis is our first effort to assess the Group's emissions baseline, based on the Greenhouse Gas Protocol and IPCC guidelines. It has not yet been verified and is subject to adjustments.

Water use

Potable water use by cluster (m³)



Total water use (m³)

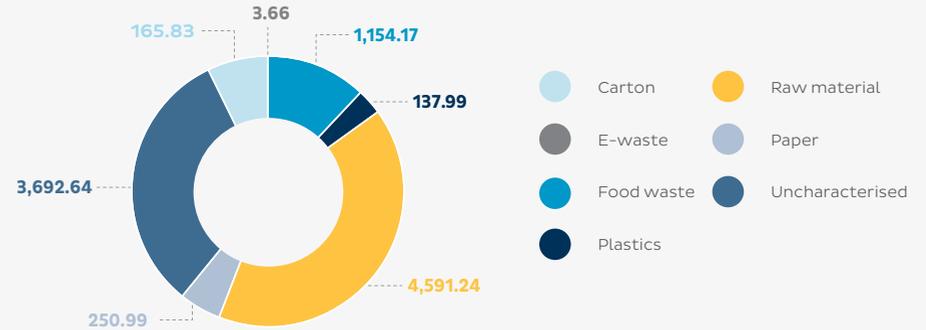


Industrial water consumption at CIEL Textile (Mauritius) surpasses potable water consumption across the group. This is due to steam needs, dyeing and various other processes. CIEL Textile is a member of the global textile industry's Zero Discharge of Hazardous Chemicals (ZDHC) project, is a member of the Sustainable Apparel Coalition, has signed the UN's Fashion Charter in 2019 and is committed to using the Industry's Higg Index. It therefore excels in the management of its resources and aims at being ranked within the top 5 sustainable textile products suppliers in the world.

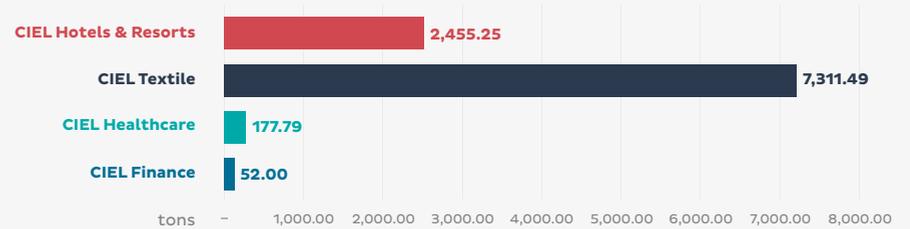


Waste from operations

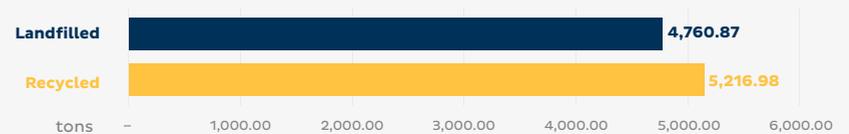
Waste produced by type (tons)



Total waste per cluster (tons)



Landfilled & recycled waste (tons)



Our operations generate a significant amount of waste, which is either landfilled or recycled. CIEL Textile recycles nearly 65% of its wastes, largely raw materials such as yarn and fabric, which accounts for 90% of the recycled waste for the Group. Similarly, 60% of food waste at SUN resorts is transformed into animal feed. While notable, recycling should be a secondary solution to reduction at source.

Note that data from the textile sector outside Mauritius was not reported and that it is likely incomplete for other clusters. This analysis provides a useful sense of magnitude nonetheless.

FERNEY FLAGSHIP PROJECT

Ferney as a Sustainable Development Hub

Facing the bay of Mahebourg from the foot of the Lion Mountain, Ferney is a historical and natural treasure of Mauritius, home to one of the last endemic forests of the island. The 3,200 Ha domain which is part of CIEL, has averted the construction of a highway through its valley in 2003, established a 200 Ha conservation zone in 2007, and is now a prized location for environmental education, healthy living and responsible Agro and Agri-tech development. Our ambition is to position and develop Ferney as a hub for sustainable development, reconnecting with nature and embracing the following dimensions:

Conservation & regeneration of a unique biodiversity sanctuary – restoring ecosystems through replanting of 100,000 endemic trees by 2030 through La Vallée de Ferney Conservation Trust, a unique public-private partnership between CIEL and the Government of Mauritius, with the support of the Mauritian Wildlife Foundation.

Reforestation programme to capture carbon emissions – participating to CIEL's goal of reforesting or afforesting 1,000 Hectares by 2030, thus enhancing the habitat of endemic fauna (contributing to its resilience and long-term survival), and the wellbeing of Ferney residents.



Key Milestones:



LA VALLÉE DE FERNEY CONSERVATION TRUST

Flora



2020 progress:

2,745 trees planted
this year

10,638 plants from **37 varieties**
in the nursery

Population to date:

Three species previously thought extinct were rediscovered in 2003, since then protected and propagated.

-  **12 Ha** of forest restored,
-  **32,700** trees planted,
-  **10** endangered species present,
-  **11** critically endangered species present.

Fauna



2020 progress:

Mauritian Wildlife Foundation team regularly present at the field station, monitoring bird populations.

Population to date:

-  **120 Mauritius Kestrels** released on the East Coast from 1987 to 1994, starting in Ferney. The Valley is now home to at least 20 territory holding pairs.
-  **73 Echo Parakeets** released since 2015, colonising the Bambou Range. About 40 birds are present in the Valley.
-  **30 Pink Pigeons** released since 2016, breeding successfully. 35 birds present in Ferney to date.
-  **19 Cuckoo-shrike** released since 2015, some sightings to date.
-  **48 Paradise Flycatchers** translocated to Ferney since 2016, some sightings to date.

Environmental awareness – touching thousands of people every year through unique experiences:

- Guided tours in conservation zone and dedicated tours for schools and underprivileged children;
- CIEL Ferney Trail, the largest trail in Mauritius, attracting up to 5,000 visitors every year. Due to COVID-19 restrictions, the event was held in a “light edition” with 2,000 participants in 2020;
- Employee programmes (team building programmes and learning & development activities).

Sustainable business development – launched early September 2020 with 275 Hectares earmarked for sustainable and innovative agriculture, the Ferney Agri-Hub offers opportunities for new cultivations, natural materials and food production facilities, as well as R&D facilities, aimed at attracting the innovative startups and businesses that are seeking such a conducive ecosystem.



CIEL FOUNDATION

CIEL continuously endeavours to contribute to the welfare of the communities in which the Group conducts business. It manages this commitment through CIEL Foundation. Established in 2004, CIEL Foundation is working towards the inclusion of vulnerable population by partnering with NGOs. Since February 2010, CIEL Foundation has been empowered to receive the CSR tax through funding from subsidiary companies of CIEL. The Foundation has invested some MUR 98 million since 2005 in various projects managed by local NGOs, with whom it has developed close partnerships.

Since January 2019, CIEL Foundation has changed its financial year to 31 December to budget its operations according to final amount of CSR tax from subsidiaries and not estimates.



FOCUS PROJECTS AND PARTNERSHIPS

| Description | Budget invested | Impact | The future |
|---|--|--|---|
| Lakaz Lespwar Solitude (Since September 2010) | | | |
| Managed by Caritas, this is a community development project that offers a wide range of services to the vulnerable population of the area. | MUR 15.2M invested; 90% in running costs and 10% in setting up MUR 1.5M this year | 4,800 direct and 15,500 indirect beneficiaries since 2010. The last two years, 1,613 beneficiaries required support from the project. Amongst them, at end 2019, 75% were up and running on their own, 18% were in process and 7% still needed support. | Maintain the level of service to the population. Stay close to the field and the people to understand their needs and adapt the services offered/stay flexible. Empower teenagers to ensure the leadership of the project by the community in the future. Reinforce the "Projet de Développement Personnel" (PDP) by adding resources and tools. Continue consolidating the resource persons to avoid the constant need of external consultant/professionals such as counselors etc. Share experience and expertise with other NGOs. |
| Society for the Welfare of the Deaf – secondary pre-vocational section (Since January 2010) | | | |
| School for the deaf children. The secondary section runs from form I to IV with the last year focused on employability. | MUR 600,000 this year | This year, 30 students were enrolled at the prevocational secondary school. At the end of the year, 5 of them left school to enroll in vocational trainings. | Keep empowering the students towards employability by introducing training in basics economics and life skills (Junior Achievement Notre Quartier) and encouraging networking. |
| ANFEN (Since July 2010) | | | |
| ANFEN is a network NGO that regroups 18 centres welcoming about 1,000 kids , all drop out from the classic schooling system. The social workers do the link between the families and the school. | MUR 5.4M invested in salaries of the social workers MUR 650,000 this year | 700 direct & 3,500 indirect beneficiaries. | The network allows for the school to work together and be stronger. Amongst one of the common projects, the social workers are bridging the gap between the families and the schools. 2019 was our last year of partnership with ANFEN. |
| SEDAM (Service d'Evaluation et de Diagnostic de l'Autisme à Maurice) | | | |
| Managed by NGO Autisme Maurice , this service is the only service providing a precise diagnostic for autism. This project is financed by CIEL whereas Wellkin hospital provides free consultation rooms to the multi-disciplinary professional team and Sun Ltd has offered a free stay for the training team coming from Reunion island. | Training started in February 2018 Diagnostic service started in June 2018 MUR 2.0M invested MUR 1.0M invested | This year, SEDAM team tested 161 patients ; of which 27 children were found to be autistic. | This year has seen challenges with 2 team members leaving. This has led to some delays in the appointments. |
| ACTogether.mu ↗ | | | |
| A communication platform for NGOs of Mauritius & Rodrigues . Around the platform, synergies between NGOs are encouraged with a Christmas Market, Professional Workshops or participation to fairs. | MUR 846,000 this year | Over the 12 months period, 59,000 people visited the website with approximately 122,000 visits . 20 newsletters were sent, and more than 11,000 likes received on Facebook. 236 "Petites Annonces" were posted by NGOs and 47 were represented in our Radio One live programme every Tuesday. | Strengthen the role and presence of ACTogether.mu by launching new ideas such as the "Ambassadeurs de ACTogether.mu ", Enroll new NGOs as members. Develop professional workshops for NGOs. |

Satellite Projects

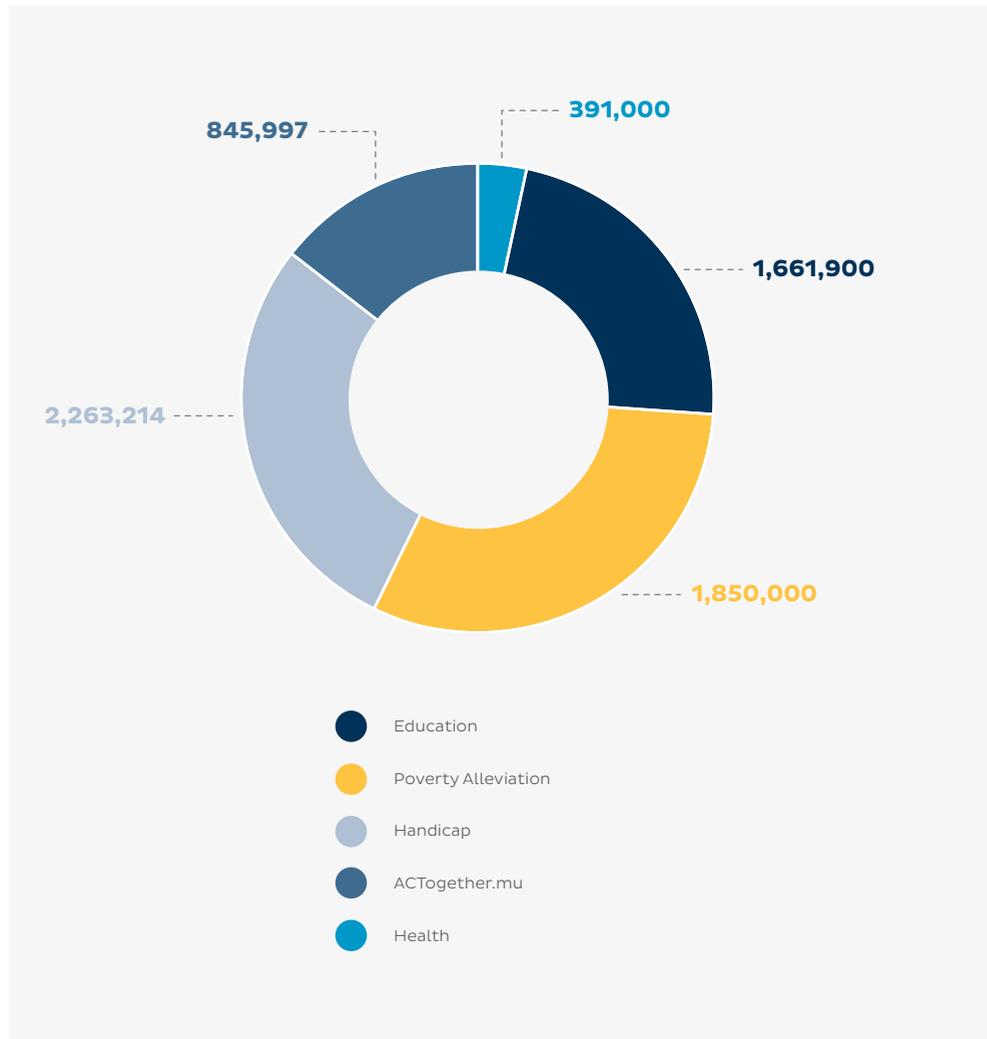
Satellite projects are small projects that CIEL Foundation chooses to finance in counterpart of services given by these to its focus projects or allows CIEL Foundation to better understand a social context or build slowly future collaboration that could have a positive impact on CIEL's future projects.

| Projects | Description | Budget allocated in FY2020 | Impact |
|--|--|---|---|
| DLD Teen Hope | An ANFEN centre in Port-Louis area. | MUR 406,000 | Allows CIEL Foundation to better understand the reality of the school dropouts and bring support in terms of linking the families to the school. |
| Atelier Joie de Vivre | An ANFEN centre catering for 60+ youngsters drop out from school in the region of Chemin Grenier . | MUR 103,000 | The social worker helps at strengthening the links between the school and the families. |
| Inclusion Mauritius | A network of NGOs working with mentally handicapped young adults to help them find a place in society. They have created the SAIM project : Self Advocate Inclusion Mauritius. | MUR 47,000 MUR 420,500 | 40 teenagers & young adults were invited to participate in the 4km CIEL Ferney Trail race. |
| Mahebourg Espoir Education Centre ↗ | An ANFEN centre catering for 60+ youngsters who dropped out from school in the region of Mahebourg/Ville Noire . | MUR 156,200 | Social workers make the link between the school and the families and help to increase the level of well-being of the children. |
| Autisme Maurice ↗ | An NGO managing two schools for autistic children and the SEDAM. | MUR 7,610 MUR 25,000 | Empowerment of two staff by paying for their training in art therapy. Contributing to the participation of two staff to a conference in Kenya – bringing capacity building. |
| Centre Frère René Guillemin | Managed by the Centre d'Accueil de Terre Rouge , this new centre caters for youngsters with synthetic drugs addictions . | MUR 350,000 | The centre has adapted its services to the needs of the young population; doing preventive sessions and animating art therapy groups in NGOs. |
| Junior Achievement Mascareignes (JAM) ↗ | JAM has various programmes about financial literacy and entrepreneurship. | MUR 312,200 | Participating in the financing of the JA It's Time for MITD students in partnership with Bank One. Training at Society for the Welfare of the Deaf and Lakaz Lespwar Solitude in basic financial literacy. |
| Caritas Olivia ↗ | A community development project to empower the vulnerable population of the area. | MUR 350,000 | A team is available to bring support to the population by offering training and connecting them with opportunities in the region. |
| Etoile d'Espérance | Rehabilitation centre for women suffering from alcohol addiction . | MUR 41,000 | Pamphlet informing and preventing about the fetal alcohol syndrome. |
| Fondation pour l'Enfance - Terre de Paix ↗ | An NGO involved with children in distress . | MUR 15,000 | Fees for trainers for an ACTogether.mu workshop for NGOs. |
| TIPA - Terrain for Interactive Pedagogy Association ↗ | An NGO involved in education of vulnerable children. | MUR 15,000 | Fees for trainers for an ACTogether.mu workshop for NGOs. |
| Friends in Hope ↗ | An NGO catering for people with mental health diseases . | MUR 200,000 | The Art & Creativity Workshop allows the beneficiaries to work towards a project and has a positive impact on their well-being. The NGO also participates in the Marché de Noël Solidaire. |
| Mauritius Mental Health Association ↗ | An NGO managing a school for handicapped children and day care for adults. | MUR 10,104 | Empowerment of three staff by paying for their training in art therapy. |

Funds Received and Donations

This FY, CIEL Foundation has received MUR 5,858,882 of CSR tax plus MUR 1,730,000 of additional contributions from the various entities of the Group. MUR 7,082,111 have been spent in donations as follows:

Donations (MUR)





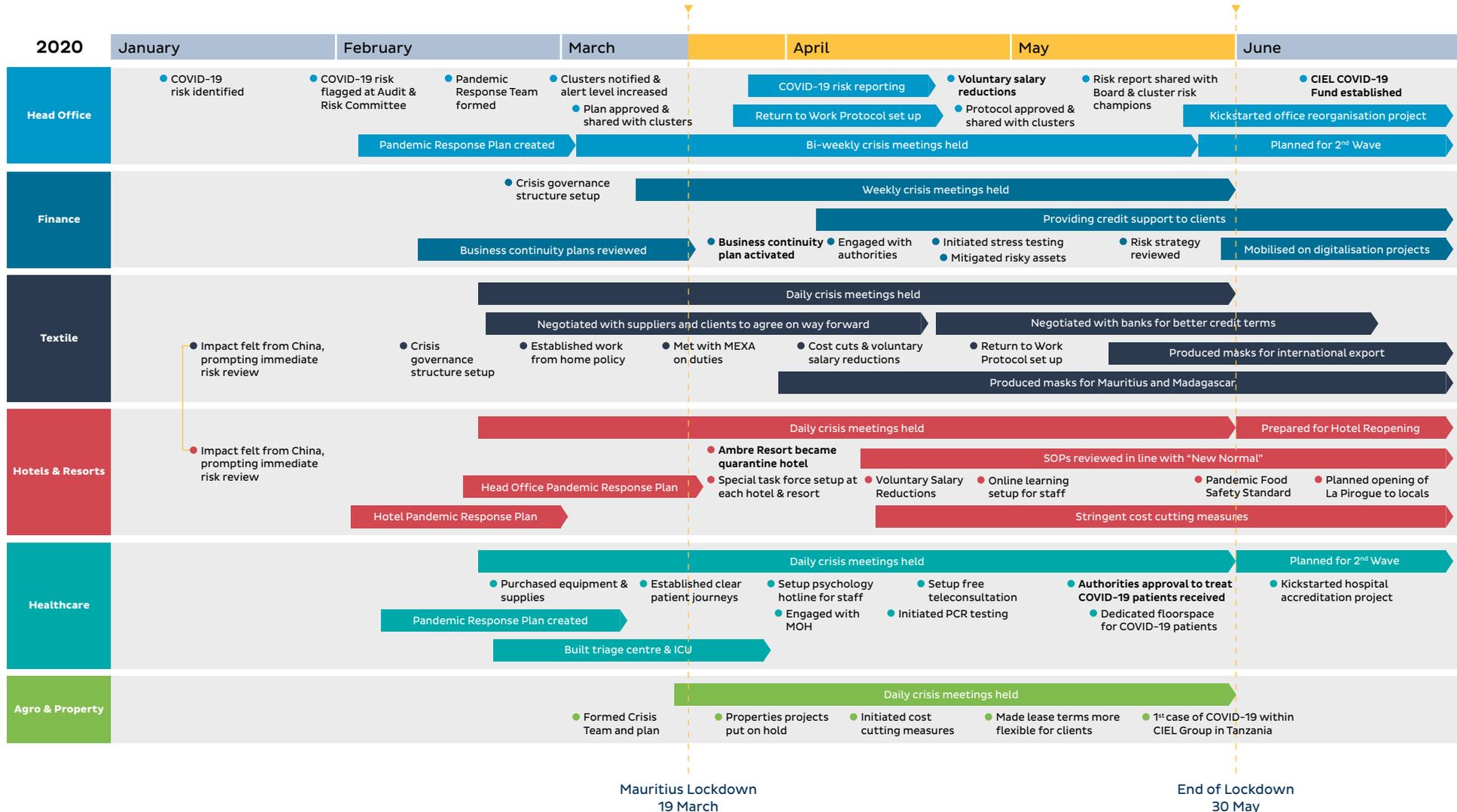
RISK MANAGEMENT

CIEL Pandemic Response Timeline

Updated Risk Structure

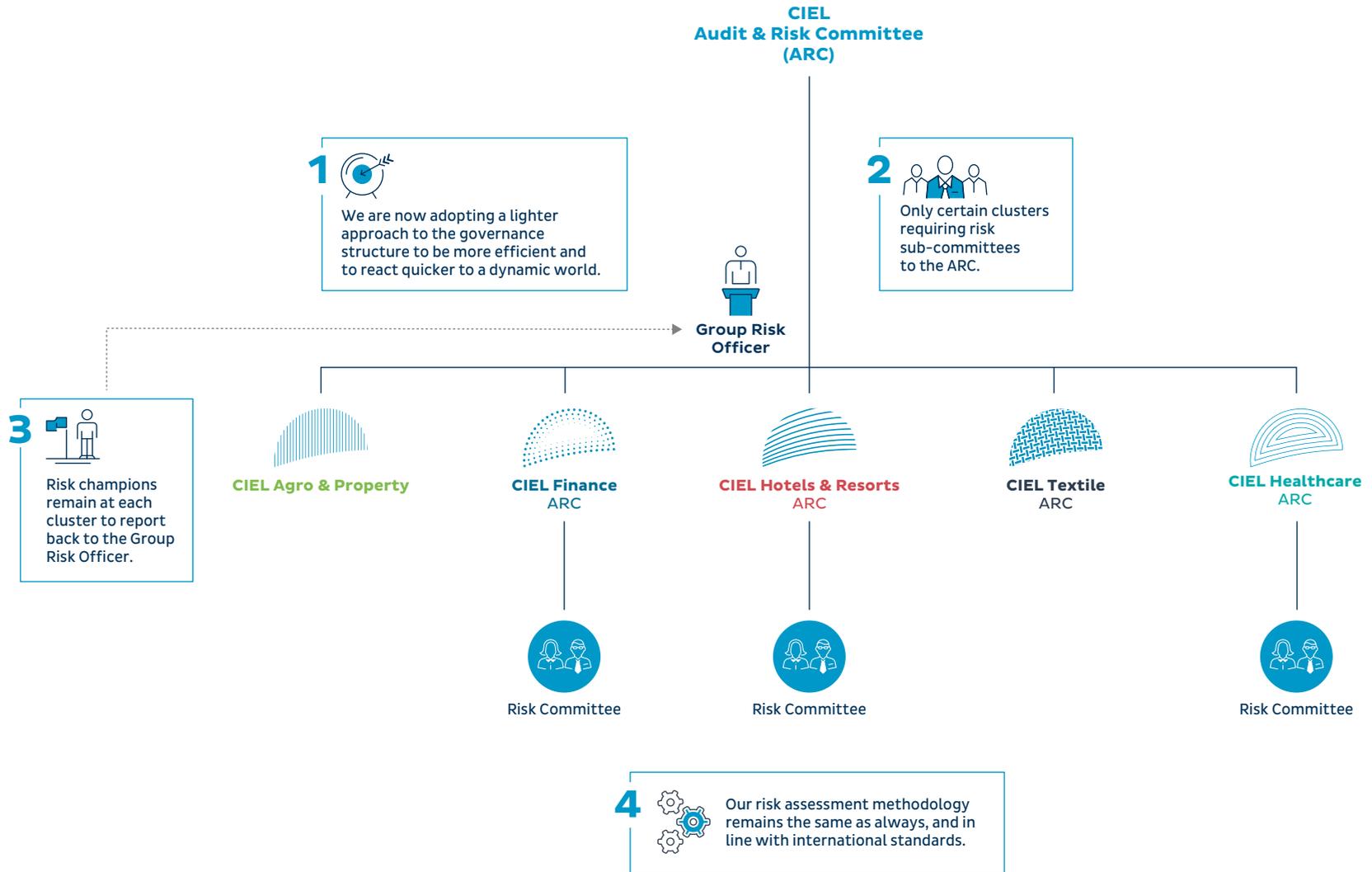
Top 10 Risks

CIEL PANDEMIC RESPONSE TIMELINE

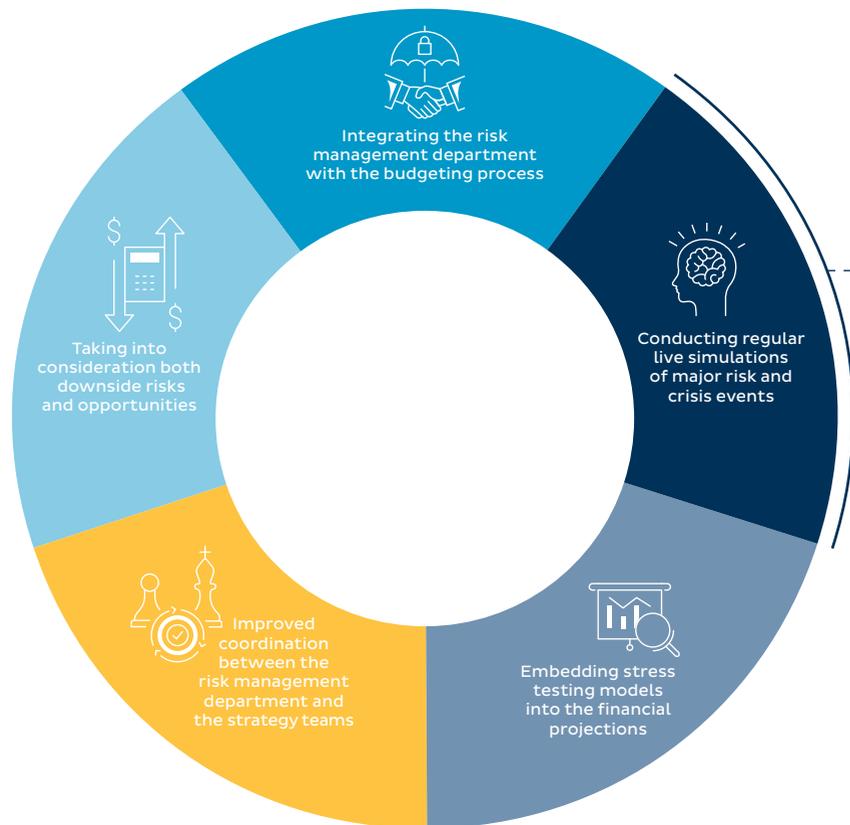


UPDATED RISK STRUCTURE

COVID-19 has shone light into our current ways of managing risks and has enabled us to transform them toward a sustainable future.



We need to take enterprise risk management to the next level, and we will do so by:



| Some events to be simulated | |
|---|---|
|  Environmental disasters |  Weather-related disasters |
|  Pandemics |  Major cyber attacks |
|  Terrorist attacks |  Network/Power outages |
|  Machinery faults |  Labor unrest |

TOP 10 RISKS

As per CIEL Risk Policy, CIEL undergoes a new risk voting exercise every 3 years. This year marks the second time that CIEL has gone through this process. Risk Committee, Audit & Risk Committee and Head Office Management were invited to vote on the risks. 36 risks were voted, which comprised a combination of new and already existing risks. The resulting impact, likelihood and risk scores presented below are an average of the individual scores from risk voting exercise.

| Risk Rank | Inherent Risks 2020 | Residual Risks 2020 | Residual Risks 2019 |
|-----------|--|--|---|
| 1 | Global recession | Global recession | Political risk in countries CIEL operates |
| 2 | Cash flow and liquidity risk | Cash flow and liquidity risk | Foreign exchange risk |
| 3 | Financial impairment | EU blacklisting | Talent management |
| 4 | Commodities risk | Further COVID-19 lockdowns in our countries of operation | Cyber attacks |
| 5 | Further COVID-19 lockdowns in our countries of operation | Environmental disasters | Business turnaround |
| 6 | Shifting trends & competition | Politically-related instability and violence | Financial impairment |
| 7 | Environmental disasters | Policy changes | Systems & processes |
| 8 | EU blacklisting | Business turnaround | Transformative projects |
| 9 | Foreign exchange risk | Cybercrime | Strategy execution |
| 10 | Cybercrime | Investment in weaker economies | Technology disruption |

Risks

-  Operational Risks
-  Financial Risks
-  Strategic Risks

Capital Affected

-  Financial capital
-  Social & relationship capital
-  Manufactured capital
-  Intellectual capital
-  Human capital
-  Natural capital

Risk Level



Cluster Affected

-  Most
-  Partially
-  Least

Global Recession

| Description | CIEL's risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|--|---|---|--|--|--|---|
| <p>Recession, globally or locally, occurs when there is a decline in economic activity caused by either cyclical events or major shocks to the economic system. COVID-19 is an example of the latter.</p>  | CIEL has a moderate tolerance to this risk. |       | <p>4.6</p> <p>4.3 4.8</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Healthcare  Hotels & Resorts  Textile  Finance  Agro & Property | Mauritius is headed for recession given the shock to travel and tourism, caused by COVID-19, and the forthcoming global recession. A reduction business turnover is expected, but could also lead to political and social tensions. In response, the authorities have provided relief and announced the creation of the MIC to deploy funds into the private sector. | Funds provided by the MIC will hopefully get Mauritius through the recession. In tandem, CIEL is currently doing a strategic review exercise to adapt and to be better positioned for the "New Normal". |

Cash Flow & Liquidity Risk

| Description | CIEL's risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|--|--|---|--|---|--|---|
| <p>The importance of strong cash flow is aptly stated in the common expression "cash is king." The premise of this is that having cash puts you in a more stable position with better buying power.</p>  | CIEL has a low tolerance to this risk. |    | <p>4.3</p> <p>4.0 4.6</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Hotels & Resorts  Finance  Healthcare  Agro & Property  Textile | As a result of COVID-19, the cash flow situation of some of CIEL's key subsidiaries is under significant pressure. In particular, Hotels & Resorts currently faces a near zero revenue situation with 'going concern' risk. Moreover, the financial situation of some debtors, and those with whom we do business, is fragile. | Cost cutting measures implemented include voluntary salary reductions, redundancies, capex freezing, budget cuts, etc. Support is provided by authorities and commercial banks. CIEL is confident in its ability to repay noteholders and returning to normal cash flow levels. |

EU Blacklisting

| Description | CIEL's risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|---|---|--|---|---|---|
| <p>The EU blacklist contains states that pose a financial risk because of anti-money laundering and terrorism financing shortfalls. Under EU law, EU banks and other financial and tax firms are obliged to scrutinise more closely their clients who have dealings with these states.</p>  | CIEL has a moderate tolerance to this risk. |   | <p>4.2</p> <p>4.0 4.3</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Finance  Healthcare  Agro & Property  Hotels & Resorts  Textile | The European Commission has included Mauritius to its blacklist. This decision will come into effect 01 October 2020 after ratification by the EU parliament. Mauritius is lobbying against this blacklisting, but the chances of success remain unclear. | There is commitment from the authorities to complete the five remaining recommendations under the FATF and Management are confident that Mauritius will be removed off the list. To mitigate the risk, CIEL will continue business diversification. |

Further COVID-19 Lockdowns in our Countries of Operation

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|--|---|---|--|---|--|---|
| <p>History tells us that pandemics come in waves, for the following reasons:</p> <p>(1) Viruses generally do not disappear and tend linger around for years.</p> <p>(2) Viruses mutate. Successive waves could arise because of a mutated version of today's virus.</p>  | CIEL has a moderate tolerance to this risk. |       | <p>4.1</p> <p>4.5 3.6</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Healthcare  Hotels & Resorts  Textile  Finance  Agro & Property | The first lockdown had a severe impact on business globally. If a 2 nd wave was to occur and the authorities were to enforce strict lockdown procedures again, this would increase the 'going concern' risk of our subsidiaries – a catastrophic increase in financial, economic and social risk. | The magnitude of further lockdowns as well as authorities response remains highly uncertain. Our Group entities have done as much as they can for now and will be monitoring the situation closely in anticipation for the worst. |

Environmental Disasters

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|--|--|--|---|--|--|
| <p>An environmental disaster or ecological disaster is a catastrophic event regarding the environment due to human activity.</p>  | CIEL has a low tolerance to this risk. |    | <p>4.0</p> <p>4.0 4.0</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Agro & Property  Hotels & Resorts  Finance  Healthcare  Textile | Mauritius has suffered the worst environmental disaster in its history caused by the Wakashio oil spill. Although the oil spill has been mostly contained, there is a greater reputational risk to the island which could affect the tourism industry. | All the Group's clusters participated in this national effort, with volunteers and donations of the equipment to manufacture floating booms to prevent the oil reaching the shore. Thanks to the crisis governance structure in place, the response was very rapid. CIEL is therefore confident in its ability to tackle crisis going forward. |

Politically-Related Instability and Unrest

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|---|---|--|--|--|---|
| <p>The political environment in some of the countries CIEL operates has the potential to lead to instability and unrest as seen in the past.</p>  | CIEL has a moderate tolerance to this risk. |      | <p>3.8</p> <p>3.9 3.7</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Hotels & Resorts  Textile  Healthcare  Agro & Property  Finance | As a result of the difficulties faced by many countries due to COVID-19, such as job loss and loss of life from the disease, there is a heightened risk of instability and unrest. | Apart from the political violence and terrorism insurance CIEL has in place, the various crisis committees across the Group remain on high alert in order to respond rapidly to the high risk events. |

Policy Changes

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|---|---|--|--|---|---|
| <p>Government policy is a deliberate system of principles to guide decisions and achieve rational outcomes for a country. However, due to the difficult nature in policy setting, sometimes policy decisions have unintended consequences.</p>   | CIEL has a high tolerance to this risk. |       | <p>3.7</p> <p>3.6 3.8</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Finance  Hotels & Resorts  Textile  Healthcare  Agro & Property | As a result of COVID-19, governments around the world face difficult decisions that have never been faced before and are therefore more likely to have unintended consequences. | Management throughout the Group are tackling this risk by diversifying the customer base and also by geographically diversifying production. Maintaining good relationships with governments is also key. |

Business Turnaround

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|---|--|--|--|---|--|
| <p>In the early stages of an investment or during tough times, it is not unlikely that a business is loss making. It is then up to senior management to turn the business around within a predefined time frame.</p>   | CIEL has a moderate tolerance to this risk. |     | <p>3.7</p> <p>3.5 3.9</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Hotels & Resorts  Finance  Healthcare  Agro & Property  Textile | COVID-19 has negatively affected business turnaround targets for some CIEL entities which now have to be stretched out to a later date. | Budgets and business plans have been revised with more realistic turnaround targets. CIEL Businesses are being reengineered and streamlined in preparation for the "New Normal". Major projects and business decisions have been put on hold until there is better visibility of the economic climate. |

Cybercrime

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|--|---|---|---|--|---|---|
| <p>The global growth rate of cyber-attacks is alarming, with each attack becoming more sophisticated and more costly to the victim. It now goes without saying that businesses should always remain vigilant. CIEL subsidiaries are no exception.</p>  | <p>CIEL has a low tolerance to this risk.</p> |  | <p>3.6</p> <p>3.5 3.7</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Finance  Healthcare  Hotels & Resorts  Textile  Agro & Property | <p>There were no material cyber-attacks occurring this financial year. CIEL's cyber governance and security continues to improve.</p> | <p>CIEL is noticing more sophisticated attempts of cyber attack as each year goes by. However, our response capabilities are improving faster owing to the good cyber governance and security measures put in place. CIEL is confident in further mitigating this risk in future.</p> |

Investment in weaker economies

| Description | CIEL's Risk appetite | Capital affected | Risk score | Clusters most affected | Occurring this financial year | Response & outlook |
|---|--|---|---|--|---|--|
| <p>Weak economies or poor economic growth is harmful for businesses because consumer demand is low, and it becomes more difficult to employ the right talent. Moreover, weak economies are less resilient to global economic shocks.</p>  | <p>CIEL has a moderate tolerance to this risk.</p> |  | <p>3.6</p> <p>3.6 3.6</p> <p>Impact Likelihood</p> | <ul style="list-style-type: none">  Healthcare  Textile  Finance  Agro & Property  Hotels & Resorts | <p>COVID-19 occurred this financial year and the economic shock was far worse than anyone could have expected. A global recession has begun and we await the outcome.</p> | <p>The aftermath of COVID-19 may leave weaker economies more vulnerable and less able to recover from the economic shock. In response, CIEL continues to diversify business geographically and is always on the lookout for new opportunities to do business. CIEL is well preparing for the "New Normal".</p> |



CORPORATE GOVERNANCE

Corporate Governance Report

Other Statutory Disclosures

Statement of Compliance

Statement of Directors' Responsibilities

Certificate from the Company Secretary

CORPORATE GOVERNANCE REPORT

FINANCIAL YEAR ENDED 30 JUNE 2020

GROUP PROFILE – A DIVERSIFIED MAURITIAN INVESTMENT GROUP WITH AN INTERNATIONAL FOOTPRINT



CIEL Limited (“CIEL”) at a Glance

- Public company listed on the Official Market of the Stock Exchange of Mauritius (“SEM”)
- Listed on the SEM Sustainability Index (SEMSI) since 29 March 2019
- Public Interest Entity as defined by the Financial Reporting Act 2004
- CIEL and its subsidiaries (“the Group”) operate six business clusters spread across 10 countries

The Board of Directors (“Board”) of CIEL is committed to maintain high standards of corporate governance and acknowledges its responsibility for applying and implementing the principles contained in the National Code of Corporate Governance for Mauritius (2016) (“the Code”). Details on how CIEL has applied the Code’s principles are set out in this report. CIEL also uses its website for online reporting purposes, in accordance with the recommendations of the Code. You may refer to CIEL governance section on www.cielgroup.com (“CIEL’s website”).

PRINCIPLE 1: CIEL’S GOVERNANCE STRUCTURE

The Role of the Board

The role of the Board is to provide effective leadership and direction to enhance the long-term value of the Group, for its shareholders and other stakeholders. The Board assumes its responsibility in (i) overseeing the business affairs of the Group, (ii) reviewing its strategic plans, performance objectives, financial plans, annual budget, key operational initiatives, major funding, investment proposals, financial performance reviews and corporate governance practices. It ensures that all legal and regulatory requirements are met.

Responsibilities and Accountabilities

CIEL has job descriptions for key senior governance positions to provide clear definitions of their roles and responsibilities. The roles of the Board Chairman and that of Group Chief Executive are held separately. P. Arnaud Dalais is the Chairman of the Board and Jean-Pierre Dalais the Group Chief Executive.

Board Charter

The Board has approved its Charter in September 2016 which clearly sets out its role, responsibilities, structure and procedures while defining the legal framework within which it functions. A copy of the Board Charter is provided to new directors upon their appointment as part of their induction. The Board Charter has been amended on 27 September 2019 to incorporate changes in the composition of the Board. It may be subsequently reviewed by a simple majority decision of the directors, as and when deemed necessary. A copy of CIEL’s Board Charter can be consulted on CIEL’s website.

Constitution

The constitution of CIEL complies with the provisions of the Companies Act 2001 and the Listing Rules of the SEM. There are no clauses of the constitution deemed material enough for special disclosure.

Code of Ethics and Whistle Blowing Policy

CIEL has, over the years and since the beginning of the Group in 1912, developed a unique way of doing business. CIEL constantly wants to reaffirm to its stakeholders its strong commitment in doing business ethically and sustainably and believes that ethics start at the top, with its Board, senior management extended to employees of the Group, business partners and other stakeholders. It is in that spirit, that the Board has developed and approved a code of ethics, shared and acknowledged by the employees at the head office.

The code of ethics highlights key areas which CIEL believes are crucial in doing business fairly and ethically, namely:

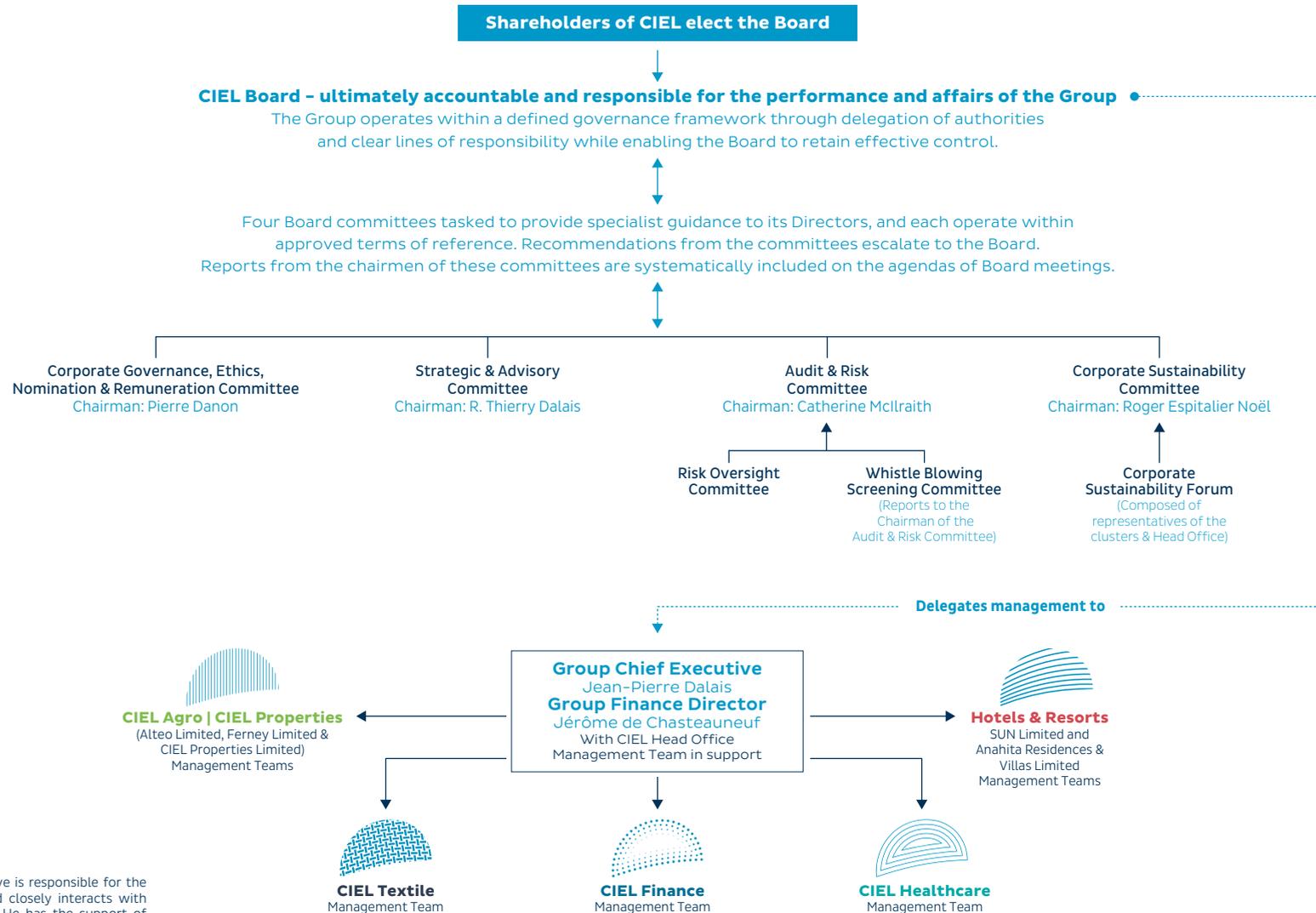


The Board monitors and evaluates compliance with its code of ethics. Amendments are made to the code of ethics as and when required. The code of ethics includes a whistle blowing mechanism, which is a confidential and anonymous channel for all internal and external stakeholders to express their concerns about any perceived wrong-doings, malpractices or improprieties as defined as follows:

| | |
|---------------|---|
| Step 1 | Any person wishing to blow the whistle (on an anonymous basis if so desired) shall report same to the Whistle Blowing Screening Committee comprising of the CIEL Group Risk Officer and a member of the legal team. Alternatively, if the person feels that the Whistle Blowing Screening Committee is not the appropriate forum to receive the complaint, he/she may report same to the Chairman of CIEL's Audit & Risk Committee ("ARC"). |
| Step 2 | The role of the Whistle Blowing Screening Committee is only to screen the complaint, to determine whether the complaint is genuine and worth investigating/actioning. If so, the Whistle Blowing Screening Committee shall forward the complaint to the Chairman of the ARC of CIEL. |
| Step 3 | The Chairman of the ARC of CIEL, upon receiving a complaint, forwards the complaint to the chairman of the relevant cluster's ARC if the complaint concerns a cluster or a business unit, or to the CIEL Group Chief Executive Officer or members of CIEL's ARC, if the complaint pertains to CIEL, who shall, in turn, subject to any applicable law, in their own discretion (i) decide on appropriate actions to be conducted to resolve the issues (ii) channel the complaint to the relevant parties for investigation and (iii) ensure that the necessary investigations are carried out. |

A whistle blowing template has been defined by the ARC to enable entities of the Group record the number, source and type of complaints received on a monthly basis. The template also helps to assess the trend in the number of complaints received, the number of cases under investigation and those resolved.

CIEL's Organisational Chart and Statement of Accountabilities



The Group Chief Executive is responsible for the affairs of the Group and closely interacts with the CEOs of the Group. He has the support of the Group Finance Director and the management teams of CIEL Head Office, which provides a combination of corporate services and strategic support to the main operational clusters of CIEL.

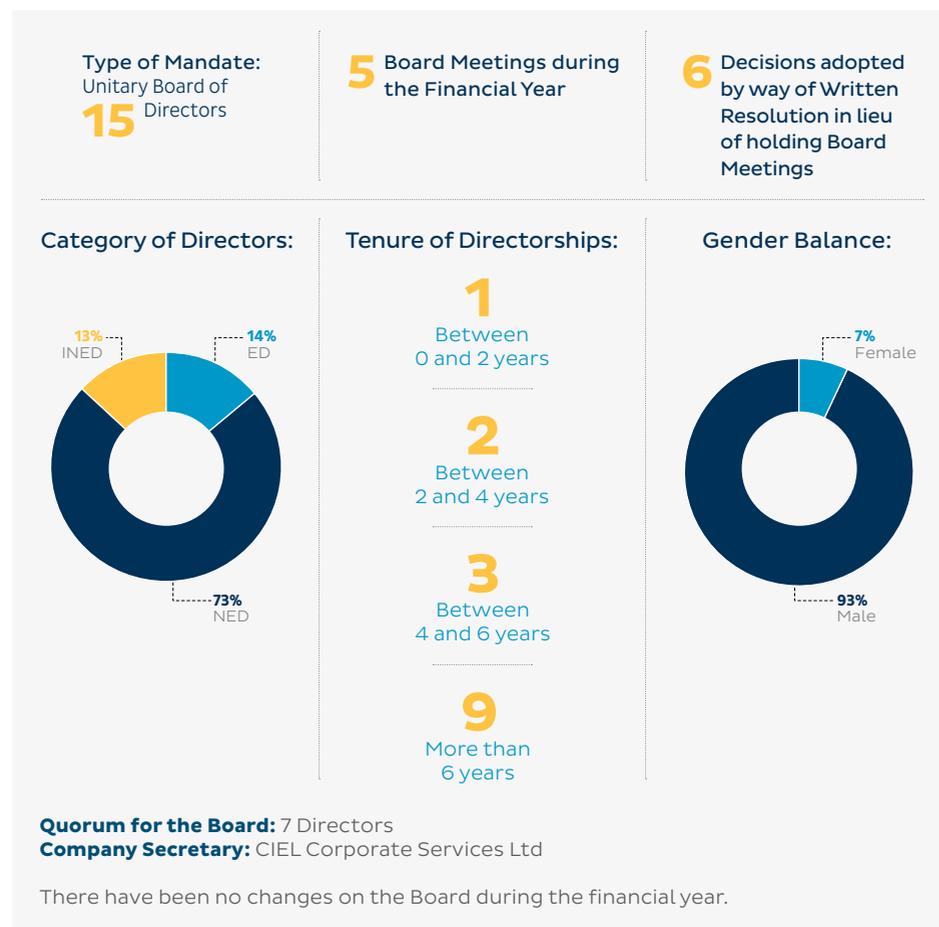
[FIND OUT MORE](#)

Code of Ethics | Whistle Blowing Policy
 Board Charter | Constitution
 Job Descriptions of Key Senior Governance Positions

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Size and Structure

The Board of CIEL is composed of Directors coming from different industries and backgrounds with strong business, international and management experience which are important considering the nature and scope of the Group's business and the number of board committees. The Board is satisfied that its composition is adequately balanced and that the current directors have the range of skills, expertise and experience to carry out their duties properly.



| Directors | Gender | Age | Board Attendance | Country of Residence | Category |
|------------------------------|--------|-----|------------------|----------------------|----------|
| P. Arnaud Dalais (Chairman) | M | 65 | 4/4 | Mauritius | NEC |
| Sébastien Coquard | M | 45 | 3/4 | France | NED |
| Guillaume Dalais | M | 38 | 4/4 | Mauritius | NED |
| Jean-Pierre Dalais | M | 56 | 4/4 | Mauritius | ED |
| Marc Dalais | M | 56 | 4/4 | Mauritius | NED |
| R. Thierry Dalais | M | 61 | 4/4 | Mauritius | NED |
| Pierre Danon | M | 64 | 4/4 | France | INED |
| L. J. Jérôme De Chasteauneuf | M | 54 | 4/4 | Mauritius | ED |
| Roger Espitalier Noël | M | 65 | 4/4 | Mauritius | NED |
| M. A. Louis Guimbeau | M | 70 | 3/4 | Mauritius | NED |
| J. Harold Mayer | M | 55 | 4/4 | Mauritius | NED |
| Marc Ladreit de Lacharrière | M | 79 | 0/4 | France | NED |
| Catherine McIlraith | F | 56 | 4/4 | Mauritius | INED |
| Jean-Louis Savoye | M | 47 | 3/4 | France | NED |
| Xavier Thiéblin | M | 77 | 3/4 | France | NED |

| Alternate Director | Gender | Age | Board Attendance | Country of Residence | Category |
|--|--------|-----|------------------|----------------------|----------|
| Jacques Toupas, Alternate of Marc Ladreit de Lacharrière | M | 42 | 4/4 | France | NED |

NEC - Non-Executive Chairman
 NED - Non-Executive Director
 INED - Independent Non-Executive Director
 ED - Executive Director

Time Commitment and Other Directorship Positions

CIEL directors ensure at all times that they are able to devote a sufficient amount of time to the Company to deliver their role effectively. The Board is satisfied that, for the year under review, its members have met their time commitment expectations in respect of board and committee meetings and that they continue to discharge their responsibilities effectively.

 Focus Areas of the Board

| Recurring Agenda Items | Strategy, Performance, Financial Monitoring | Governance and Risk, Other |
|--|--|---|
| <ul style="list-style-type: none"> • Declaration of interests • Minutes of proceedings of meetings • Reports from chairmen of board committees • Quarterly investment reports including economic updates of countries within which the Group operates, peer review and financial results | <ul style="list-style-type: none"> • CIEL Textile Scheme of Arrangement • Acquisition of Fortis shares in C-Care (Mauritius) Ltd • Annual and quarterly financial statements • Deep dive on CIEL Finance • CIEL corporate strategy • Annual Report • Multi-currency notes programme • Budget • Dividend | <ul style="list-style-type: none"> • Update of governance documents (board charter, code of ethics, committee terms of reference, statement of remuneration policy) • Nomination of the CEO of CIEL Properties • Remuneration of the Executive Directors • Impact of COVID-19 on the Group and cluster monitoring • Creation of the CIEL COVID Fund • Sustainability policy 2020-2030 • Group sustainability initiatives • Risk dashboards for the Group • Internal audit assessments through the report from the Chairman of the Audit & Risk Committee |

Independence on the Board

The independence criteria for Directors is defined under the Companies Act 2001, which has recently been amended by The Finance (Miscellaneous Provisions) Act 2020. Catherine McIlraith and Pierre Danon still qualify as Independent Non-Executive Directors.

Board Processes and Attendance at Board/Committee Meetings

The dates of Board, committee and annual meeting of shareholder are planned well in advance with the assistance of the company secretary. The Board meets at least four times a year and ad-hoc meetings may also be convened to deliberate on urgent substantive matters. Decisions of the Board are also taken by way of written resolutions.

The Chairman of the Board, in collaboration with the company secretary and management, ensure that all directors are provided with appropriate, reliable and timely information to enable them to discharge their duties effectively and reach informed decisions. Board documents are circulated in advance of board meetings through an online board portal facilitating the viewing of such papers, in order for the directors to devote sufficient time towards the reading of these documents.

Dedicated Committees Assisting the Board in its Duties

The Board delegates certain roles and responsibilities to its committees. Whilst it retains the overall responsibility, committees probe subjects more deeply and then report on the matters discussed, decisions taken, and where appropriate, make recommendations on items requiring the approval of the Board.

The committees play a key role in supporting the Board. The company secretary of the Board acts as secretary to these committees.

Minutes of proceedings of committee meetings (except for the Corporate Governance, Ethics, Nomination & Remuneration Committee) are circulated to the Board and the chairs of each of the committees report verbally on their activities. The Board is satisfied that the committees are appropriately structured, skilled and competent to deal with both the Company's existing and emerging issues, and that they have effectively discharged their responsibilities during the year under review according to their terms of reference.

The terms of reference of the committees are updated as and when necessary. During the financial year, amendments were made to the terms of reference of the Audit & Risk Committee and Corporate Governance, Ethics, Nomination & Remuneration Committee.

Strategic & Advisory Committee



| Members | Attendance |
|------------------------------|------------|
| R. Thierry Dalais, Chairman | 2/2 |
| Damien Braud | 2/2 |
| Sébastien Coquard | 1/2 |
| P. Arnaud Dalais | 2/2 |
| Jean-Pierre Dalais | 2/2 |
| Pierre Danon | 2/2 |
| L. J. Jérôme De Chasteauneuf | 2/2 |

* The meeting normally scheduled end of June has been held on 8 July 2020



Main Terms of Reference

- Share with management the key objectives for the enterprise and its investment and development strategies that reasonably meet these objectives.
- Recommend strategies to be adopted and reflect on investments/divestments prior to making recommendations to the Board.
- Ensure that effective and regular access exists for the debate of the Group's investment strategy options and changes thereto. The committee sees to a rigorous analysis and the application of relevant criteria/features in asset allocation and investment selection.
- Ensure regular review and analysis of the Group's current asset allocation and the investment performance implied in its holdings.
- Understand the ranking of investment and divestment choices available to the Group.
- Understand and match the Group's investment strategy options with its financing and treasury strategies.
- Be a forum to debate deal flow opportunities.



Focus Areas during the Year

- CIEL's Corporate Strategy.
- SUN Corporate restructuring.
- CIEL debt financing.
- CIEL Textile capitalistic opportunities.
- Annual budget review.

Audit & Risk Committee



| Members | Attendance |
|-------------------------------|------------|
| Catherine McIlraith, Chairman | 4/4 |
| Pierre Danon | 4/4 |
| M. A. Louis Guimbeau | 4/4 |



Main Terms of Reference

- Examine and review the quality and integrity of the financial statements (Company and Group) and any formal announcements relating to the Company's financial performance, before submission to the Board.
- Review arrangements and modalities by which any staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting, ensuring that arrangements are in place for the proper investigation of such matters, and for appropriate follow up action.
- Assess the robustness of the Company's internal control including internal financial control and business risk management.
- Maintain an effective internal control system including the system(s) established to identify, assess, manage and monitor risks.
- Approve appointment of internal auditor and their fees.
- Evaluate and approve the annual internal audit work plan and consider reports pertaining to findings of internal audits on a periodic basis.
- Oversee the process for selecting the external auditor, assess the continuing independence of the external auditor and approve the audit fees.

CIEL Group Risk Oversight Committee

- Reports to the Audit & Risk Committee.
- Ensures that the key risks of the six clusters of the Group are objectively prioritised.
- Highlights the steps taken to address the key risks, drives implementation of control measures and ensures risks are reported on a timely, presentable and accurate manner.



Focus Areas during the Year

- Audited accounts and management letter.
- Risk report for the annual report.
- Quarterly condensed financial statements and financial review document.
- Updated terms of reference of the committee.
- Internal audit report.
- Risk management report and risk dashboard.
- Material litigation cases.
- Treasury policy.
- Crime and insurance covers.

Corporate Governance, Ethics, Nomination & Remuneration Committee

2
Meetings

| Members | Attendance |
|------------------------|------------|
| Pierre Danon, Chairman | 2/2 |
| P. Arnaud Dalais | 2/2 |
| R. Thierry Dalais | 2/2 |
| Xavier Thiéblin | 2/2 |



Main Terms of Reference

- Recommend corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate governance principles.
- Approve the bonus/remuneration for the Executives.
- Recommend to the Board the Directors' remuneration, including the Chairman fee.
- Recommend new Board and senior executive nominations.
- Monitor the implementation of the code of ethics and set the tone for its implementation.



Focus Areas during the Year

- Corporate governance report.
- Executives' Bonus.
- Management fee payable to CIEL Corporate Services Ltd.
- Phantom Share Scheme.
- Succession plan of CIEL Textile.
- Nomination and Remuneration - CEO of CIEL Properties.
- Update of governance documents.
- Employee engagement survey results.
- Executives' remuneration benchmarking and recommendations.
- Benchmarking of Head Office operating costs.

Corporate Sustainability Committee

3
Meetings

| Members | Attendance |
|---------------------------------|------------|
| Roger Espitalier Noël, Chairman | 3/3 |
| Jean-Pierre Dalais | 3/3 |
| Hélène Echevin | 2/3 |
| Dev Sewgobind | 3/3 |
| Oumhany Sy | 1/3 |

A sustainability forum composed of representatives of the Group reports to the Corporate Sustainability Committee.



Main Terms of Reference

- Define and approve the CIEL Group's environment and social policies.
- Define and approve an environmental and social management system.
- Supervise and implement any environmental and social action plans.
- Identify and manage the environment and social risks of each of its main subsidiaries and material investee companies (and, on a best effort basis, of its other investee companies).
- Define actions to achieve compliance with the environmental and social in a defined timeframe.
- Report the environment and social performances of the Company and each of its subsidiaries and material investee companies.



Focus Areas during the Year

- Monitoring the implementation of CIEL's Environmental and Social Action Plan (including the establishment of a full-fledged sustainability governance structure within clusters of the Group, the implementation of CIEL's responsible supply chain management and whistle blowing policies and the progress made on the sustainability audits at selected operational sites).
- Environmental & Social incident report for the half-year ended 31 December 2019.
- CIEL's 2020-2030 sustainability strategy and action plan in relation thereto.
- Environmental & Social indicators report for the financial year 2018-2019.
- Implementation of the Sky platform, a digital tool designed for data collection and self-assessment purposes at business unit level.
- Cluster sustainability reports and roadmaps.

[FIND OUT MORE](#)

Terms of Reference of Board Committees

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES

Appointment and Re-Election of Directors/Chairman

| | |
|----------------------|---|
| <p>Step 1</p> | <ul style="list-style-type: none"> • The board charter provides that the Directors shall be a natural person of not less than 18 years old and not more than 80 years old. • The board charter also provides that the Chairman shall not be older than 75 years old and shall hold office for a period of five years and may, at the term of his office, be re-elected by the Board for a further period of five years or such other term as may be determined by simple majority of the Board. • The chairmanship of P. Arnaud Dalais has been renewed until 24 January 2024. • The Corporate Governance, Ethics, Nomination & Remuneration Committee recommends all new appointments on the Board and committees. Skills, knowledge, industry experience, diversity and independence are important factors that are being considered prior to recommending any appointment. |
| <p>Step 2</p> | <ul style="list-style-type: none"> • Board approval - The Directors have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed in accordance with the constitution. • The Director appointed to fill up the vacancy or as an addition to the existing Directors shall hold office only until the next following annual meeting of shareholders and shall then be eligible for re-election. |
| <p>Step 3</p> | <ul style="list-style-type: none"> • Induction of the directors upon appointment. |
| <p>Step 4</p> | <ul style="list-style-type: none"> • Board nomination submitted for approval by the shareholders at Annual Meeting ("AM"). • Directors are also re-elected annually at the AM by way of separate resolutions. • Directors over the age of 70 are appointed at the AM in accordance with section 138(6) of the Companies Act 2001. |

Induction of the Directors

The Board assumes its responsibility for the induction of newly appointed Directors, through a process which is facilitated by the company secretary. They undergo an induction programme under the guidance of the Chairman and the company secretary, which enable them to gain an in-depth understanding of the Company's business model, governance framework, activities and strategy. In addition to their letter of appointment, newly appointed directors are encouraged to meet the CEOs of the Group and perform site visits to acquaint themselves with CIEL's operations and culture. All Directors have unrestricted access to the Company's records. There has been no appointment during the financial year under review.

Directors' Profiles

The biographical details of the Directors of the Company are provided hereunder. The Board has decided to only disclose directorships in listed companies.

P. Arnaud Dalais

Chairman/Non-Executive Director
Joined the Board in November 1991

Skills and Experience:

- Joined the CIEL Group in August 1977.
- Appointed Group Chief Executive and Director in November 1991.
- Under his leadership, the CIEL Group at large went through an important growth both locally and internationally.
- Plays an active role at the level of the Mauritian private sector and has assumed the chairmanship of several organisations including the Joint Economic Council from 2000 to 2002 and Business Mauritius from 2015 to 2017.

Directorships in other listed companies:

Alteo Limited, Sun Limited.

Core competencies:

Leadership, entrepreneurship, deal structuring, business management, strategic development, hotel & property development.

Sébastien Coquard

Non-Executive Director
Joined the Board in May 2014

Skills and Experience:

- Head of Investments at FFP, the listed investment company majority-owned by the Peugeot family.
- Representative of FFP Invest on the Board of Directors of OPCI Lapillus II and IDI Emerging Markets SA and on the Advisory Board of IDI SCA.
- Former representative of FFP Invest on the Board of Directors of Onet, Ipsos and LT Participations.
- Director of FFP Investments UK Ltd.
- Held long-term investments positions at Allianz France, worked at Oddo Corporate Finance on M&A and ECM transactions and in the corporate banking division of Paribas.

Directorships in other listed companies:

IDI SCA.

Core competencies:

Corporate finance, capital markets, valuation.

Guillaume Dalais

Non-Executive Director
Joined the Board in June 2019

Skills and Experience:

- Former experience in the investment Banking sector by working at Métier Investments & Advisory Services in South Africa and CIEL Capital Limited in Mauritius.
- Joined the CIEL Textile Group in 2010.
- Appointed Executive Director of the Knits Cluster of the CIEL Textile Group in 2012.
- Chief Executive Officer of the Knitwear cluster of the CIEL Textile Group since July 2016.
- CEO of CIEL Properties since 01 July 2020.

Directorships in other listed companies:

C-Care (Mauritius) Ltd.

Core competencies:

Private equity, textile, manufacturing, entrepreneurship, strategic business development, deal structuring.

Jean-Pierre Dalais

Executive Director and Group Chief Executive
Joined the Board in February 1995

Skills and Experience:

- Joined CIEL Group in January 1992 and is its Group Chief Executive since January 2017, overseeing all Group operations.
- Was formerly Executive Director at CIEL, focusing particularly on the development of the Group's Hotels & Resorts, Financial Services and Healthcare clusters.
- Before that, Jean-Pierre Dalais was the Chief Executive Officer of CIEL Investment Limited.
- Graduated with an MBA from the International University of America, San Francisco, and previously worked at Arthur Andersen (Mauritius and France).

Directorships in other listed companies:

Alteo Limited, Phoenix Beverages Limited (Alternate Director), Sun Limited (Chairman).

Core competencies:

Strategy and corporate finance, building business partnership, international development, new business opportunities, hotel & property development.

Directors' Profiles (Cont'd)

Marc Dalais

Non-Executive Director
Joined the Board in June 2017

Skills and Experience:

- Founder and Executive Chairman of Celero group, a leading logistics and shipping group operating mainly in Mauritius and Madagascar.
- Previous International working experience with Nedlloyds shipping in RSA and the Bollore group in Paris.
- Worked at IBL group as General Manager of a trading division then heading and growing its Aviation, Logistics & Shipping division in the Indian Ocean.
- Served on boards of Mauritius Export Association and a company pioneering Freeport operations in Mauritius.

Directorships in other listed companies:
 None.

Core competencies:

Logistics, business and management, strategic planning, leadership.

R. Thierry Dalais

Non-Executive Director
Joined the Board in August 2013

Skills and Experience:

- More than 30 years' experience in the financial services and private equity investment industry.
- Co-founder of two private equity investment firms and acted as a key person and principal in numerous private investment programs over the last 25 years.
- Former director and trustee on numerous boards, including listed companies in Mauritius and abroad.
- Completed degrees in Commerce and Accounting at the University of the Witwatersrand and qualified as a Chartered Accountant in South Africa.

Directorships in other listed companies:
 Sun Limited.

Core competencies:

Private equity, strategic development, entrepreneurship and international business management, deal structuring, hotel & property development.

Pierre Danon

Independent Non-Executive Director
Joined the Board in January 2014

Skills and Experience:

- Chairman of Solocal Group, the European leader in digital communication.
- Chairman of Volia in Kiev, the Ukrainian leading cable and broadband company.
- Former Chairman of Eircom in Dublin and TDC in Copenhagen, Vice Chairman of AgroGeneration, a public company listed on the Alternext of NYSE, Chief Operating Officer of the Capgemini Group, one of the world's foremost providers of consulting, technology and outsourcing services, Chief Officer of British Telecom Retail and non-executive Director of Standard Life in Edinburgh.

Directorships in other listed companies:
 None.

Core competencies:

Digital, international business management, entrepreneurship, deal structuring.

L. J. Jérôme De Chasteauneuf

Executive Director and Group Finance Director
Joined the Board in April 2012

Skills and Experience:

- Former working experience with PriceWaterhouseCoopers in the UK, where he qualified as a Chartered Accountant.
- Key leading position within the CIEL Group, becoming its Head of Finance in 2000.
- Involved in the financial reengineering which accompanied the development of the CIEL Group.
- Currently representing CIEL on numerous boards of subsidiaries.

Directorships in other listed companies:

Alteo Limited, Harel Mallac & Co. Limited, Sun Limited.

Core competencies:

Business development and finance, accounting & audit, strategic development, deal structuring.

Directors' Profiles (Cont'd)

Roger Espitalier Noël

Non-Executive Director

Joined the Board in January 2014

Skills and Experience:

- Former Corporate Sustainability Advisor of CIEL.
- Former General Manager of Floreal Knitwear Limited.
- Holds more than 35 years' experience in the textile industry.
- Involved in the restructuring and restart of the Madagascar Production Units after the political unrest of 2001, and as from 2008, acting as consultant for the CIEL Textile Limited where his activities were focused on the environmental, logistics, utilities as well as the retail aspects of the Knits division.

Directorships in other listed companies:

ENL Limited, Phoenix Beverages Limited (Alternate Director) and Phoenix Investment Limited (Alternate Director).

Core competencies:

Textile, manufacturing and operations, environment and sustainability.

M. A. Louis Guimbeau

Non-Executive Director

Joined the Board in July 1991

Skills and Experience:

- Held senior positions in different sectors of the Mauritian economy, gaining a vast experience in strategy development, administration, finance and accounting until his retirement in 2010.
- Co-founder of La Meule Permaculture Farm in 2014, a sustainable living project.
- Former Director of Sun Limited.

Directorships in other listed companies:

None.

Core competencies:

Finance, accounting, business management.

J. Harold Mayer

Non-Executive Director

Joined the Board in January 2014

Skills and Experience:

- Retired as CEO of the CIEL Textile Group on 30 June 2020.
- Was formerly Chief Executive Officer of the CIEL Textile Group since 2006.
- He joined CIEL Textile in 1990 and has been holding key positions within the Group since then. He started his career as Head of Finance of New Island Clothing and was promoted General Manager of Aquarelle Clothing Ltd in 1995. He was also Chief Operating Officer of the clothing operations.
- He is a qualified Chartered Accountant and holds a Bachelor's Degree in Commerce.

Directorships in other listed companies:

Sun Limited, Omnicane Limited (Chairman).

Core competencies:

Corporate finance, accounting, operational excellence, textile, entrepreneurship.

Marc Ladreit de Lacharrière

Non-Executive Director

Joined the Board in September 2014

Skills and Experience:

- Founder of Fimalac, a formerly listed company held by Group Marc de Lacharrière, which operates in four business areas: capital investment with Warburg Pincus, digital media in entertainment through Webedia, entertainment with the organisation of shows and venue management (FIMALAC Entertainment), and leisure activities and hotels through the Group Barrière.
- Former Executive of Banque de Suez et de l'Union des Mines, which was renamed Indosuez following the integration of Banque de l'Indochine.
- Former CFO of L'Oréal where he progressively became Vice-Chairman Deputy CEO.

Directorships in other listed companies:

Société Fermière du Casino Municipal de Cannes (SFCMC).

Core competencies:

International business and management, leisure and hospitality.

Directors' Profiles (Cont'd)

Catherine McIlraith

Independent Non-Executive Director

Joined the Board in January 2015

Skills and Experience:

- Member of the South African Institute of Chartered Accountants since 1992.
- Fellow Member of the Mauritius Institute of Directors.
- Serves as an Independent Non-Executive Director and as a member of various Committees of several public and private companies in Mauritius, South Africa and England.
- Served her Articles with Ernst & Young in Johannesburg before joining the investment banking industry where she held senior positions in corporate and specialised finance for Ridge Corporate Finance, BoE NatWest and BoE Merchant Bank in Johannesburg.
- Former Head of Banking at Investec Bank (Mauritius Branch).

Directorships in other listed companies:

Astoria Investments Ltd, Grit Real Estate Income Group Limited, Les Gaz Industriels Ltd, Paradise Hospitality Group Ltd, The Mauritius Union Assurance Company Limited, MUA Limited, Barak Fund SPC Limited.

Core competencies:

Corporate finance, accounting, audit, investment banking.

Jean-Louis Savoye

Non-Executive Director

Joined the Board in September 2017

Skills and Experience:

- Deputy General Manager of Dentressangle, a French société par actions simplifiée which is the investment holding company of the Dentressangle family.
- Has been instrumental in helping Dentressangle to realise its investment strategy during the last 15 years.
- Prior to joining Dentressangle in 2003 as CFO, Jean-Louis Savoye, served with PwC and ran due-diligences acquisitions in M&A for various Private Equity firms and French leading industrial companies.
- Is a graduate of the Toulouse Business School with a major in Finance.

Directorships in other listed companies:

Sun Limited, Tessi.

Core competencies:

Finance, accounting, mergers & acquisition, private equity, international business and management, property investment.

Xavier Thiéblin

Non-Executive Director

Joined the Board in December 2013

Skills and Experience:

- Started in the banking sector before joining, in 1970, Société Sucrière de Quartier Français.
- Former Chairman of that group which became a major player of the sugar industry.
- Played important roles in the sectors of sugar and rum, in Réunion Island, Paris and Brussels.
- Manages and administers several companies, including OXACO, a family holding which invests in the Indian Ocean and Europe and assumes some professional responsibilities in several enterprises.

Directorships in other listed companies:

None.

Core competencies:

International business and management, agro-industry, entrepreneurship.

Jacques Toupas

Joined the Board as Alternate Director of

Marc Ladreit de Lacharrière in February 2016

Skills and Experience:

- Joined Fimalac Group in 2009. Member of its investment team and responsible of the financial portfolio monitoring and investment.
- Serves as Board member of various Fimalac Group's subsidiaries.
- Former working experience in investment banking, both in Paris and London and started his career at Arthur Andersen in Paris as a financial auditor prior to moving to PwC as a senior auditor and later as a manager in the Transaction Services department.
- Worked in Private Equity as a manager at European Capital.

Directorships in other listed companies:

None.

Core competencies:

Finance, accounting, audit, private equity, international business management.

Senior Management Team of CIEL and CEO's of CIEL's Subsidiaries

Jean-Pierre Dalais

Group Chief Executive of CIEL

Refer to Directors' Profiles 

L. J. Jérôme De Chasteauneuf

Group Finance Director of CIEL

Refer to Directors' Profiles 

Guillaume Dalais

Chief Executive Officer of CIEL Properties

Refer to Directors' Profiles 

Eric Dorchies

Chief Executive Officer of CIEL Textile

Eric Dorchies is the Chief Executive Officer of CIEL Textile since 1 July 2020. In this capacity, Eric Dorchies also sits on the Board of CIEL Textile Limited ("CTL"). CTL has strategic geographic positioning with manufacturing locations in Mauritius, Madagascar, India and Bangladesh. It is on these three main pillars: "our talents, sustainable development and digitalisation" in which CTL will continue to accelerate its transformation. Eric Dorchies has a long-standing career in CTL group which he joined in 1998 as Chief Executive Officer of Consolidated Fabrics Limited. He was appointed Managing Director of Aquarelle Clothing Ltd in 2003 and became the Chief Executive Officer of the woven cluster from 2008 till 2019, instrumental in driving several strategic initiatives for the group bringing it to an international level.

More recently, in October 2017, he was appointed CTL's Chief Operations Officer. Eric Dorchies has a solid track record in the textile industry with strong marketing capabilities. Prior to joining CTL, he was leading his own textile company in Europe. He had graduated in Business and Finance from ESCP Europe (Ecole Supérieure de Commerce de Paris).

Francois Eynaud

Chief Executive Officer of SUN

Francois Eynaud is the Chief Executive Officer of SUN since 1 September 2019. Prior to joining SUN, Francois Eynaud was the CEO of Veranda Leisure & Hospitality ("VLH"), managing the Hotels Division of Rogers Group, where he spent 11 years. Prior to joining VLH, he had spent 14 years with CIEL Textile where he was Executive Director at Tropic Knits. Francois Eynaud was President of AHRIM (the National Hotel Association) in 2013 and 2014. Prior to returning to Mauritius in 1991, Francois Eynaud has worked 7 years at SAGEM France as Export Director, Country Manager in the Caribbean and the UK. He holds a French Business School Diploma (Institut Commercial de Nancy – ICN).

Marc-Emmanuel Vives

Chief Executive Officer of CIEL Finance

Marc-Emmanuel Vives joined CIEL Finance Limited as its CEO in September 2014, bringing with him more than 25 years' experience at Société Générale ("SG"). After initial steps within the General Inspection of the group, he spent the next 18 years of his career in various assignments in emerging countries, first in Argentina as Commercial Director, then as Chairman and CEO of SG Argentina. Moved then to Russia as CEO of SG Vostok, before becoming First Deputy Chairman of Rosbank, and finally to India as Country Manager. Holds a master's Degree in Business Administration from HEC Business School France and a degree in History from Sorbonne University in Paris.

Hélène Echevin

Chief Executive Officer of CIEL Healthcare

Since 1 July 2019, Hélène Echevin is the Chief Executive Officer of CIEL Healthcare Ltd which regroups all our healthcare activities – C-Care (Mauritius), IMG (Uganda) and Hygeia (Nigeria). In this capacity, she is also the Executive Chairman of C-Care (Mauritius) Ltd and sits on the Board of Directors of CIEL Healthcare. Since joining CIEL in March 2017, she has played a key role developing our healthcare portfolio and leading CIEL's operational excellence journey. Prior to joining CIEL, Hélène Echevin worked for Eclosia Group and Harel Mallac Group and counts 17 years of experience in operations and project management, at both company and corporate levels. She holds an engineering degree in Food Technology from Polytech, France and completed her academic skills by an executive management program at INSEAD. Hélène Echevin was the first lady President of the Mauritius Chamber of Commerce. She is a member of the board of Maurilait Ltd and MARENA.

Professional Development

As part of their duties as Directors, it is critical for Board members to have a thorough knowledge of the environment within which the clusters of the Group operate. An investment report is issued to the Directors on a quarterly basis; it includes economic updates on countries within which the Group operates, peer review and financial results. No other training was offered to the Directors.

Succession Planning

The Board assumes its responsibility for the succession planning of its clusters' leaders, which is a systematic effort and process of identifying and developing candidates for key leadership positions over time to ensure the continuity of management and leadership in an organisation. The objective of succession planning is to ensure that the organisation continues to operate successfully when individuals occupying critical positions and hard to replace competencies depart. As part of its terms of reference, the Corporate Governance, Ethics, Nomination & Remuneration Committee has reviewed the succession plan for key executives of the Group.

It has identified Top 10 roles to kick-start the succession planning process as part of a long-term initiative to prepare potential candidates. Incumbents in the current Top 10 roles were consulted for their inputs on succession plan. The committee will track and monitor the progress achieved in the implementation of the succession plan. The successors were identified in 4 categories, namely:

| | |
|------------------|--|
| Emergency | The individual is ready to step into the role/job/position in case of an emergency vacancy but may not be the most suitable successor long-term. Typically oversees role for 3-6 months pending permanent replacement. |
| Ready Now | This indicates that this employee was in the highest level of readiness and could transition into the role with minimal development. |
| Ready C+1 | The employee would be ready for the role within the next two to three years and may include one additional role or assignment for development purposes. |
| Ready C+2 | The employee will be ready for the role in 3 to 5 years and may include one or two additional roles or assignments for development purposes. |

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Legal Duties

Directors are made aware of their legal duties upon their appointment and are reminded of same annually by the company secretary when asked to update the register of interests. Several documents and policies have also been implemented to help them fulfil their roles, namely, the code of ethics, conflict of interest/related party transactions policy, share dealings policy and board charter.

Directors' and Officers' Liability Insurance

A Directors' and Officers' Liability insurance policy has been subscribed by CIEL covering the Company, its subsidiaries and some of its associates.

Conflict of Interests/Related Party Transactions Policy

Transactions with related parties are disclosed in the financial statements. A Conflict of Interest/Related Party Transactions Policy has been approved by the Board to ensure that the deliberations and decisions made by CIEL are transparent and in the best interests of the Company. It also aims to protect the interests of the Officers from any appearance of impropriety and to ensure compliance with statutory disclosures and law. Notwithstanding the above, Directors of CIEL are also invited by the company secretary, on an annual basis, to notify the Company of any direct and indirect interest in any transactions or proposed transaction with the Company. Declarations made by the Directors are entered in the interests' register which is maintained by the company secretary; same is available for inspection by the shareholders upon written request to the company secretary.

Information, Information Technology and Information Security Governance

Board Information

The Chairman, with the assistance of the company secretary, ensures that Directors receive the necessary information for them to perform their duties and that the Board has sufficient time for consultation and decision-making.

Information Technology Policy

An Information Technology Policy has been created using accepted standards (ITIL and COBIT 5) to regulate the use, security standards, control and access rights for the entities of CIEL, hosted at the Company's Head Office in Ebène. The Information Technology Policy, as approved by the Board, is being implemented, monitored and revised as needed by the IT and Digital Officer. The document has been circulated to all the staff using the Information Technology Infrastructure at Company's head office in Ebène, and awareness sessions are planned in a timely manner for them to commit to it. Even though each cluster of the Group operates its own IT policy, a Group IT Forum has been launched by CIEL, whereat critical IT-related issues are debated from a Group-wide perspective. For example, CIEL Finance cyber security forum has been extended to all companies of the Group. A budget for information technology is allocated annually, based on business needs for each financial year.

EU General Data Protections Regulations

In compliance with the EU General Data Protection Regulations ("GDPR") and the Data Protection Act 2017, CIEL has approved (i) a Group Data Privacy Policy ("Group Policy") with a view to promoting a privacy culture within the Group and ensuring that all clusters, business units and employees protect the privacy of personal information of individuals in their daily operations and (ii) a Personal Data Breach Policy to define the methodology for assessing the severity of any potential personal data breach, the escalation process when discovering a breach and the procedures to notify the relevant authorities in the event of a breach.

The Group Policy defines the Group's requirements regarding the collection, storage, use, transmission, disclosure to third parties and retention of personal information. The Group Policy is used as a general guideline to the clusters and business units, which remain responsible to adopt their own policies on data privacy to address the specific context of their respective activities without derogating from the core principles.

Anusha Dabee-Ramphul, Barrister-at-law, who forms part of the legal team at CIEL Corporate Services Ltd has been appointed Group Data Protection Officer. She monitors compliance with and provide advice on the data protection laws as well as coordinate with the supervisory authority.

Share Dealing Policy

Directors ensure that their dealings in the shares of the Company are conducted in accordance with the principles of the Model Code for Securities Transactions by Directors of Listed Companies, as detailed in Appendix 6 of Listing Rules of the SEM. In that spirit, the Board has approved a Share Dealing Policy that reiterates the procedures to provide clear guidance to the Directors and Officers of CIEL on the practice to be followed when dealing in shares of the Company to avoid the abuse of price-sensitive information (insider dealing). Directors are strictly prohibited to deal in shares of the Company during close periods.

Board Evaluation

A board effectiveness survey was performed last year by the financial services department of BDO, in association with Insync Surveys, using a benchmark survey approach. The Board has decided that Board evaluation will be conducted every two years and as such, no evaluation was performed during the financial year under review.

Statement of Remuneration Policy

The Board has approved a policy that sets the purpose, process, performance measures and quantum for the remuneration of its Directors. CIEL strives towards remunerating its Directors in a manner that supports the achievements of CIEL's strategic objectives, while attracting and retaining scarce skills and rewarding high levels of performance. The Corporate Governance, Ethics, Nomination & Remuneration Committee determines the adequate remuneration to be paid to the Directors. There are no established policies for remunerating Executive Directors approaching retirement. This will be determined by the Board as and when required.

Directors' Remuneration and Benefits

Directors of CIEL were entitled to the following remuneration for the financial year under review.

Directors of CIEL have voluntarily decided to reduce partly or wholly the amount of their remuneration so that such amount be donated by the Company to the CIEL COVID Fund (please refer to the next section for more information on the CIEL COVID Fund). The figures below represent the full amount Directors were entitled to before donation to the CIEL COVID Fund.

| Directors | Board Fees | Audit & Risk Committee Fees | Corporate Governance, Ethics, Nomination & Remuneration Committee Fees | Strategic & Advisory Committee Fees | Corporate Sustainability Fees | Total Fees |
|--|------------|-----------------------------|--|-------------------------------------|-------------------------------|------------|
| | (MUR) | (MUR) | (MUR) | (MUR) | (MUR) | (MUR) |
| P. Arnaud Dalais (Chairman) ¹ | 2,200,000 | NIL | 100,000 | 300,000 | NIL | 2,600,000 |
| Sébastien Coquard | 350,000 | NIL | NIL | 300,000 | NIL | 750,000 |
| Guillaume Dalais | 350,000 | NIL | NIL | NIL | NIL | 350,000 |
| Marc Dalais | 350,000 | NIL | NIL | NIL | NIL | 350,000 |
| R. Thierry Dalais | 350,000 | NIL | 100,000 | 400,000 | NIL | 850,000 |
| Pierre Danon ² | 400,000 | 200,000 | 150,000 | 300,000 | NIL | 1,050,000 |
| Roger Espitalier Noël | 350,000 | NIL | NIL | NIL | 400,000 | 750,000 |
| M. A. Louis Guimbeau | 350,000 | 200,000 | NIL | NIL | NIL | 550,000 |
| J. Harold Mayer | 350,000 | NIL | NIL | NIL | NIL | 350,000 |
| Marc Ladreit de Lacharrière | 350,000 | NIL | NIL | NIL | NIL | 350,000 |
| Catherine McIlraith | 400,000 | 350,000 | NIL | NIL | NIL | 750,000 |
| Jean-Louis Savoye ³ | 350,000 | NIL | NIL | NIL | NIL | 350,000 |
| Xavier Thiéblin | 175,000 | NIL | 50,000 | NIL | NIL | 225,000 |

Note 1: The Chairman of the Board also received travelling allowance of MUR 951,000 in addition to the above

Note 2: Payment to Cordial Consulting Limited

Note 3: Payment to Di Cirne Holding Ltd

CIEL

COVID Fund

The Directors of CIEL have voluntarily donated part or the whole amount of their remuneration to the CIEL COVID Fund which has been created in view of providing employees of the Group impacted by the COVID-19 crisis with adequate support through specific medical assistance, training and/or empowerment programmes. The fund will concentrate its actions on programmes that mobilise the Group's internal expertise over a 12-month period.

These actions are categorised as follows:



Health and Wellbeing

- Psychological support and counselling
- Medical assistance



Staff Mobility

- Listing of affected workforce and vacancies
- CV writing and preparation for interviews



Training & Strategic Support

- Formal certification and training
- Start-up/entrepreneurship training and assistance

A project manager and team has been constituted to conduct activities under the oversight of a high-level fund committee. Appeal for funding has been made to the companies of the Group, its directors, main shareholders of CIEL, DFIs and employees.

[FIND OUT MORE](#)

[Share Dealing Policy](#) | [Conflict of Interest](#)
[Related Party Transactions Policy](#) | [IT Policy](#)



Directors' Remuneration and Benefits (Cont'd)

The Executive Directors are remunerated by CIEL Corporate Services Ltd (a wholly-owned subsidiary of CIEL), with which CIEL holds an agreement for the provision of combined corporate services and strategic support.

The remuneration of the Executive Directors ("the Scheme") is composed of a basic pay and an incentive scheme linked to (i) market capitalisation growth with an annual high watermark principle, (ii) annual ordinary dividend pay-out and (iii) Group profit after tax. The main objective of the Scheme is to motivate the executives towards increasing the total value of the Company and reward them for the creation of long-term value. This bonus is payable partly in cash and partly in ordinary shares, out of the treasury shares held by the Company. The Remuneration and benefits paid to the Executive Directors of CIEL for the financial year ended 30 June 2020 amounts to MUR 44.9M. The remuneration of the Executive Directors has not been disclosed individually due to its commercially sensitive nature. The payment made during this financial year (June 2020) under the Scheme relates to the bonus computed for the financial year to June 2019.

The Chairman of the Board is no longer entitled to an incentive scheme. The remuneration and benefits received, or due and receivable by the Directors of the Company and its subsidiaries as at 30 June 2020, have been disclosed in the section Statutory Disclosures made pursuant section 221 of the Mauritius Companies Act 2001.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Risk Management

The Board has the ultimate responsibility for risk governance and internal control systems as well as determining the nature and extent of the principal risks it is willing to take to achieve its strategic objectives, while ensuring that an appropriate risk culture has been embedded throughout the Group. CIEL's Enterprise Risk Management ("ERM") has been designed to facilitate the identification, assessment and mitigation of the inherent business risks to which the Company is exposed, while providing reasonable assurances pertaining to compliance with regulatory obligations, reliability of financial information and safeguarding of assets under management. The ERM is not intended towards eliminating such risks but can be considered as an adequate protection against material misstatement or loss which might result from adverse events. The ERM governance structure and identification of the key risks for the Company and how they are managed are detailed in the Risk Report.

PRINCIPLE 6: REPORTING WITH INTEGRITY

Since 2017, CIEL has adopted the integrated reporting format to provide additional and transparent information to its stakeholders. It has been developed following the guidelines of the International Integrated Reporting Council ("IIRC"). The annual report provides key information – considered material at Group level – to understand and assess the governance, performance, and strategy of our Group and its six clusters. More in-depth information can be found in each company's Annual Report.

The Directors affirm their responsibilities in preparing the Annual Report and the Financial Statements of the Company and its subsidiaries which comply with International Financial Reporting Standards and the Mauritius Companies Act 2001. The Board also considers that taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders and other stakeholders to assess CIEL's position, performance and outlook. Please refer to the Statement of Directors' Responsibilities.

Charitable and Political Contributions

| | The Company | | Subsidiaries | |
|-------------|-----------------|-----------------|-----------------|-----------------|
| | 2020 MUR'000 | 2019 MUR'000 | 2020 MUR'000 | 2019 MUR'000 |
| Charitable* | 1,440 | 2,199 | 7,687 | 14,754 |
| Political | 2,500 | - | 9,000 | 393 |

* Includes CSR donations which have been channeled to CIEL Foundation, registered as a special purpose vehicle accredited to receive CSR contributions.

Sustainability

CIEL Board of Directors has adopted in February 2020 a new sustainability strategy 2020-2030, which presents the Group's sustainability vision, key commitments and strategic pillars. Leveraging on the governance structure and E&S management systems previously established within our operations, the new strategy provides a clear roadmap to drive a sustainable transformation of our Group. We invite you to read more about our commitments online at <https://www.cielgroup.com/en/sustainability/our-commitments>

In addition, non-financial KPIs have been identified and a new Group digital platform specially developed to facilitate clear progress tracking as well as sustainability data management.

Community Engagement

The Group pursues its inclusive growth agenda through on-going community actions at enterprise and site level. In addition, CIEL Foundation has been once again very active in driving long-term and high impact community projects. You can read more about CIEL Foundation on our website: <https://www.cielgroup.com/en/sustainability/ciel-foundation>

COVID-19 Health & Safety Protocol

The Group aims to act as a good employer in providing and maintaining a safe and healthy work environment for all its employees. The objective being the optimisation of work efficiency and the prevention of accidents at work, through the implementation of safety standards in all its operations across the Group. As the COVID-19 pandemic went global, strict health protocols were adopted and implemented across our operations. Flexible working arrangements were also given to employees. A specific back to work protocol as well as protective equipment were also adopted and provided post lockdown to all employees. In addition to ensuring health and safety, all Group clusters launched specific initiatives to help fight the global pandemic. More can be found on <https://www.cielgroup.com/en/news/2020/COVID-19-mobilisation-of-ciel-teams-to-support-national-efforts>

Mobilisation around Wakashio Oil Spill

Following the environmental oil spill crisis caused by the bulk carrier MV WAKASHIO, CIEL immediately set a crisis committee and team under the chairmanship of Guillaume Dalais. Mobilising Group resources and volunteers, an action plan was defined to protect the area between Rivière des Créoles and Vieux Grand Port in the region of Ferney in close coordination with government authorities.

From all over the country volunteers joined at Falaise Rouge and Anahita for the relentless manufacture of floating booms made of fabric and cane straws with the objective of containing the oil from reaching the shores. The mobilisation of the CIEL Group companies was outstanding as they provided the crisis committee with several tons of fabrics, wool, cane straws, gloves, boots, masks and personal protective equipment.

Commitment to Reduce Printing

CIEL strongly believes in the protection of the environment and as such, encourages its shareholders to opt for the opportunity to receive communications electronically. Choosing that option will result in a significant reduction in the consumption of paper and impact positively on the environment, in addition to a significant reduction in costs.

PRINCIPLE 7: AUDIT

External Audit

PricewaterhouseCoopers (“PwC”) is the external auditor of CIEL. PwC was appointed external auditor of the Group, in replacement of BDO & Co, at the annual meeting of shareholders held in December 2017 and has been re-appointed auditor by the shareholders of CIEL at the annual meetings held in December 2018 and 2019. Significant audit issues are discussed at the Audit & Risk Committee, which are reported under the Key Audit Matters in the auditors' report. Furthermore, critical policies, judgements and estimates are brought to the attention of the members and discussed with the external auditors during Audit & Risk Committees, especially when the audited accounts of the Company and Group are tabled for consideration.

The Audit & Risk Committee regularly meets the external auditors in the presence of management since it has no impact on the objectivity of the meeting. It has considered that if the need arises, they will meet the auditors without management.

The fees paid to the auditors for audit and other services for the financial year are described under Other Statutory Disclosures. The non-audit services provided by the external auditors relate mainly to tax computation, compliance and transaction advisory. Hence, the objectivity and independence of the external auditors are safeguarded since the teams involved are not the same as the one providing audit services.

The Board is satisfied that the members of the Audit & Risk Committee have financial expertise to fulfil their duties and that they have effectively discharged their responsibilities during the year under review according to their terms of reference.

Internal Audit

EY, internal auditors of CIEL, report to the Audit & Risk Committee and maintain an open and constructive line of communication with management. During the year under review, EY performed the following assignment:

- Review of budget and monitoring process

The internal auditors have unlimited access to the Company's records and management.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

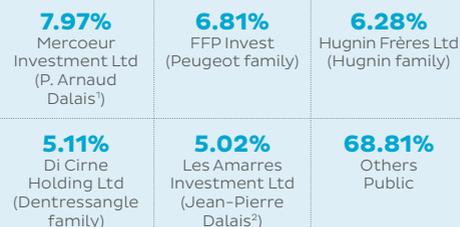
Shareholding Structure/Cascade Holding Structure

As at 30 June 2020, CIEL had in issue (i) 1,689,901,209 Ordinary Shares (of which 3,149,707 were held as treasury shares) and (ii) 3,008,886,600 Redeemable Restricted A Shares ("RRAS").

Shareholding Structure at 30 June 2020

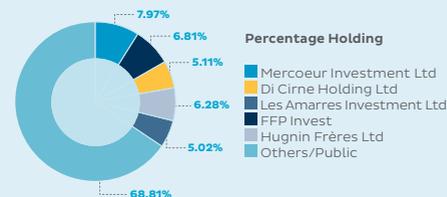
Based on 1,686,751,502 ordinary shares issued (excluding treasury shares), ordinary shares represented 35.92% of the total voting rights of CIEL (Ordinary + RRAS).

Direct Shareholders holding > 5% of the Ordinary Shares



Note 1: P. Arnaud Dalais also hold shares under his name bringing his total shareholding to 8.02% of the ordinary shareholding.

Note 2: Jean-Pierre Dalais also hold shares under his name bringing his total shareholding to held 5.46% of the ordinary shareholding.



Ordinary Shares

Hold voting rights/Listed on the Stock Exchange of Mauritius/Entitled to Dividends

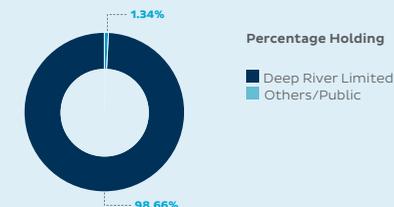
35.92% ↓

Based on 3,008,886,600 RRAS – RRAS represented 64.08% of the total voting rights of CIEL (Ordinary + RRAS).

Direct Shareholders holding > 5% of RRAS



Note: Deep River Limited is controlled by Deep River Holding Limited (a family holding enterprise).



RRAS

Hold voting rights/Not listed on the Stock Exchange of Mauritius/Not Entitled to Dividends

64.08% ↓

Ciel

Common Directors within the Holding Structure at 30 June 2020

| Directors | Mercoeur Investment Ltd | FFP Invest | Hugnin Frères Ltd | Di Cirne Holding Ltd | Les Amarres Investment Ltd | Deep River Ltd | Deep River Holding Ltd |
|-----------------------|-------------------------|------------|-------------------|----------------------|----------------------------|----------------|------------------------|
| P. Arnaud Dalais | Director | | | | | Chairman | Chairman |
| Sébastien Coquard | | Nominee | | | | | |
| Guillaume Dalais | Director | | | | | Director | Director |
| Jean-Pierre Dalais | | | | Director | | Director | Director |
| Marc Dalais | | | | | | Director | Director |
| R. Thierry Dalais | | | | | | Director | Director |
| M. A. Louis Guimbeau | | | | | | Director | |
| Roger Espitalier Noël | | | Director | | | Director | Director |
| Jean-Louis Savoye | | | | Nominee | | | |
| Xavier Thiéblin | | | | | | Director | |

Shares in Public Hands

In accordance with the Listing Rules of the SEM, more than 25% of the shareholding of CIEL is in the hands of the public.

Directors' Interests in the Shareholding of CIEL as at 30 June 2020

| Shareholding as at 30 June 2020 | Direct No of Ordinary Shares | Indirect No of Ordinary Shares |
|---------------------------------|---------------------------------|-----------------------------------|
| P. Arnaud Dalais | 977,411 | 134,487,049 |
| Sébastien Coquard | Nil | Nil |
| Guillaume Dalais | 603,860 | 134,487,038 |
| Jean-Pierre Dalais | 1,148,117 | 90,956,053 |
| Marc Dalais | 15,315,520 | Nil |
| R. Thierry Dalais | Nil | 38,819,460 |
| Pierre Danon | Nil | 1,049,138 |
| L. J. Jérôme De Chasteauneuf | 662,844 | 11,064,698 |
| Roger Espitalier Noël | 76,505 | 2,167,409 |
| M. A Louis Guimbeau | 11,361,365 | Nil |
| Marc Ladreit De Lacharrière | Nil | 50,263,138 |
| J. Harold Mayer | 3,517,694 | Nil |
| Catherine McIlraith | Nil | Nil |
| Jean-Louis Savoye | Nil | Nil |
| Xavier Thiéblin | Nil | 33,736,500 |
| Alternate Director | | |
| Jacques Toupas | Nil | Nil |
| Transactions during the Year | Direct No of Shares | Indirect No of Shares |
| P. Arnaud Dalais | 298,893 | - |
| Jean-Pierre Dalais | (28,331,770) | 29,415,115 |
| L. J. Jérôme De Chasteauneuf | (10,391,789) | 11,057,443 |
| Roger Espitalier Noël | 55,500 | - |

The following Directors hold shares in Deep River Limited:

| Shareholding as at 30 June 2020 | Direct No of Redeemable B Shares | Indirect No of Redeemable B Shares |
|---------------------------------|--|--|
| M. A. Louis Guimbeau | 43,740,000 | Nil |
| Xavier Thiéblin | Nil | 124,946,000 |

The following Directors hold shares in Deep River Holding Limited:

| Shareholding as at 30 June 2020 | Direct No of Redeemable Shares | Indirect No of Redeemable Shares |
|---------------------------------|-----------------------------------|-------------------------------------|
| P. Arnaud Dalais | - | 460,852,228 |
| Jean-Pierre Dalais | - | 247,217,780 |
| Marc Dalais | 56,336,464 | - |
| R. Thierry Dalais | - | 155,277,840 |
| Roger Espitalier Noël | 210,000 | 3,484,200 |

Shareholders' Agreements

Following a private placement which was completed in May 2014, the Company entered into shareholders' agreements with some of the main strategic investors to provide amongst other things some usual reserved matters, seats on Board and sub-committees of the Board and tag along rights.

Third Parties Agreements

- CIEL holds an agreement with CIEL Corporate Services Ltd (“CCS”) (CIEL Head Office) for the provision of strategic support & Group strategy harmonisation, legal, company secretarial and payroll services to the companies of the Group. Amount paid to CCS for the financial year ended 30 June 2020 - MUR 38.5M.
- CIEL holds a treasury agreement with Azur Financial Services Ltd (a subsidiary of CIEL) for the provision of cash management services, treasury advisory services and foreign exchange & money market brokerage services to the Group. CIEL pays a fixed monthly fee for the cash management together with a variable fee, based on the volume of intercompany transactions processed by Azur Financial Services Ltd for the Group. Amount paid to Azur Financial Services Ltd for the financial year ended 30 June 2020 - MUR 0.7M.
- CIEL holds an agreement with Deep River Ltd (“DRL”) for the provision of strategic support & Group strategy. Amount paid to CCS for the financial year ended 30 June 2020 - MUR 710k.

Dividend

| | |
|--|---|
| <p>POLICY</p> <p>A minimum of 75% of net profits after tax of the Company, depending on the cash flow and financial needs</p> | <p>FINAL DIVIDEND</p> <p>June 2020: NIL (2019: MUR 0.14 per share)</p> |
| <p>INTERIM DIVIDEND</p> <p>December 2019: MUR 0.08 per share (2019: MUR 0.07per share)</p> | <p>TOTAL DIVIDEND PAID FOR THE YEAR</p> <p>MUR 0.08 per share (2019: MUR 0.21 per share)</p> |

Key Stakeholders' Communication

The Board of CIEL is committed to promoting an open and transparent communication with its stakeholders to ensure that they receive the correct and adequate information while upholding trustworthy relationships with them.

It tries to maintain an ongoing dialogue with its shareholders by keeping them abreast of all material business developments that influence the Group in a transparent and timely manner through various communication channels.

In addition to official press announcements and occasional press conferences, CIEL's website provides for an adapted and comprehensive self-service interface.

CIEL also communicates via different social media platforms. CIEL understand the importance of a transparent communication to its stakeholders and as such, has developed a website which provides a good presentation of its activities, leadership, governance, initiatives etc.

We invite you to visit CIEL's newly revamped website:
www.cielgroup.com



CIEL's key stakeholders and the way it has responded to their expectations are described below:

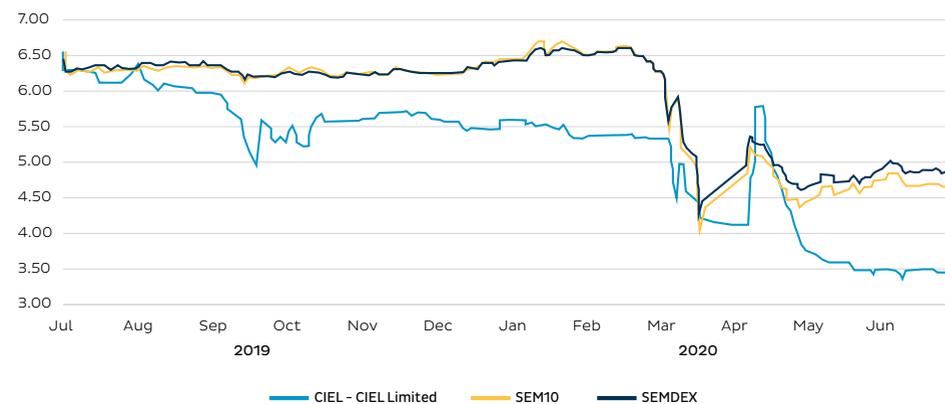
| | |
|--|---|
|  <p>Shareholders</p> | <p>The Board considers the Annual Meeting as an important corporate event and shareholders are encouraged to attend to express their views and receive feedback from Board members directly on the Group's financial performance and strategic directions. In case a shareholder cannot attend, votes can still be cast on all resolutions through completion of the proxy form/postal vote. Notices of annual meetings are sent to the shareholders within the prescribed delay imposed by law and are also published in the press.</p> <p>The annual integrated report, which includes the notice of annual meeting, may also be viewed on the Company's website.</p> <p>The Company also publishes, on a quarterly basis, a financial review document together with its unaudited abridged financial statements. This document provides a detailed review on the clusters of the Group to facilitate the understanding of the financial results. Additionally, CIEL strives to promote dialogue through analysts' meetings which are conducted twice yearly with a presentation of the financial statements being made by the Executives of the Group.</p> |
|  <p>Financial and Strategic Partners</p> | <p>Communication with financial institutions and the financial community in general usually takes place through investor meetings. The main recurring topic of discussion is financial performance. The presentation made to financial analysts is also posted on CIEL's website.</p> |
|  <p>Regulators, government and public authorities</p> | <p>CIEL's business activities are conditional on regulatory requirements meaning that regulators have a high level of influence and interest in the Company's operations. The Company ensures at all times that it complies with regulatory provisions and guidelines in the conduct of its activities.</p> |
|  <p>Employees of the Group</p> | <p>CIEL recognises that its workforce is key to its performance and development.</p> |

Shareholders' Information and Calendar of Events

| Event | Month |
|--|------------------|
| Financial year end | 30 June |
| Annual Meeting of shareholders | December |
| Declaration/payment of dividend (conditional to approval by the Board): | |
| - Interim | December/January |
| - Final | June/July |
| Publication of first quarter results | November |
| Publication of half-yearly results | February |
| Publication of third quarter results | May |
| Publication of full year results | September |

During the financial year, shareholders were convened at the annual meeting held on 20 December 2019. The notices, including the agenda, were published in the press, in line with statutory requirements, and posted on CIEL's website. The resolutions submitted to the approval of the shareholders at both meetings were approved.

Share Price Information (MUR)



This report has been approved by the Board upon recommendation of the Corporate Governance, Ethics, Nomination & Remuneration Committee.

P. Arnaud Dalais
Chairman

Catherine McIlraith
Director

Clothilde de Comarmond, ACIS
Group Company Secretary
For and on behalf of CIEL Corporate Services Ltd

13 November 2020

OTHER STATUTORY DISCLOSURES

(Section 221 of the Mauritius Companies Act 2001)

Principal Activity and History

CIEL Limited, formerly known as Deep River Investment Limited, incorporated on 31 August 1948, is a public company listed on the Official Market of the SEM since 4 February 2014. On 24 January 2014, CIEL Investment Limited was amalgamated with and into Deep River Investment Limited ("DRI"). DRI, as surviving company post Amalgamation, was renamed CIEL Limited. CIEL is also registered as a Reporting Issuer with the FSC since the promulgation of the Securities Act 2005. CIEL is an investment holding company, with investments in six distinct business sectors:

-  CIEL Agro
-  CIEL Finance
-  CIEL Healthcare
-  CIEL Hotels & Resorts
-  CIEL Properties
-  CIEL Textile

Directors' Service Contracts

The Executive Directors are remunerated by CIEL Corporate Services Ltd, a subsidiary of CIEL, with no expiry terms to their terms and conditions of their employment. The persons who held office as Directors of CIEL as at 30 June 2020 are disclosed in the corporate governance report.

Shareholding Profile

| Ownership by Size of Shareholding | Ordinary Shares | | |
|-----------------------------------|-------------------|----------------------|-----------------|
| | Shareholder Count | Number of Shares | Percentage Held |
| 1 - 500 | 960 | 181,502 | 0.0108 |
| 501 - 1,000 | 281 | 225,082 | 0.0133 |
| 1,001 - 5,000 | 652 | 1,700,203 | 0.1008 |
| 5,001 - 10,000 | 348 | 2,601,231 | 0.1542 |
| 10,001 - 50,000 | 738 | 18,431,097 | 1.0927 |
| 50,001 - 100,000 | 258 | 18,734,782 | 1.1107 |
| 100,001 - 250,000 | 280 | 45,108,648 | 2.6743 |
| 250,001 - 500,000 | 131 | 46,472,131 | 2.7551 |
| 500,001 and above | 235 | 1,553,296,826 | 92.0881 |
| Total | 3,883 | 1,686,751,502 | 100 |

| Ownership by category of shareholding | Ordinary Shares | | |
|---------------------------------------|-------------------|----------------------|-----------------|
| | Shareholder Count | Number of Shares | Percentage Held |
| Individuals | 3,442 | 565,404,261 | 33.5203 |
| Insurance and Assurance companies | 19 | 64,459,562 | 3.8215 |
| Investment and Trust companies | 72 | 259,839,139 | 15.4047 |
| Pensions and Provident funds | 76 | 160,645,021 | 9.5239 |
| Other Corporate Bodies | 274 | 636,403,519 | 37.7295 |
| Total | 3,883 | 1,686,751,502 | 100 |

The above number of shareholders is indicative due to consolidation of multi portfolios for reporting purposes.

The total number of active shareholders as at 30 June 2020 was 3,980.

Directors of Subsidiaries

Directors of subsidiaries as at 30 June 2019 are listed in Annexure A.

Retirement Benefit Obligations

The details of the total amount of provisions booked or otherwise recognised by the Company are provided in the financial statements.

Directors' Remuneration and Benefits

| | The Company | | Subsidiaries | |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2020 MUR'000 | 2019 MUR'000 | 2020 MUR'000 | 2019 MUR'000 |
| Directors of the Company | | | | |
| Executive Directors | - | - | 45,363 | 46,588 |
| Non-Executive Directors | 10,126 | 6,700 | 69,445 | 45,677 |
| Directors of Subsidiaries | | | | |
| Executive Directors | - | - | 277,350 | 271,209 |
| Non-Executive Directors | - | - | 15,175 | 9,912 |

Audit Fees as at 30 June 2020

The fees paid to the auditors for audit and other services were as follows:

| | The Company | | Subsidiaries | |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2020 MUR'000 | 2019 MUR'000 | 2020 MUR'000 | 2019 MUR'000 |
| Local External Auditors: | | | | |
| Audit Fees - PwC | 808 | 783 | 15,840 | 17,505 |
| Audit Fees | - | - | 2,599 | - |
| Other Fees | 298 | 25 | 2,264 | 6,349 |
| Foreign External Auditors: | | | | |
| Audit Fees | - | - | 13,627 | 9,718 |
| Other Fees | - | - | 1,647 | 2,598 |

The fees in respect of other services pertain mainly to review of quarterly financial statements, tax computation & compliance and group accounts consolidation.

Related Party Transactions

Transactions with related parties are disclosed in detail in the financial statements.

Contract of Significance

There were no contracts of significance subsisting during or at the end of the year in which a Director of the Company is or was materially interested, either directly or indirectly.

Share Registry & Transfer Office

CIEL's Share Registry and Transfer Office is administered by MCB Registry & Securities Ltd. If you have any queries regarding your shares, wish to change your name or address, or have questions about lost certificates, share transfers or dividends, you may contact either your Investment Dealer or the Share Registry and Transfer Office, whose contact details are as follows:

*MCB Registry & Securities Ltd
Ground Floor, Raymond Lamusse Building
9/11 Sir William Newton Street
Port Louis
Tel: +230 202 5640*

On Behalf of the Board



P. Arnaud Dalais
Chairman



Catherine McIlraith
Director

13 November 2020

STATEMENT OF COMPLIANCE

(Section 75 (3) of the Financial Reporting Act 2004)

Name of Public Interest Entity (“PIE”): CIEL Limited (“CIEL”/“the Company”)
Reporting Period: 30 June 2020

On behalf of the Board of Directors of CIEL, we confirm, to the best of our knowledge, that throughout the financial year ended 30 June 2020 and to the best of the Board’s knowledge, the Company has partially complied with the obligations of the National Code of Corporate Governance for Mauritius (2016).

The area of non-compliance, whose reasons are included in the Corporate Governance Report, is as follows, namely:

- Principle 4 – Remuneration of Directors



P. Arnaud Dalais
Chairman

13 November 2020



Catherine McIlraith
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Financial Statements in accordance with International Financial Reporting Standards ("IFRS") for each financial year, which present fairly the financial position, financial performance and cash flows of the Group and the Company.

The Directors confirm that, in preparing the Financial Statements, they have to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State that IFRS have been adhered to, subject to any material departures being disclosed and explained in the Financial Statements.
- Prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business.
- Ensure application of the Code of Corporate Governance ("Code") and provide reasons in case of non-application with the Code.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and Company to enable them to ensure that the Financial Statements comply with the Mauritius Companies Act 2001, IFRS and the Financial Reporting Act 2004.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors hereby confirm that they have complied with the above requirements.

Approved by the Board of Directors on 13 November 2020.

On Behalf of the Board



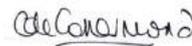
P. Arnaud Dalais
Chairman



Catherine McIlraith
Director

CERTIFICATE FROM THE COMPANY SECRETARY

In our capacity as Company Secretary of CIEL Limited ("the Company"), we hereby confirm that, to the best of our knowledge and belief, the Company has lodged with the Registrar of Companies as at 30 June 2020, all such returns as are required for a company in terms of the Mauritius Companies Act 2001, and that such returns are true, correct and up to date.



Clothilde de Comarmond, ACIS
Per CIEL Corporate Services Ltd
Group Company Secretary

13 November 2020

