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Compliance with the National Code of Corporate Governance for Mauritius (2016)

To the best of the Board's knowledge, the Group has adhered, during the year under review, to the requirements and provisions as specified in the National Code of Corporate Governance for Mauritius (2016) (the 'Code') and has explained how these have been applied.

Disclosures pertaining to the eight principles of the Code have been made in different sections of the Annual Report, as outlined below.

Principles of the Code	Relevant sections of the Annual Report
Principle 1: Governance Structure	<ul style="list-style-type: none"> • Our corporate profile¹ • Corporate governance report
Principle 2: The Structure of the Board and its Committees	<ul style="list-style-type: none"> • Corporate governance report
Principle 3: Director Appointment Procedures	<ul style="list-style-type: none"> • Corporate governance report
Principle 4: Director Duties, Remuneration and Performance	<ul style="list-style-type: none"> • Corporate governance report
Principle 5: Risk Governance and Internal Control	<ul style="list-style-type: none"> • Corporate governance report • Risk and capital management report²
Principle 6: Reporting with Integrity	<ul style="list-style-type: none"> • Corporate governance report • Delivering on our strategic objectives³ • Group financial performance⁴ • Sustainability Report⁵
Principle 7: Audit	<ul style="list-style-type: none"> • Corporate governance report • Risk and capital management report²
Principle 8: Relations with Shareholders and Other Key Stakeholders	<ul style="list-style-type: none"> • Corporate governance report • Delivering on our strategic objectives³ • Sustainability Report⁵

Notes:

¹ 'Our corporate profile' can be found on pages 19 to 27

² 'Risk and capital management report' can be found on pages 155 to 201

³ 'Delivering on our strategic objectives' includes information on our environmental and social performances and can be found on pages 34 to 87

⁴ 'Group financial performance' provides an assessment of the Group's results and can be found on pages 89 to 96

⁵ 'Sustainability Report' provides an overview of the Group's corporate sustainability initiatives and its engagement with various stakeholders and is available on our website

Our philosophy

The Board of MCB Group Ltd is committed to applying high standards of corporate governance with a view to upholding the organisation's long-term business sustainability and creating value for all its stakeholders, whilst acting for the good of society. The Board provides purpose-driven and ethical leadership by setting the tone from the top in the way that it conducts itself and oversees the operation and management of the Company and of its subsidiaries. It ensures that good governance principles are adopted throughout the organisation, with the aim to maintain ethical and responsible behaviour by all employees in their dealings with stakeholders. Principles of accountability, strong risk management, transparency, and integrity are thus inherent to the Group's values, culture, processes and operating structures. The Group's governance framework is also guided by major developments arising in the dynamic market place, whose implications are constantly assessed by the Board, and which, during the year, pertained to the ongoing macroeconomic uncertainty, increased competition and regulatory requirements, heightened prominence of ESG considerations, cyber threats and digital disruption, as well as workplace transformations and employee expectations. MCB Group's strong performance in the 'Corporate Governance Scorecard Assessment' exercise of listed companies conducted by the National Committee on Corporate Governance (NCCG) in 2022 is a testimony to the purposeful commitment to the application of the principles set out in the Code. The Group's Corporate Governance Framework is anchored on the four pillars highlighted hereunder.



Strong commitment to ethics and values

- Dedicated Board committee overseeing ethical conduct and sustainability matters across the Group
- Application of the Group's 'Code of Ethics', approved and monitored by the Board
- Whistleblowing Policy allowing employees to report matters of concern in strict confidentiality
- Establishment of a Gender Equality Charter



Strict compliance to rules and regulations

- Adherence by Group entities to the provisions of legislations, rules and regulations in countries where they operate
- Compliance with the National Code of Corporate Governance for Mauritius (2016)
- Compliance with international reporting standards as applicable
- Adoption of the underlying Basel principles by banking subsidiaries



Robust risk governance and internal control

- Ring-fencing of activities, as gauged by the segregation of banking and non-banking operations
- Board responsible for the oversight and monitoring of risk profile against risk appetite
- Strong and transparent governance framework, based on the 'three lines of defence' model
- Provision of independent assurance by both internal and external auditors



Continuous multi-stakeholder engagement

- Ongoing dialogue with the investment community, regulatory bodies and authorities
- Contribution to economic development and resilience by providing adapted financial solutions and support to our customers
- Safeguard of cultural and environmental heritage
- Promotion of community well-being and fostering of staff development and welfare

Governance structure

Governance framework

MCB Group Ltd is led by a committed and unitary Board, which has the collective responsibility for leadership, oversight and long-term success of the organisation. The Group operates within a clearly defined governance framework, which enables delegation of authority and clear lines of responsibility, while allowing the Board to retain effective control. The Board is supported by five committees, each mandated to provide counsel, recommendations and specific expert guidance on matters affecting the Group's activities. Acting on the direction set by the Board, Management Executives are entrusted with the operational management of the business, with their performance and effectiveness closely monitored against set objectives and policies. The fundamental relationships among the Board, Board committees and Management Executives as well as their main roles are illustrated in the following diagram.

Role of the Board

The Board provides effective leadership in the formulation and delivery of the Group's strategy within a framework of robust risk management and internal controls, alongside ensuring adherence by the Company and its subsidiaries to relevant legislations, policies and norms, including sustainability principles.



Board of Directors

Role of the Board committees

Board committees facilitate the discharge of the Board's responsibilities and provide in-depth focus in specific areas. In fulfilling their role of providing oversight and guidance, the Chairperson of Board committees escalates all significant matters affecting the Group to the Board.



 [More information on Board and Committee Charters is available on the website](#)

The roles and responsibilities of the Chairperson, executive and non-executive directors as well as the Company Secretary are clearly defined in the Board Charter and Position Statements, which have been approved and are regularly reviewed by the Board. The role of the Chairperson is distinct and separate from that of the Group Chief Executive. There is a clear division of responsibilities with the Chairperson leading the Board and the Group Chief Executive managing the Group's business on a day-to-day basis. The Board ascertains that the external obligations of the non-executive directors do not hinder them in the discharge of their duties and responsibilities. In this respect, it is worth noting that the external commitments of the Chairperson did not change during the financial year under review. The main roles and responsibilities of the Chairperson, Group Chief Executive and directors are described hereafter.

Key roles and responsibilities

Chairperson	Group Chief Executive	Directors
<ul style="list-style-type: none"> • Provides overall leadership to the Board • Ensures that the Board is effective in its duties of setting out and overseeing the implementation of the Group's strategy, alongside exercising oversight of the Group's ethics performance • Ensures that committees are properly structured with appropriate terms of reference • Presides and conducts meetings effectively • Advises and provides support and supervision to the Group Chief Executive • Ensures that directors receive accurate, timely and clear information • Ensures that the development needs of the directors are identified and that appropriate training is provided with a view to continuously updating their skills and knowledge • Oversees the succession planning process at Board and senior executive level • Maintains sound relations with stakeholders 	<ul style="list-style-type: none"> • Manages the day-to-day operations • Develops and executes the plans and strategy of the business, in line with the policies set by the Board • Consults regularly the Chairperson and Board on matters which may have a material impact on the Group • Acts as a liaison between Management and the Board • Provides leadership and direction to Senior Management • Builds, protects and enhances the Group's brand value • Ensures that the Group's corporate culture and values are embraced throughout the organisation • Ensures the Group has implemented the necessary frameworks and structures to identify, assess and mitigate risks • Ensures the maintenance of a sound internal control system 	<ul style="list-style-type: none"> • Contribute to the development of the Group's strategy • Analyse and monitor the performance of Management Executives against the set objectives • Ensure that the Group has adequate and proper internal controls as well as a robust system of risk management • Ensure that financial information released to markets and shareholders is accurate • Participate actively in Board decision-making and constructively challenge, if necessary, proposals presented by Management Executives • Provide specialist knowledge and experience to the Board • Remain permanently bound by fiduciary duties which include duties of loyalty, care and disclosure

Company Secretary

- Ensures compliance with all relevant statutory and regulatory requirements
- Develops and circulates the agenda for Board meetings
- Ensures good information flows and provides practical support to directors
- Facilitates induction of directors and provides guidance to them in terms of their roles and responsibilities
- Assists the Chairperson in governance processes such as Board and Committee evaluation
- Ensures effective communication with shareholders and guarantees that shareholders' interests are duly taken care of

 *More information on the above key roles is available in the Board Charter on the website*

Constitution of MCB Group Limited

The Constitution of MCB Group Ltd conforms to the provisions of the Mauritius Companies Act 2001 and the Listing Rules of the Stock Exchange of Mauritius Ltd. There are no clauses of the Constitution deemed material enough for specific disclosure. A copy of the Constitution is available on the website.

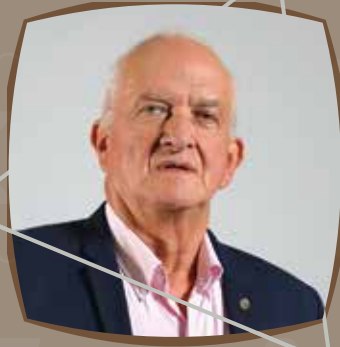
The Board



From left to right:

Karuna Bhoojedhur-Obeegadoo,
Constantine Chikosi,
Georges Michael David Lising,
Cédric Jeannot, Alain Rey,
San T Singaravelloo, Didier Harel,
Jean Michel Ng Tseung,
Jean-Philippe Coulier,
Jayananda Nirsimloo,
Stephen Davidson and Gilbert Gnany





Didier HAREL

Chairperson
Independent Non-Executive Director
(8 years on the Board)



Jean Michel NG TSEUNG

Group Chief Executive – MCB Group Ltd
Executive Director
(7 years on the Board)



Gilbert GNANY

Chief Strategy Officer – MCB Group Ltd
Executive Director
(9 years on the Board)

Changes during the year

Joined the Board

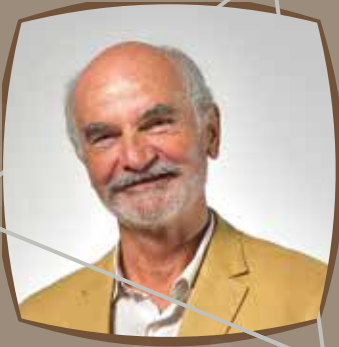
- Jayananda NIRSIMLOO (as from November 2022)
- Cédric JEANNOT (as from June 2023)

Re-elected during the Annual Meeting of Shareholders held in November 2022

- Constantine CHIKOSI
- Jean-Philippe COULIER
- Gilbert GNANY
- Didier HAREL
- Jean Michel NG TSEUNG

Left the Board

- Jean Jacques DUPONT DE RIVALZ DE ST ANTOINE
- Pierre Guy NOEL



**Jean-Philippe
COULIER**

Independent Non-Executive Director
(3 years on the Board)



**Karuna
BHOJEDHUR-OBEEGADOO**

Independent Non-Executive Director
(8 years on the Board)



**Constantine
CHIKOSI**

Independent Non-Executive Director
(4 years on the Board)



**Georges Michael
David LISING**

Independent Non-Executive Director
(5 years on the Board)



**Stephen
DAVIDSON**

Independent Non-Executive Director
(3 years on the Board)



**Alain
REY**

Independent Non-Executive Director
(8 years on the Board)



**San T
SINGARAVELLO**

Independent Non-Executive Director
(5 years on the Board)



**Jayananda
NIRSIMLOO**

Independent Non-Executive Director
(<1 year on the Board)



**Cédric
JEANNOT**

Independent Non-Executive Director
(<1 year on the Board)

Directors' profiles

The Board comprises 12 directors who have a proven track record in various fields. The names of the directors who held office at the end of the financial year, together with details of their position, qualifications, experience and directorships in other listed companies in Mauritius (where applicable) are set out hereafter. Unless otherwise stated in their respective profile, directors reside in Mauritius.

KEY

AC	Audit Committee
RCGESC	Remuneration, Corporate Governance, Ethics & Sustainability Committee
RMC	Risk Monitoring Committee
SC	Strategy Committee
SMC	Supervisory & Monitoring Committee
c	Committee Chair
M	Committee Member



Didier HAREL

Age 71



POSITION:

Chairperson, Independent Non-Executive Director

Non-Executive Director since November 2015 and Chairperson as from September 2016. Didier is the Chairperson of the Remuneration, Corporate Governance, Ethics & Sustainability Committee, Strategy Committee and Supervisory & Monitoring Committee and is a member of the Risk Monitoring Committee. He is also a member of the Group's Corporate Sustainability Committee (a sub-committee of the Remuneration, Corporate Governance, Ethics & Sustainability Committee) and Technology and Innovation Committee (a sub-committee of the Strategy Committee).

QUALIFICATIONS:

BSc in Chemical Engineering and Chemical Technology (UK) and MBA (INSEAD – France)

SKILLS AND EXPERIENCE:

Didier has a track record of over forty years in the downstream sector of the oil industry, having worked for the EXXON and TOTAL Groups. He started his career with Esso in Mauritius in 1974 and was appointed as Managing Director of Esso Réunion in 1982. He was then transferred to the Esso Europe-Africa Services Headquarters in London to head the Supply & International Sales Division from 1985 to 1988. He joined the TOTAL Group in 1988 where he was entrusted several international assignments, initially as Managing Director of TOTAL in Zambia and in Zimbabwe and subsequently, as Managing Director and Chief Executive Officer of major TOTAL Refining & Marketing subsidiaries in South Africa and in the United Kingdom. He also shouldered an array of senior executive positions in the marketing and logistics arena at TOTAL's Africa and Middle East Head Office in Paris and within TOTAL France, the home-based marketing and distribution company of the group. He was seconded in 2012 by TOTAL S.A as Chairperson and CEO of Société Anonyme de Gestion des Stocks Stratégiques, the national oil compulsory stock obligation entity for France.

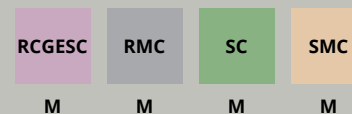
DIRECTORSHIP IN OTHER LISTED COMPANIES:

Terra Mauricia Ltd



Jean Michel NG TSEUNG

Age 55



POSITION:

Group Chief Executive and Executive Director

Executive Director as from September 2021 after having been a Non-Executive Director since November 2016. Jean Michel is a member of the Remuneration, Corporate Governance, Ethics & Sustainability Committee, Strategy Committee, Supervisory & Monitoring Committee and Risk Monitoring Committee. Moreover, he is a member of the Group's Corporate Sustainability Committee (a sub-committee of the Remuneration, Corporate Governance, Ethics & Sustainability Committee) and Technology and Innovation Committee (a sub-committee of the Strategy Committee).

QUALIFICATIONS:

BSc (Honours) in Mathematics and Chartered Accountant (UK)

SKILLS AND EXPERIENCE:

Jean Michel joined MCB Ltd in January 2004 and was Head of Corporate Banking of the Bank until July 2015, when he was appointed Chief Executive Officer of MCB Investment Holding Ltd. He trained as a Chartered Accountant with Arthur Andersen in London before becoming Partner and Head of the Audit and Business Advisory Department of De Chazal Du Mée and subsequently of Ernst & Young in Mauritius. He is currently a Board member of several companies within the Group namely MCB Investment Holding Ltd, Banque Française Commerciale Océan Indien, The Mauritius Commercial Bank Limited, MCB Seychelles Ltd, MCB Maldives Private Ltd, MCB Madagascar SA, MCB Capital Markets Ltd and MCB Equity Fund Ltd, amongst others. Moreover, he sits on the Risk Monitoring Committee of MCB Ltd. Effective 1 March 2023, he is the Chief Executive of MCB Group Ltd.

DIRECTORSHIP IN OTHER LISTED COMPANIES:

Compagnie Des Villages De Vacances De L'Isle De France Limitée (COVIFRA)

**Gilbert GNANY**

Age 61

**POSITION:***Chief Strategy Officer and Executive Director*

Executive Director since April 2014. Gilbert is a member of the Risk Monitoring Committee as well as the Strategy and the Supervisory & Monitoring Committees, on which he also acts as Secretary.

QUALIFICATIONS:

'Licence ès Sciences Economiques (Economie Mathématique)', 'Maîtrise en Econométrie' and 'DESS en Méthodes Scientifiques de Gestion et Calcul Economique Approfondi' (France)

SKILLS AND EXPERIENCE:

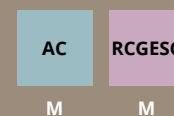
Gilbert previously worked as Senior Advisor on the World Bank Group's Executive Board where he was responsible for issues relating mainly to the International Finance Corporation and the private and financial sectors. Prior to joining the World Bank, he was the MCB Group Chief Economist and Group Head of Strategy, Research & Development after having been the Economic Advisor to the Minister of Finance in Mauritius. During his career, he has been involved in various high-profile boards and committees. He chaired, amongst others, the Stock Exchange of Mauritius Ltd, the Statistics Advisory Council and the Statistics Board of Mauritius as well as having been a member of the Board of Governors of the Mauritius Offshore Business Activities Authority, a director of the Board of Investment and of the Mauritius Sugar Authority. He was also a member of the IMF Advisory Group for sub-Saharan Africa (IMF-AGSA) and a member of the Senate of the University of Mauritius. He is currently a Board member/Chairperson of several subsidiaries within the Group. On the institutional side, he is an external IMF expert in statistics, in particular, on data dissemination standards and strategy. Moreover, he is a member of the Financial Services Consultative Council. He also acts as Chairperson of the Economic Commission of Business Mauritius which serves, *inter alia*, as a platform for public-private sector dialogue.

DIRECTORSHIPS IN OTHER LISTED COMPANIES:

Promotion and Development Ltd; Caudan Development Ltd; Compagnie Des Villages De Vacances De L'Isle De France Limitée (COVIFRA); Medine Ltd

**Karuna****BHOOJEDHUR-OBEEGADOO**

Age 62

**POSITION:***Independent Non-Executive Director*

Non-Executive Director since November 2015. Karuna is a member of the Audit Committee and Remuneration, Corporate Governance, Ethics & Sustainability Committee.

QUALIFICATIONS:

BSc (Honours) in Actuarial Science and Fellow of the Institute and Faculty of Actuaries (UK)

SKILLS AND EXPERIENCE:

Karuna started her career at the M&G Reinsurance Company in London (now Swiss Re) in 1985. She joined the State Insurance Company of Mauritius Ltd (SICOM) as Actuary and Manager of the Life, Pensions and Actuarial departments in 1990 when she was also appointed Actuarial Advisor to the National Pensions Fund and member of its Investment Committee. She has been the Chief Executive of the SICOM Group from 1996 to 2017 and is currently the Chairperson thereof. She is also a Board member of several companies within the SICOM Group, acting either as chairperson or director. In the past, she has served as Director on the board of several companies, including State Bank of Mauritius Ltd, National Mutual Fund Ltd, First Republic Fund Ltd, Cyber Properties Investment Ltd, Mauritius Housing Company Ltd, National Housing Development Company Ltd, China Index Fund Ltd and China Actis Ltd. She was also a Founding Member of the National Committee on Corporate Governance and of the Board of Investment. She is currently the Chairperson of MCB Equity Fund Ltd, a subsidiary of MCB Group Limited.



Constantine CHIKOSI

Age 68

RMC

M

POSITION:

Independent Non-Executive Director

Non-Executive Director since November 2019. Constantine is a member of the Risk Monitoring Committee.

QUALIFICATIONS:

LLB, MSc in Economics and Chartered Management Accountant (UK)

SKILLS AND EXPERIENCE:

In a career spanning over 19 years with the World Bank Group, Constantine has held various operational, strategy and management roles, delivering development solutions for the bank's client countries through analytical work and high level policy dialogue with governments while advising the board on internal corporate strategy and forward-looking initiatives. He oversaw a threefold growth of the World Bank's investment portfolio in South East Asia and a forty percent improvement in its performance as Chairperson of committees that shaped the bank's operational strategy and investment portfolios in Cambodia, Laos, Malaysia, Myanmar and Thailand. Constantine led the opening of the World Bank Office in Mauritius where he assisted the Government in developing policy responses to the 2008 global financial crisis and streamlining the country's business regulation to reduce the cost of regulatory compliance. Prior to joining the World Bank, Constantine worked as Business Development Executive for a global mining company and as Company Secretary for a conglomerate listed on the Johannesburg Stock Exchange. He currently sits on the Board of Old Mutual Ltd and also acts as Chairperson on its Risk and Compliance Committee. Moreover, he is the Chairperson of Africa Sun Ltd, a hospitality management company in Zimbabwe.

Non-Resident



Jean-Philippe COULIER

Age 74

RMC

C

POSITION:

Independent Non-Executive Director

Non-Executive Director since December 2020. Jean-Philippe is the Chairperson of the Risk Monitoring Committee.

QUALIFICATIONS:

'Diplôme d'Études Supérieures en Droit' and 'Diplôme de l'Institut d'Études Politiques de Paris' (France)

SKILLS AND EXPERIENCE:

During his career, Jean-Philippe has accumulated extensive experience in the banking sector, having worked for the Société Générale Group for some 40 years. Over this period, he has assumed a range of high-level responsibilities within the group, acting as Director, Chief Operating Officer and Chief Executive Officer in its various offices based worldwide. Before his retirement from Société Générale in early 2013, he was the Vice Chairperson and Managing Director of the National Société Générale Bank in Cairo, Egypt. He was a Board member of MCB Ltd from 2012 to 2018 and was appointed Chairperson thereof for the last 4 years of his tenure. He is currently a Board member in several companies within the Group namely MCB Microfinance Ltd, Fincorp Investment Limited and MCB Factors Ltd on which he acts as Chairperson.

DIRECTORSHIPS IN OTHER LISTED COMPANIES:

Promotion and Development Ltd (Chairperson); Caudan Development Ltd (Chairperson); Constance Hotel Services Ltd; Fincorp Investment Limited

**Stephen DAVIDSON**

Age 68

AC

RCGESC

M

M

POSITION:*Independent Non-Executive Director*

Non-Executive Director since December 2020. Stephen is a member of the Audit Committee and Remuneration, Corporate Governance, Ethics & Sustainability Committee.

QUALIFICATIONS:

MA in Mathematics and Statistics (Scotland)

SKILLS AND EXPERIENCE:

Stephen pursued an executive career in investment banking and in the technology, media and telecommunications (TMT) sector in the UK and in the USA. He held investment banking roles in Rothschild & Co, Chemical Bank (now JP Morgan) and WestLB Panmure, a British corporate and institutional investment bank. He was the Chief Financial Officer before being appointed as Chief Executive Officer of Telewest plc, a cable & broadband internet, telephone carrier & cable television provider, listed on the London Stock Exchange (LSE). He has had an extensive and rich non-executive career over the last 20 years, sitting on 23 Boards, of which 16 were listed companies, including 2 FTSE 100 listed companies and he held multiple chairmanships of nomination and remuneration, audit and corporate governance committees thereon. He is currently the Chairperson of PRS for Music Ltd, a British music copyright collective, undertaking collective rights management for musical works, and a non-executive director of Datatec Ltd (listed on the Johannesburg Stock Exchange). He has been appointed recently as Chairperson of Calnex Solutions plc, a UK-based company, which designs, produces and markets test and measurement instrumentation and solutions for the telecoms and cloud computing industries.

Non-Resident

**Cédric JEANNOT**

Age 38

SC

M

POSITION:*Independent Non-Executive Director*

Non-Executive Director since June 2023. Cédric is a member of the Strategy Committee. He is also the Chairperson of the Group's newly created Technology and Innovation Committee (a sub-committee of the Strategy Committee).

QUALIFICATIONS:

PhD in Computer Science (USA)

SKILLS AND EXPERIENCE:

Dr Jeannot is the co-founder and CEO of Be Mobile Africa, a neobank which focuses on the unbanked and underbanked in Africa. The company covers over 30 markets and 22 currencies. It is known for operating one of the largest blockchain-based payment systems as well as having one of the most competitive savings accounts. Be Mobile Africa became a Harvard Business School Case Study and its story is also taught to the MBA class at MIT Sloan School of Management. He is also the co-founder of Be Financial Group, a Hong Kong based investment holding firm focused on emerging markets, and was a 'Growth Coach' at one of Canada's largest tech incubators, Communitech, where he mentored start-up founders for several years. Prior to founding Be Financial Group, he was the co-founder and CEO of APrivacy, an award-winning FinTech digital security company, which provided encryption and privacy software to the banking industry. The company's revolutionary technology enabled banks to use consumer apps like Dropbox, WhatsApp and WeChat for banking purposes, while having all the security and compliance required by the financial industry. He was named as one of 16 Most Promising Entrepreneurs in Asia-Pacific by Ernst and Young and served as a Canadian delegate to the G20 Young Entrepreneur Summit for several years. Dr. Jeannot is a frequent speaker at digital conferences worldwide on the topics of FinTech, Trade, Digital security, Crypto, Impact investing and Poverty alleviation and has been quoted in a number of global press publications.

Non-Resident



Georges Michael David LISING

Age 51

SC

M

POSITION:

Independent Non-Executive Director

Non-Executive Director since November 2018. Michael is a member of the Strategy Committee.

QUALIFICATIONS:

BSc (Honours) in Accounting and Financial Analysis and Chartered Accountant (UK)

SKILLS AND EXPERIENCE:

Michael has a long experience in the retail industry. He currently heads the Lising Group and occupies the position of Managing Director. Prior to joining the Lising Group, Michael has worked for Ernst & Young (UK) and De Chazal Du Mée & Co. (Mauritius) where he was responsible for various consultancy projects and conducted assignments for the World Bank in Rwanda, Tanzania, Madagascar and Burkina Faso. He previously sat on the Council of the University of Mauritius and was a member of the Executive Committee of Young Presidents Organisation. He is also a director of MCB Factors Ltd, a subsidiary of MCB Group Ltd.



Jayananda NIRSIMLOO

Age 67

RCGESC

SC

M

M

POSITION:

Independent Non-Executive Director

Non-Executive Director since November 2022. Jayananda is a member of the Strategy Committee and Remuneration, Corporate Governance, Ethics & Sustainability Committee. He is also the Chairperson of the Group's Corporate Sustainability Committee (a sub-committee of the Remuneration, Corporate Governance, Ethics & Sustainability Committee).

QUALIFICATIONS:

Fellow Chartered Accountant (UK) and honorary 'Commissaire aux comptes' (France)

SKILLS AND EXPERIENCE:

Jayananda worked for several years in London before joining KPMG France in 1983 where he has assumed a wide-range of high-level responsibilities. Amongst others, he founded and headed the Transaction Services and Consulting functions for ten years and was thereafter promoted Chief Operating Officer and appointed as a Board member of KPMG Europe/Middle-East and Africa in 2005. He was elected Chief Executive Officer of KPMG France and Board member of KPMG's Global Board in 2013. During his stint at KPMG and until 2021, he served a global client base in France, Europe, Africa and the Americas. He is currently engaged in advisory services covering the management of ESG and sustainability issues, and assist chief executives of selected medium-sized companies including family businesses and scaled-up enterprises in taking strategic decisions and help board members to resolve governance issues.

Non-Resident

**Alain REY**

Age 64

SC

M

POSITION:*Independent Non-Executive Director*

Non-Executive Director since November 2015. Alain is a member of the Strategy Committee.

QUALIFICATIONS:

BSc (Honours) in Economics and Chartered Accountant (UK)

SKILLS AND EXPERIENCE:

Alain has acquired wide financial experience, having been Manager at Citibank NA (Paris) and Regional Corporate Manager at Barclays Plc in Mauritius. He also has a long experience in the textile industry and was namely Financial Director at Corotex, General Manager at Shape Fabrics Ltd and has served as Senior Vice President and Chief Financial Officer at Novel Denim Holdings Ltd, a NASDAQ listed company. He has also been the Chief Executive Officer at Compagnie de Mont Choisy Ltée, a company involved in agricultural and property development activities. He was previously a director of AfrAsia Bank Ltd, State Bank of Mauritius Ltd and SBM Holdings Ltd.

DIRECTORSHIPS IN OTHER LISTED COMPANIES:

Terra Mauricia Ltd; New Mauritius Hotels Ltd

**San T SINGARAVELLOO**

Age 50

AC

c

POSITION:*Independent Non-Executive Director*

Non-Executive Director since November 2018. San the is Chairperson of the Audit Committee.

QUALIFICATIONS:

BSc in Economics and Statistics (South Africa), BSc (Honours) Operation Research (South Africa), LLM International Business Law (France) and Fellow of the Institute of Faculty of Actuaries (UK)

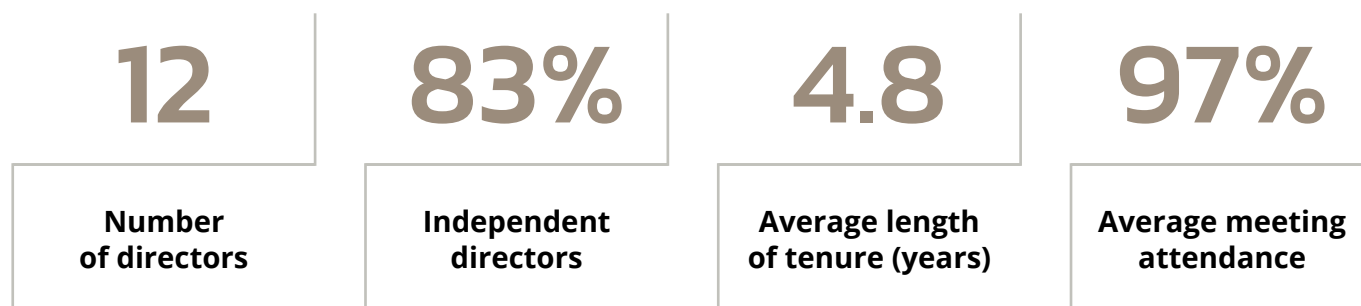
SKILLS AND EXPERIENCE:

San is a qualified actuary with over 24 years of experience across the sub-Saharan Africa region, the UK and the Netherlands. Her experience spans an array of disciplines in the insurance and pension fields with particular focus on the African markets. She has worked for various regional and international companies including Old Mutual (Cape Town), and PwC (London and Amsterdam). She currently heads the Global Benefits Solutions for Aon in sub-Saharan Africa. She is a director on Happy World Property Ltd.

Mandate of the Board

The Board defines the Group's purpose, strategy and values and determines all matters relating to the directions, policies, practices, management and operations of the Company and all of its subsidiaries locally and abroad. The Board thereafter ensures that the Group is managed in accordance with its directions and delegations.

Key facts (FY 2022/23)



Responsibilities

The methods through which the Board exercises its powers and discharges its responsibilities are set out in the Board Charter of MCB Group Ltd, which provides, *inter alia*, for the following:

- the composition of the Board with an appropriate balance of executive, non-executive and independent directors;
- the Chairperson of the Board who may be an independent non-executive director;
- the setting-up of Board committees;
- the approval of strategic objectives, policies and corporate culture and values as well as their communication throughout the organisation;
- the monitoring of Management Executives in respect of the implementation of Board plans and strategies, and compliance with set policies;
- the existence of clear lines of responsibility and accountability throughout the organisation and compliance with all relevant laws, regulations and codes of business practice;
- a formal and transparent directors' remuneration policy;
- the oversight of the Group's ethics performance;
- the adherence to the highest standards of project governance, for the Board to receive accurate, timely and clear information regarding key projects being implemented;
- the review of procedures and practices to ensure soundness and effectiveness of the Group's internal control systems;
- the establishment of a robust Enterprise Risk Management system, with a view to ensuring that key risks across each Group entity are effectively addressed and that risk discussions are duly elevated to Board level;
- the setting of principal guidelines and policies in respect of risk management and conduct of business for the Company; and
- the provision of timely and accurate information to shareholders, relevant authorities and the public.

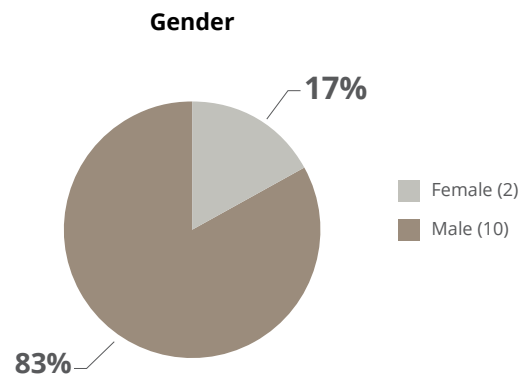
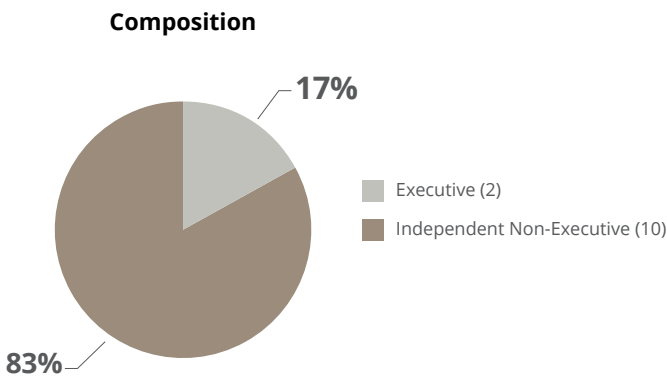
Approval of the Board is required for, amongst other important matters, modifying the Company's Constitution, issuing fresh capital or buying back its own shares, declaring dividends, acquiring or divesting sizeable stakes in subsidiaries or associates, appointing senior officers, and establishing the remuneration of executive and non-executive directors and chief executives.

Composition and meetings

Composition

As per the Board Charter, the Board shall consist of a minimum of five and a maximum of twelve directors, with at least two executive directors and two independent directors. The Chairperson of the Board may be independent. The Board, assisted by the Remuneration, Corporate Governance, Ethics and Sustainability Committee (RCGESC), regularly reviews its size and composition, including the independence status of the non-executive directors, in line with applicable laws and regulations.

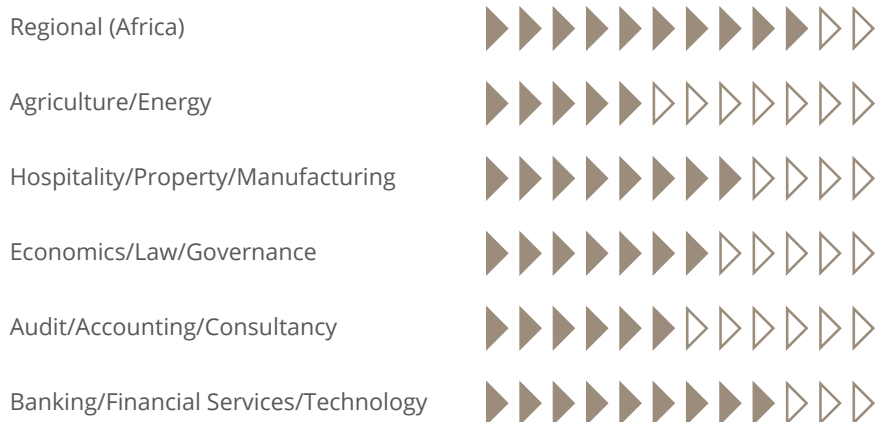
As at 30 June 2023, the Board consisted of 12 members, with a diverse mix of skills, knowledge and experience. In addition, the Board also considers gender diversity and aims to increase female representation, which currently stands at 17%, to at least 25% in line with the Mauritius Companies Act 2001. The average age of Board members stood at around 61 years. The Board composition for the year under review is shown hereafter.



Length of tenure

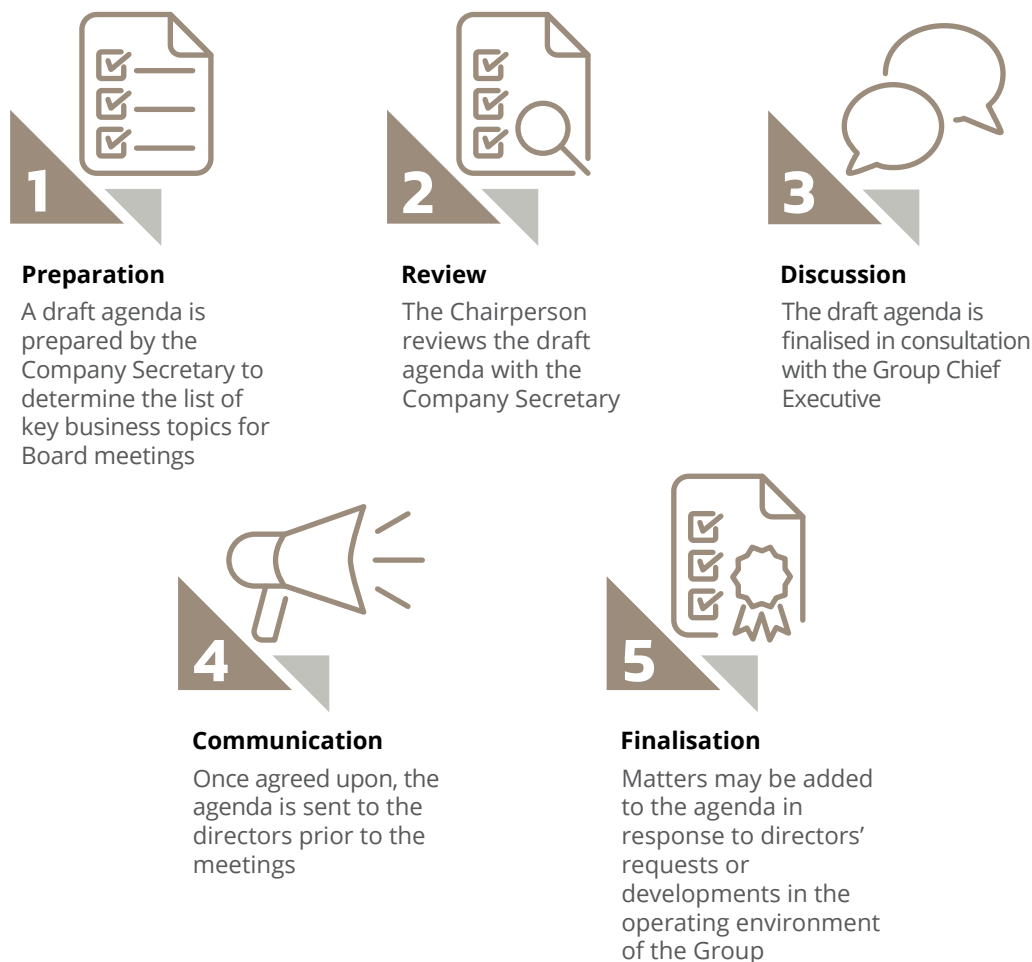


Mix of skills and experience



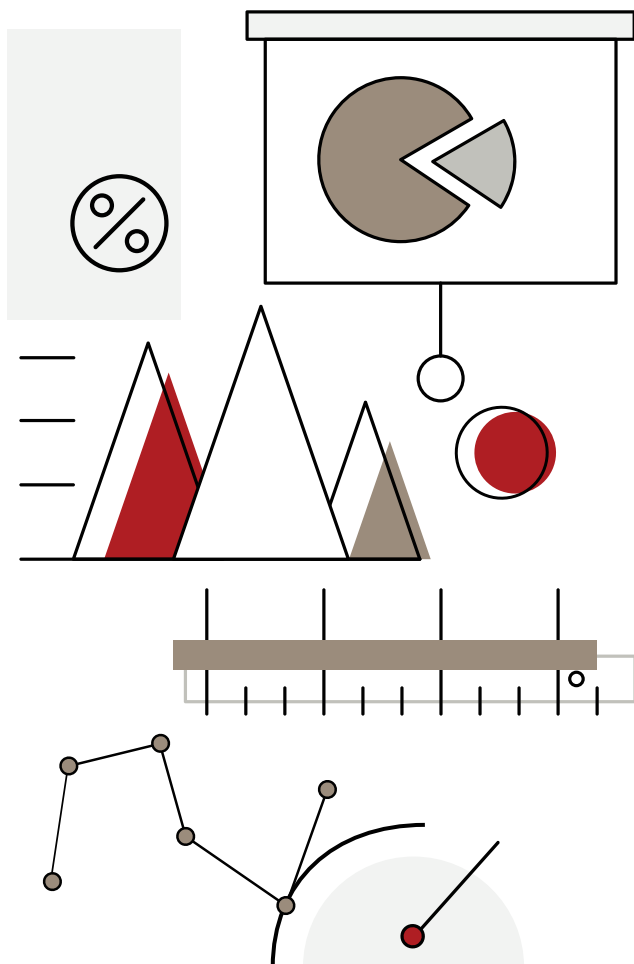
Meetings

The Board determines the frequency of Board meetings in such a way as to ensure that it can focus on and deal with important matters in a timely and efficient manner. In this respect, the Board Charter requires that meetings be conducted at least on a quarterly basis. Although Board meetings follow an annually scheduled calendar and a provisional agenda of items for discussion, the latter remains sufficiently flexible to include new topics while additional meetings are also called upon to effectively respond to new business needs. In general, meetings are convened so that directors are able to attend and participate in person. In case personal attendance by a director is not possible, the latter can still join the meeting by video conference. To help directors prepare effectively for meetings, relevant documents are provided sufficiently in advance to ensure they have enough time to digest the information for productive discussions during meetings. All materials for Board meetings are uploaded onto a secure portal, which can be easily accessed by directors. Of note, members of the Management team and/or external advisors are sometimes invited to attend meetings to discuss topical issues identified by the Board. The Chairperson presides over the Board meetings to ensure their smooth functioning and promotes open discussions and debates with the objective of maximising participation and, as a result, upholding the quality of decision-making. The Company Secretary attends Board meetings and prepares minutes to record deliberations and decisions taken during meetings. The agenda-setting process is described in the diagram hereafter.



Board focus areas

A summary of the main undertakings of the Board during the financial year is provided hereafter.



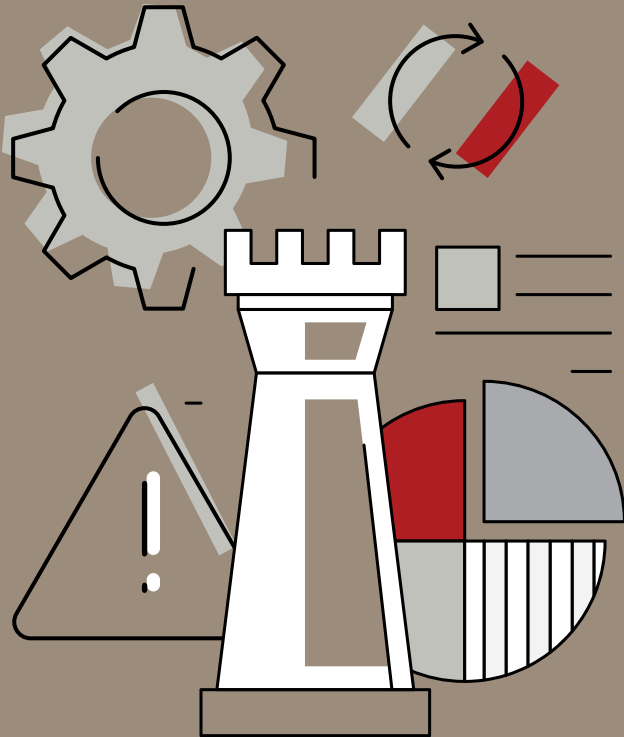
Strategy and Performance

- Discussed the major developments in the operating context as well as their impact on the Mauritian economy and Group activities
- Reviewed and endorsed the strategic orientations and budget plans of all the banking and non-banking subsidiaries of the Group
- Examined the progress made on the growth pillars of MCB Group and MCB Ltd
- Updated on the Group's sustainable finance strategy and related governance framework
- Appraised the progress made on the Digital Transformation Programme
- Monitored the progress on the HR Transformation Programme including the 'Career Architecture' and 'Successful Together' projects
- Appraised of the progress made on the strategic initiatives being implemented in the Global & International Corporates BU and the Payments SBU
- Discussed in-depth the results of the 'Great Place to Work' – Trust Index survey

Financial

- Assessed and monitored the Group's financial performance against budget
- Discussed the Group's capital and debt raising initiatives
- Approved the issuance of Unsecured Floating Rate Notes amounting to MUR 2.5 billion under the existing Multi-Currency Note Programme
- Reviewed and approved the dividend payout proposal, scrip dividend scheme and the conversion of preference shares
- Approved the financial budget



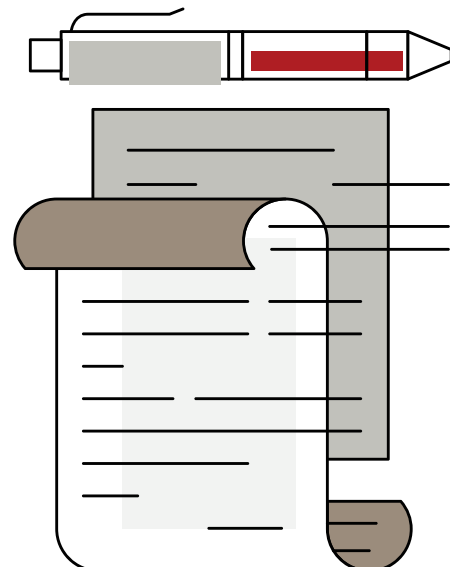


Governance and Risk

- Reviewed and validated the structure, size and composition of the Board and Board committees
- Approved, upon the recommendation of the RCGESC, the appointments of Mr Jayananda Nirsimloo and Mr Cédric Jeannot as new Board member
- Validated the retirement of Mr Pierre Guy Noël and confirmed the appointment of Mr Jean Michel Ng Tseung as Group Chief Executive
- Reviewed the Board and Committee Charters and other constitutive documents
- Monitored the implementation of the Board evaluation action plan
- Approved the Board Committee self-evaluation assessment
- Validated the setting-up of a steering committee for the remuneration strategy of Group Executives upon the recommendation of the RCGESC
- Reviewed the Risk Heat Map of the Group
- Appraised the findings of the Cybersecurity Maturity Assessment of MCB Ltd
- Discussed the results of the National Committee on Corporate Governance Scorecard assessment
- Approved the directors' development training programme

Recurrent Agenda Items

- Approved the minutes of proceedings
- Reviewed reports from the Chairpersons of Board committees
- Reviewed and approved the Group's consolidated financial statements on a quarterly basis
- Validated communiqués and announcements as required by relevant rules and regulations
- Approved the issue of share options under the Group Employee Share Option Scheme
- Debriefed the Annual Meeting of Shareholders
- Kept closely updated on trends and developments in the operating environment



Board attendance

The directors who served on the Board and their attendance at Board meetings during FY 2022/23 are provided in the table hereunder.

Members	Board member since	Board status as at 30 June 2023	Meeting attendance
Didier HAREL <i>(Chairperson as from September 2016)</i>	November 2015	Independent Non-Executive Director	10/10
Karuna BHOOJEDHUR-OBEEGADOO	November 2015	Independent Non-Executive Director	10/10
Constantine CHIKOSI	November 2019	Independent Non-Executive Director	10/10
Jean-Philippe COULIER	December 2020	Independent Non-Executive Director	10/10
Stephen DAVIDSON	December 2020	Independent Non-Executive Director	10/10
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE <i>(until November 2022)</i>	November 2014	Independent Non-Executive Director	4/6
Cédric JEANNOT	June 2023	Independent Non-Executive Director	-
Georges Michael David LISING	November 2018	Independent Non-Executive Director	10/10
Jayananda NIRSIMLOO	November 2022	Independent Non-Executive Director	4/4
Alain REY	November 2015	Independent Non-Executive Director	10/10
San T SINGARAVELLOO	November 2018	Independent Non-Executive Director	10/10
Gilbert GNANY	April 2014	Executive Director	10/10
Jean Michel NG TSEUNG	November 2016	Executive Director	10/10
Pierre Guy NOEL <i>(until March 2023)</i>	April 2014	Executive Director	8/9

Secretary to the Board: MCB Group Corporate Services Ltd (represented by Marivonne OXENHAM)

Remuneration philosophy

With human capital viewed as critical to the development of its strategy, the Group lays significant emphasis on employing the right people with the right skills and behaviours while rewarding them adequately. A summary of the remuneration philosophy of employees and directors is provided hereafter.

Employees

Fair remuneration

The Group aims at promoting a fair and competitive remuneration that encourages performance and assists in attracting and retaining talent.

Our remuneration policy is based on meritocracy and ensures that:

- Comprehensive protection is provided at the lower end of the income ladder against cost of living increases
- Fairness and equity are promoted throughout the organisation
- Opportunity is given to employees to benefit from the financial results and development of the Group:
 - o Staff members of the Group receive an annual bonus based on the Group's and relevant subsidiaries' performance as well as an assessment of their individual contribution thereto and for demonstrating behaviours in line with the Group's values
 - o Staff members locally have the added possibility to benefit from a share option scheme

Remuneration package

The remuneration package is anchored on a range of factors including qualifications, skills scarcity, past performance, individual potential, market practices, responsibilities shouldered and experience.

With a view to defining appropriate remuneration levels, the Group is also guided by the following considerations:

- Market conditions are regularly surveyed in order to ensure that remuneration packages are motivating and competitive
- Superior team performance is highly encouraged and rewarded with adequate incentives
- Remuneration practices are regularly reviewed to reflect the current context, while putting due emphasis on both individual and team performances

Employee benefits

The Group provides a range of fringe and other benefits to its employees to promote their well-being and to help them grow in their personal life. Examples of such benefits at the level of the local subsidiaries of the Group are as follows:

- Employees are entitled to a pension contribution, representing 18.1% of their basic salaries, with the possibility for employees under the Defined Contribution Scheme to opt, depending on their age group, to receive part thereof, up to a threshold, by way of a cash supplement
- Employees are provided with banking facilities under preferential conditions
- Employees are granted a monthly travelling allowance, with the amount varying according to their job grades
- Employees and their dependents benefit from a contributory medical and insurance coverage

Group Employee Share Option Scheme

The Group Employee Share Option Scheme (GESOS) provides eligible employees with the opportunity to partake in the growth and prosperity of the Group through the acquisition of shares in MCB Group Ltd. This acts as an additional lever to promote a performance culture alongside upholding staff motivation and commitment across the organisation. Under the scheme, employees are granted non-transferable options to buy MCB Group Ltd shares with a maximum of 25% of their annual performance bonus. The options, which can be exercised over a period of one year through four specific windows, carry a retention period of three years. The option price is based on the average of the share price over the quarter prior to the date on which the options are granted, to which a discount of 10% is applied. Management is, however, not entitled to such discount. Once issued, the shares rank *pari passu* as to dividend, capital, voting rights and in all other respects with the existing shares of MCB Group Ltd. The following table gives details of the options granted to and exercised by employees of the Group in the last financial year.

	Management	Other employees	Total
Number of options granted in October 2022	148,040	592,192	740,232
Initial option price (Rs)	310.50	279.50	-
Number of options exercised to date	32,401	128,821	161,222
Value (Rs)*	10,060,511	36,005,470	46,065,980
Percentage exercised	22%	22%	22%
Number of employees	6	774	780
Available for the 4th window and expiring in mid-October 2023	115,639	463,371	579,010

*Based on initial option price

Figures may not add up due to rounding

Directors

Executive directors

In line with the policy for employees, remuneration for executive directors consists of a base salary and short-term benefits, which reflect their respective responsibilities and experience, as well as a variable element in the form of an annual bonus, based on the financial performance of the Group, on the one hand, and on the executive directors' individual performance and contribution towards the attainment of the key strategic objectives of the Group, on the other. The remuneration modalities are aimed at motivating and retaining top-level talents, in key senior executive positions.

Non-executive directors

The Group's remuneration philosophy concerning non-executive directors, who do not hold an executive position within the Group, is summarised as follows:

- There is a basic retainer fee for each individual non-executive director reflecting the workload, size and complexity (national/international) of the business as well as the responsibility involved;
- The basic retainer fee paid to the non-executive Chairperson commensurately reflects the fact that he has a wider scope of responsibilities and a heavier workload, compared to other non-executive directors;
- Board Committee basic retainer fees also apply to non-executive directors, with the fees differing in accordance with the time required for preparation, the frequency and the duration of committee meetings. Chairpersons of committees are paid a higher basic retainer fee than members, in line with the rationale outlined in the previous point;
- There is, in addition, an attendance fee for non-executive directors in respect of their presence at meetings of the Board, respective Board committees, as well as Annual Meeting of Shareholders; and
- No share option or bonus is granted to non-executive directors.

The following table highlights the remuneration and benefits received by the directors during the financial year.

Remuneration and benefits received (Rs '000)	From the holding company	From subsidiaries	Total
Didier HAREL	3,621	-	3,621
Karuna BHOOJEDHUR-OBEEGADOO	1,011	129	1,140
Constantine CHIKOSI	677	-	677
Jean-Philippe COULIER	939	530	1,469
Stephen DAVIDSON	1,011	-	1,011
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE <i>(until November 2022)</i>	462	-	462
Cédric JEANNOT	-	-	-
George Michael David LISING	677	125	802
Jayananda NIRSIMLOO <i>(as from November 2022)</i>	477	-	477
Alain REY	649	161	810
San T SINGARAVELLOO	1,053	-	1,053
Total Non-Executive	10,577	944	11,521
Gilbert GNANY	25,121	-	25,121
Jean Michel NG TSEUNG	21,529	14,562	36,091
Pierre Guy NOEL <i>(until March 2023)</i>	27,726	-	27,726
Total Executive	74,377	14,562	88,939
Total (Non-Executive and Executive)	84,953	15,506	100,459

Figures may not add up due to rounding

Directors' interests and dealings in securities

The directors confirm that they have followed the absolute prohibition principles and notification requirements of the 'Model Code for Securities Transactions by Directors of Listed Companies' as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules.

The Company Secretary maintains a register of interests of directors, which is available for consultation to shareholders upon written request to the Company Secretary. Upon their appointment, all new directors are required to notify in writing to the Company Secretary their holdings as well as the holdings of their closely related parties in the Group's securities.

The following tables itemise the interests of the directors in the Group's listed securities as at 30 June 2023 as well as related transactions effected by the directors during the last financial year. None of the directors had any interest in the securities of the subsidiaries of MCB Group Ltd other than in the equity of Fincorp Investment Ltd.

Interests in MCB Group Ltd Ordinary shares as at 30 June 2023	Number of Ordinary shares	
	Direct	Indirect
Jean-Philippe COULIER	20,500	109,468
Gilbert GNANY	315,664	92,346
Georges Michael David LISING	11,722	45,245
Jean Michel NG TSEUNG	55,872	-
Alain REY	7,505	-
San T SINGARAVELLOO	-	5,000

Transactions during the year	Number of Ordinary shares					
	Purchased		Sold		Others	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
Jean-Philippe COULIER	-	30,000	-	-	-	59,968
Gilbert GNANY	22,241	4,738	-	-	-	-
Jean Michel NG TSEUNG	2,481	-	-	-	-	-
Alain REY	1,333	-	-	-	-	-

Interests in MCB Group Ltd Preference shares as at 30 June 2023	Number of Preference shares	
	Direct	Indirect
Jean-Philippe COULIER	-	48,359

Interests in MCB Group Ltd Unsecured Floating Rate Notes as at 30 June 2023	Number of Notes	
	Direct	Indirect
Georges Michael David LISING	-	3,000

Interests in Fincorp Investment Ltd as at 30 June 2023	Number of shares	
	Direct	Indirect
Gilbert GNANY	69,000	-

Directors' service contracts

There was no service contracts between the Company and its directors during the financial year.

Related party transactions

The Board is ultimately responsible for establishing and implementing appropriate policies on conflicts of interests and related party transactions and for administering the process for handling such transactions within the Group. Assisted by the Remuneration, Corporate Governance, Ethics and Sustainability Committee, the Board exercises this responsibility, through:

- monitoring and reporting by Senior Management within the Company and its subsidiaries in respect of related party transactions;
- regular review of related party exposures, including those pertaining to Senior Management at the level of the Company and its subsidiaries; and
- formal review and ratification of the Conflicts of Interest and Related Party Transactions Policy as applicable.

Related party transactions of the Group were conducted in line with relevant internal policies and guidelines. For related party transactions, please refer to Note 39 of the Financial Statements.

 *More information on the Remuneration, Corporate Governance, Ethics and Sustainability Committee Charter is available on the website*

Board committees

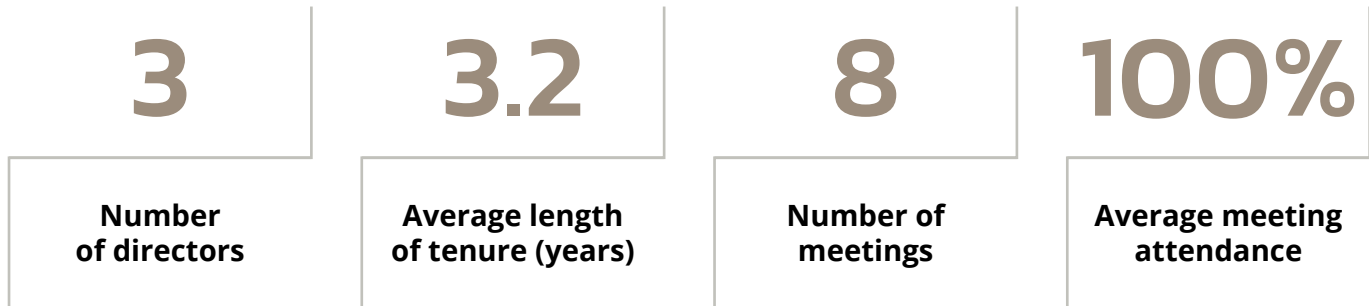
The Board has delegated authority to various Board committees to provide specialist guidance and make recommendations, through established reporting mechanisms, on areas and matters entrusted to them. Each committee has its own charter, as approved by the Board and reviewed as required, which sets out, inter alia, its roles, responsibilities, composition and meeting requirements. The mandate, composition and focus areas covered during the financial year of the five Committees namely: (i) Audit Committee; (ii) Remuneration, Corporate Governance, Ethics and Sustainability Committee; (iii) Risk Monitoring Committee; (iv) Strategy Committee; and (v) Supervisory and Monitoring Committee, are set out hereafter.

Audit Committee (AC)

Mandate

The AC assists the Board in the oversight of MCB Group Ltd and its subsidiaries on matters relating to the safeguarding of assets, the monitoring of internal control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.

Key facts (FY 2022/23)



Composition and meetings

As per its Charter, the AC shall consist of a minimum of three non-executive members, with a majority of independent directors from whom the Chairperson shall be nominated. The Chairperson of the Board and the Group Chief Executive shall not be a member of the AC. The Committee meets at least four times a year corresponding to the Company's quarterly reporting cycle and on an ad hoc basis when required. A member of the Risk Monitoring Committee may be requested to attend the AC whenever deemed appropriate. The Committee also holds consultations with the Chairperson of Audit Committees of subsidiaries as deemed appropriate. The directors who served on the AC and their attendance at committee meetings during FY 2022/23 are provided in the following table.

Members	Committee member since	Board status as at 30 June 2023	Meeting attendance
San T SINGARAVELLOO (Chairperson)	December 2018	Independent Non-Executive Director	8/8
Karuna BHOOJEDHUR-OBEEGADOO	January 2021	Independent Non-Executive Director	8/8
Stephen DAVIDSON	January 2021	Independent Non-Executive Director	8/8

Secretary: MCB Group Corporate Services Ltd (represented by Marivonne OXENHAM)

Focus areas in FY 2022/23

Key topics discussed

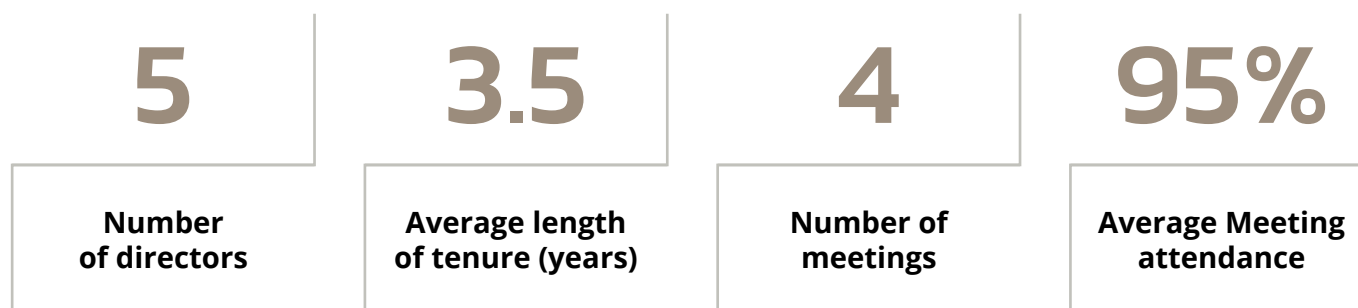
- Interim and audited consolidated Financial Statements published by the Group with recommendations made to the Board
- Reports from internal and external auditors and actions taken accordingly
- Internal and external audit reports of all subsidiaries
- Compliance plans and reports of all subsidiaries
- Permanent supervision review
- Operational risk review
- Cyber & Information Security review
- HR risk review
- Legal risk review
- Adequacy of allowance for credit impairment
- Audit plans of internal and external auditors

Remuneration, Corporate Governance, Ethics and Sustainability Committee (RCGESC)

Mandate

The RCGESC assists the Board with respect to all remuneration aspects, corporate governance matters and nomination of directors and senior executives of MCB Group Ltd and all its subsidiaries. Moreover, it oversees the succession planning exercise for Group senior executives as well as key management positions and reviews the list of high potential managers within the Group, on an annual basis. The RCGESC through its sub-committee, MCB Group Corporate Sustainability Committee, which also includes directors from MCB Ltd, monitors the implementation of the Group's corporate sustainability initiatives.

Key facts (FY 2022/23)



Composition and meetings

As per its Charter, the RCGESC shall consist of at least three members, the majority of whom shall be independent non-executive directors. The Chairperson shall be an independent non-executive director and shall normally be the Chairperson of the Board. The Group Chief Executive may be a member of the Committee. The Committee meets at least twice a year and on an ad hoc basis when required. The directors who served on the RCGESC and their attendance at committee meetings during FY 2022/23 are provided in the following table.


Members	Committee member since	Board status as at 30 June 2023	Meeting attendance
Didier HAREL (Chairperson)	September 2016	Independent Non-Executive Director	4/4
Karuna BHOOJEDHUR-OBEEGADOO	February 2016	Independent Non-Executive Director	4/4
Stephen DAVIDSON	January 2021	Independent Non-Executive Director	4/4
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE (until November 2022)	January 2019	Independent Non-Executive Director	1/1
Jayananda NIRSIMLOO	January 2023	Independent Non-Executive Director	2/2
Jean Michel NG TSEUNG	March 2023	Executive Director	1/1
Pierre Guy NOEL (until March 2023)	July 2014	Executive Director	2/3

Secretary: MCB Group Corporate Services Ltd (represented by Marivonne OXENHAM)

Focus areas in FY 2022/23

Key topics discussed

- Election/re-election of directors as Board members
- Board and Board committees composition
- Appointment of senior executives and Board members at subsidiaries' level
- Review of directors' fees for Board and Board committees
- Results of the NCCG Scorecard
- Review of the directors' development training programme
- Update on sustainable finance strategy and related governance framework
- Setting up of a steering committee for Group Executive Remuneration Strategy
- Review of the 'Corporate Governance Report' forming part of the Annual Report
- Review of Board committees self-assessment results
- Review of Board/Committee Charters and other constitutive documents

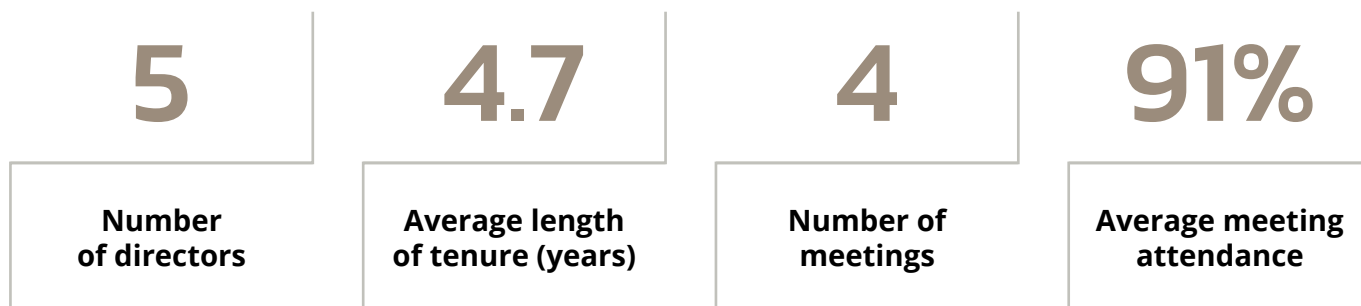
 More information on the Remuneration, Corporate Governance, Ethics and Sustainability Committee Charter is available on the website

Risk Monitoring Committee (RMC)

Mandate

The RMC assists the Board in setting the tone from the top so as to embed and maintain an appropriate risk culture. It guides the elaboration of risk mitigation strategies and exercises oversight on how these are operationalised across all the subsidiaries of MCB Group. It also advises the Board on risk issues and monitors the risk of the different portfolios against the set risk appetite of the subsidiaries.

Key facts (FY 2022/23)



Composition and meetings


As per its Charter, the RMC shall consist of at least three members, including the Group Chief Executive, with a majority of non-executive directors. The Chairperson of the Committee shall be a non-executive director and shall not be the Chairperson of the Board. The RMC meets at least quarterly and on an ad hoc basis when required. The directors who served on the RMC and their attendance at committee meetings during FY 2022/23 are provided in the following table.

Members	Committee member since	Board status as at 30 June 2023	Meeting attendance
Jean-Philippe COULIER (Chairperson)	January 2021	Independent Non-Executive Director	4/4
Constantine CHIKOSI	January 2023	Independent Non-Executive Director	2/2
Didier HAREL	February 2016	Independent Non-Executive Director	4/4
Alain REY (until January 2023)	January 2021	Independent Non-Executive Director	1/2
Gilbert GNANY	July 2014	Executive Director	4/4
Jean Michel NG TSEUNG (Secretary until May 2023)	January 2019	Executive Director	4/4
Pierre Guy NOEL (until March 2023)	July 2014	Executive Director	2/3

Focus areas in FY 2022/23

Key topics discussed

- Risk management framework, risk appetite, and risk policies of the Group and its subsidiaries
- Enterprise Risk Management framework and review of Risk Heat Maps (covering strategic, financial, operational and compliance risks) at Group level, including emerging risks such as:
 - o the impact of elevated inflation and increasing interest rates
 - o technology, cyber security and data protection
 - o ESG and climate risks
 - o implications of credit rating downgrade of various African countries on our exposures
 - o impact of the Ukraine-Russia conflict on the global and regional scenes and their repercussions on the economies where the Group operates
- Asset quality metrics and key risks of entities within the Group covering the principal risks (notably credit, market, liquidity) and actions taken to mitigate them
- Adequacy of capital, funding and liquidity requirements of the Group and of the banking subsidiaries, including stress testing of financial soundness under different scenarios
- Detailed review of the top stage 1, 2 and 3 exposures of the various banking entities of the Group to forestall potential credit risks
- Economic and operating environment locally and in presence countries

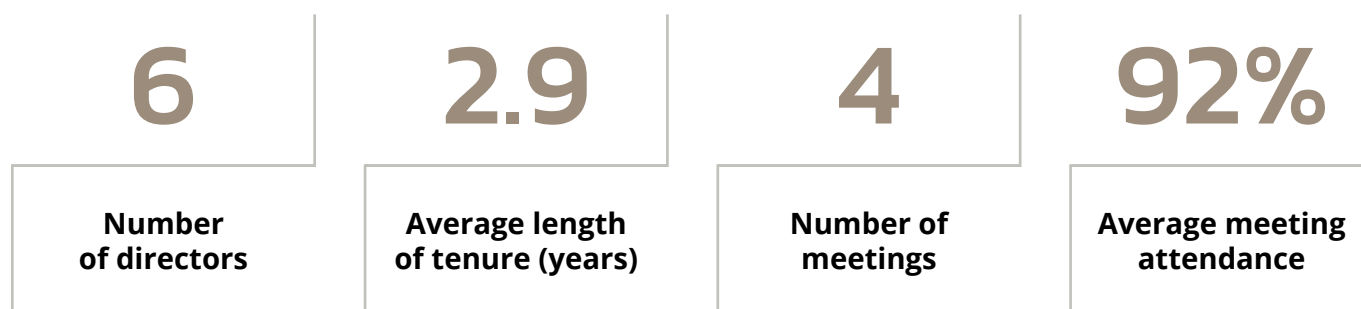
 More information on the Risk Monitoring Committee Charter is available on the website

Strategy Committee (SC)

Mandate

The SC assists the Board in overseeing the business strategy of MCB Group Ltd and its subsidiaries and measures the latter's performance against set objectives whilst ensuring that capital allocation to subsidiaries is appropriate. In addition, it helps the Board in assessing major financial and investment plans and other material issues that affect the development of the Group. The Technology and Innovation Committee, a sub-committee of the SC which also includes directors from MCB Ltd, has recently been set up to assist the Board in the oversight on matters relating to technological innovation.

Key facts (FY 2022/23)



Composition and meetings


As per its Charter, the SC shall consist of at least five members with a majority of non-executive directors. The Group Chief Executive shall also be a member of the Committee. The Chairperson of the Committee shall be a non-executive director and shall normally be the Chairperson of the Board. The Committee meets at least four times in a year and on an ad hoc basis when required. The Chairperson of MCB Ltd and the Chief Executive of entities of the Group may be invited to attend SC's meetings as and when required. The directors who served on the SC and their attendance at committee meetings during FY 2022/23 are provided in the following table.

Members	Committee member since	Board status as at 30 June 2023	Meeting attendance
Didier HAREL (Chairperson)	November 2016	Independent Non-Executive Director	4/4
Constantine CHIKOSI (until January 2023)	January 2020	Independent Non-Executive Director	2/2
Jean-Jacques DUPONT DE RIVALZ DE ST ANTOINE (until November 2022)	November 2016	Independent Non-Executive Director	2/2
Georges Michael David LISING	January 2021	Independent Non-Executive Director	4/4
Jayananda NIRSIMLOO	January 2023	Independent Non-Executive Director	2/2
Alain REY	January 2023	Independent Non-Executive Director	1/2
Gilbert GNANY (also acts as Secretary)	November 2016	Executive Director	4/4
Jean Michel NG TSEUNG	March 2023	Executive Director	1/1
Pierre Guy NOEL (until March 2023)	November 2016	Executive Director	2/3

Focus areas in FY 2022/23

Key topics discussed

- Progress on key strategic initiatives across the Group
- Overview of HR strategy including career architecture, talent management, succession planning and employee engagement
- Capital adequacy considerations of the Group to support its growth ambition
- Dividend strategy and related implications
- Update on the Group's long-term strategy
- Sustainable finance strategy
- Developments in the operating environment both locally and abroad with potential implications on the Group's strategy
- Review of the Corporate Culture Alignment project, 'Successful Together', with the aim of reinforcing the right culture across the Group

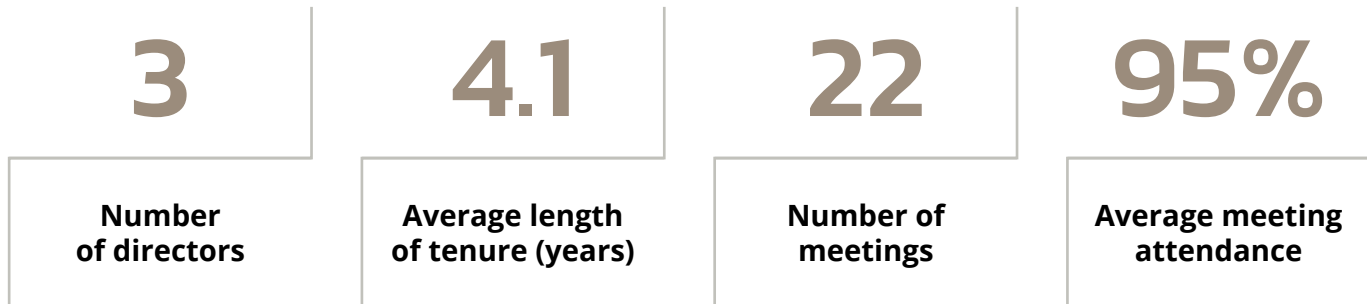
 More information on the Strategy Committee Charter is available on the website

Supervisory and Monitoring Committee (SMC)

Mandate

The SMC assists the Board in overseeing the overall management of MCB Group Ltd and its subsidiaries as well as in providing direction and guidance on major policy matters. It also monitors and measures the Group's performance against set objectives, in line with the strategic orientations.

Key facts (FY 2022/23)



Composition and meetings


As per its Charter, the SMC shall consist of a minimum of three members, including the Chairperson, the Group Chief Executive and any other executive director of the Company. Chief Executives of the subsidiaries of MCB Group Ltd may be invited to attend SMC meetings as required. The SMC shall meet regularly and on an ad hoc basis when required. The directors who served on the SMC and their attendance at committee meetings during FY 2022/23 are provided in the following table.

Members	Committee member since	Board status as at 30 June 2023	Meeting attendance
Didier HAREL (Chairperson)	July 2017	Independent Non-Executive Director	22/22
Gilbert GNANY (<i>also acts as Secretary</i>)	March 2023	Executive Director	3/6
Jean Michel NG TSEUNG	July 2017	Executive Director	22/22
Pierre Guy NOEL (<i>until March 2023</i>)	July 2017	Executive Director	15/15

Focus areas in FY 2022/23

Key topics discussed

- Impact of developments in the operating environment on the strategy, financial performance and operations of the Group
- Implementation of approved strategies and major policies
- Progress made on major transformation projects
- Review of financial performance
- Capital adequacy considerations at both Group and Bank levels and relevance of hybrid capitals (additional Tier 1 and Tier 2) to address increasing Risk Weighted Assets
- MCB Group issuance of Unsecured Floating Rate Notes
- Review of the general economic conditions and specific market trends locally and abroad as well as the evolution of key sectors amidst the challenging and volatile context
- Impact of inflation on cost of living and implications in relation to salary review policy
- Dividend pay-out proposal of the Group for approval by the Board
- HR matters, including recruitment of potential candidates in senior executive positions within the Group, resignations and movements of key senior personnel
- Succession planning for senior roles within the organisation
- 'Career Architecture' and Executive Remuneration Strategy
- Corporate Culture Alignment
- Major litigations and market movements that can have a material/significant impact on the Group
- Insurance coverage review for the Bank and the Group
- Legal, operational and compliance matters impacting MCB Group
- Follow-up on the recommendations of the various Board committees
- Corporate sustainability initiatives
- Review of Board and Committee composition
- Succession planning for the Board
- Investment and immovable property acquisition opportunities

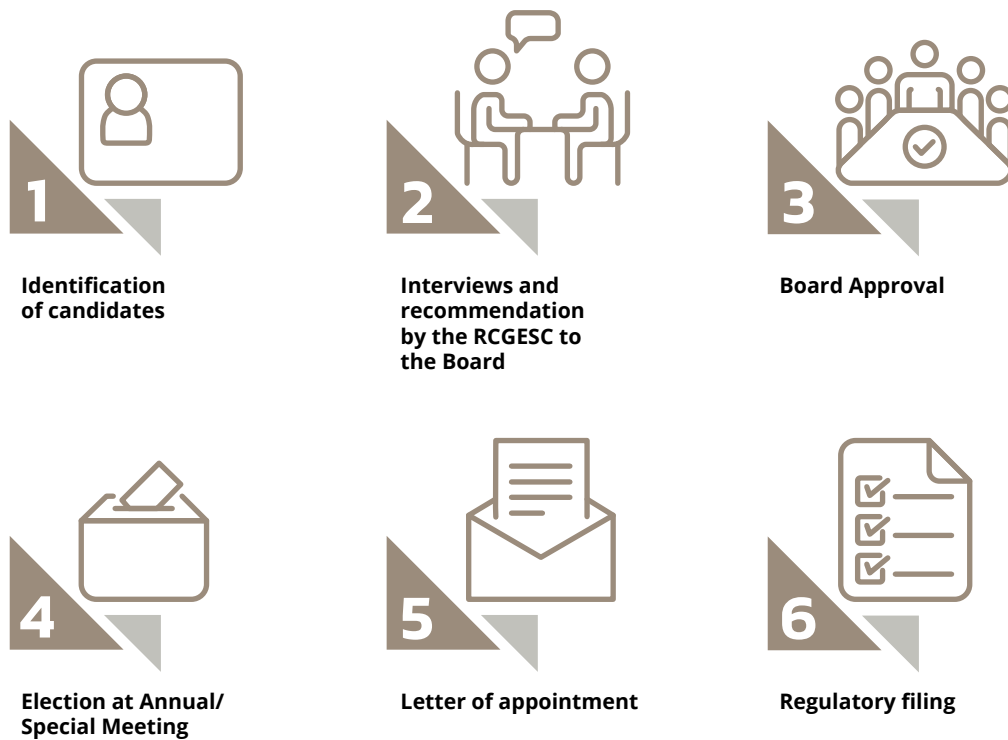
 More information on the Supervisory and Monitoring Committee Charter is available on the website

Board effectiveness

Nomination Process

The Board has a formal and transparent process in place for the nomination and appointment of directors. In fulfilling this duty, the Board is supported by the Remuneration, Corporate Governance, Ethics and Sustainability Committee (RCGESC), which is responsible for overseeing Board directorship’s renewal and succession planning. The RCGESC reviews the size, structure and composition of the Board on an annual basis or whenever appointments are considered. The Board places high emphasis on ensuring that its membership reflects diversity to provide the range of perspectives, insights and challenge needed to support good decision-making in the execution of the Group’s strategy. The RCGESC is responsible for identifying candidates, carrying out interviews and recommending potential directors to the Board for its approval. Appointment of prospective candidates is based on merit and due considerations are given to, amongst others, specific skills, expertise, knowledge, experience, their background, including the value the individual can bring to the overall Board performance. In addition, the RCGESC considers gender diversity, independence and time commitment of prospective Board members. Prior to their appointment, non-executive directors are advised of time commitments and are required to devote such time as is necessary to discharge their duties effectively. The Board is satisfied that there are no directors whose time commitments are considered to be a matter of concern.

The nomination and appointment process of directors for the Board is highlighted in the diagram below.



Whilst seeking to retain a core set of directors with long-standing knowledge, the Board recognises the importance of rotation of Board members to ensure that there is a good balance between continuity and fresh perspectives. It is worth highlighting that at each Annual Meeting, one third of Board members, notably those who have been longest in office, are required to retire, while being eligible to stand for re-election.

[More information on the nomination and appointment process is available on the website](#)

Board induction and training

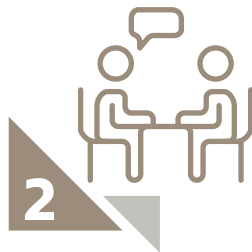
All new directors, upon joining the Board, receive a comprehensive induction programme tailored to their specific requirements. The training seeks, *inter alia*, to make them aware of their legal duties and facilitate their understanding of the Group's business strategy, governance, business operations as well as the key issues and challenges that it faces. The objective of the programme is to enable directors to be well equipped from the outset to effectively contribute to strategic discussions and oversight of the Group. Continuous development of directors is deemed essential to maintaining a highly engaged, well-informed and effective Board. In this respect, the Chairperson of the Board is responsible for identifying the development needs of Board members and monitoring the implementation of related training. The Company Secretary oversees the training plan for the directors, which is reviewed on a regular basis to ensure its pertinence and a training log is maintained for each director.

During the year under review, as part of the ongoing training and development programme, directors attended an 'ESG Masterclass' training delivered by an international expert from a global law firm. The course contained an overview of the key trends in sustainable finance namely, pertaining to sustainability-linked notes and green loans. The directors were also provided with an outline of the advocated governance, including the assurance entailed in green financing as well as the relevant rules and regulations to comply with. In addition, they participated in a training titled 'Agile Governance: Building Impactful Boards', which enabled them to grasp the benefits of adopting an agile approach to running Board meetings and monitoring significant Group projects in a dynamic and fast-paced environment. Directors were provided with some insights into agile principles and methodologies as well as the prerequisites for its effective implementation. They also participated in AML and cybersecurity in-house trainings. An outline of the induction and training programme is set out in the diagram hereafter.



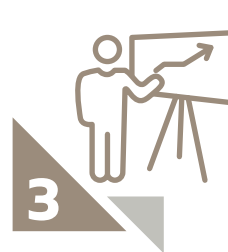
1 Induction pack

Includes information on a broad range of matters relating to the role of the directors, Company's Constitution, Board and Board Committee Charters, recent Board papers, disclosure requirements with respect to directors' interests



2 One-to-one briefings

Provide directors with the opportunity to interact with the Chairperson, Company Secretary and senior executives across the Group with the nature and extent of these consultations depending on the specific needs of the directors



3 Presentation sessions

Provide directors with an overview of the Group's organisational structure, financial performance, strategic orientations, activities of the different business segments as well as specific areas of interest of the directors



4 Ongoing professional development & training

Enable directors to update their skills and knowledge by providing insight into specific areas of strategic focus and current topics of interest as well as other training with respect to specific requirements of directors

Note: Briefing and reading materials are made available on the Board Portal for consultation.



Cédric JEANNOT

Independent Non-Executive Director



The induction program was both well planned and well delivered. A lot of ground was covered to provide the relevant information regarding the various entities and activities of the Group.

I have had the opportunity to meet in person with many of the executives. This helped me get a sense of the culture, values, and execution capabilities of the Group.

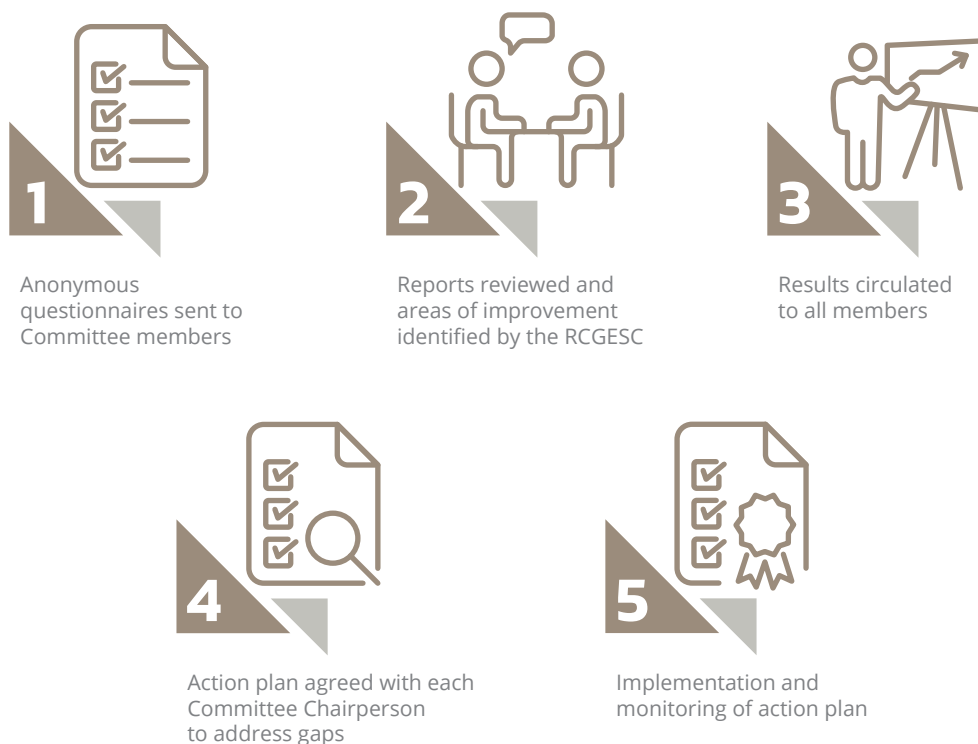
I am looking forward to seeing many of the opportunities materialise in the coming months and years."

Board/Directors' performance

The Board recognises the need to undertake a regular review of its performance and effectiveness, as well as those of its committees and individual members. In this respect, the Board generally undergoes a yearly assessment either with the support of an independent external facilitator or internally, under the oversight of the Remuneration, Corporate Governance, Ethics and Sustainability Committee (RCGESC). Further to a refreshed Board evaluation exercise carried out by Ernst and Young Ltd in June 2022 based on a range of governance topics, focus was laid, during the year, on the implementation of proposed recommendations. In FY 2022/23, the Company Secretary also facilitated an internal self-assessment of Board committees, through anonymous questionnaires sent to committee members, in order to assess committees' performance, notably in terms of their functioning and effectiveness. The findings of the assessment concluded that Board committees are operating effectively and that directors continue to fulfil their roles as required. The report, which was presented to the Board, also identified a few areas for improvement, with an action plan subsequently agreed upon. The Chairperson of the Board, with the support of the RCGESC, will oversee the implementation of specific actions to ensure that issues identified are given due consideration within a reasonable timeframe.

In the same vein, a self-evaluation of all directors was carried out through confidential questionnaires. The Chairperson thereafter met with each director individually to discuss their own performance and agreed upon potential areas for improvement. The performance of the Chairperson was debriefed by the other non-executive members of the RCGESC.

An outline of the internal self-assessment process used to evaluate the Board committees in FY 2022/23 is provided in the diagram hereafter.



Risk governance


Risk management and internal control


The Board has the ultimate responsibility to maintain an effective risk management and internal control system, which it regularly reviews to cater for the principal and emerging risks, including those that could threaten the Group's business model, performance, solvency, liquidity and reputation. Supported by the Risk Monitoring Committee, the Board ensures that the necessary structures, processes and methods for identification, evaluation and monitoring of the principal risks faced by the Group are integrated into the latter's overall risk governance framework. The Board has received assurance, through the regular reporting by the Chairperson of relevant committees, on the adequacy of the risk management processes and systems in place over the period under review.

The Board, assisted by the Audit Committee, ensures that the internal control framework in place results in an acceptable level of risk exposure while guaranteeing compliance with established internal policies and procedures and relevant laws and regulations. The Internal Audit, Compliance and Risk (for non-financial risk matters) functions regularly report to the Audit Committee. In addition to feedback from Audit Committees of subsidiaries, the Audit Committee receives feedback from the Company's internal and external auditors and engages with them in the absence of Management Executives to ensure that there are no unresolved material issues of concern. Based on the work performed by internal and external auditors, reviews by Management Executives and regular reporting from the Chairperson of the Audit Committee, the Board satisfies itself that the internal control systems are adequate and effective.

Information governance


The Group places significant emphasis on the confidentiality, integrity and availability of information. It ensures that a robust framework is maintained to protect its information asset and uphold the security and performance of information and Information Technology (IT) systems. The Board is responsible for setting up and regularly reviewing relevant policies and for ensuring that they are appropriately implemented through adequate structures and processes while adhering to relevant rules and regulations. In this respect, access to information is only available to authorised parties. Physical and logical access controls are in place at all times with staff being regularly made aware of relevant requirements. Adoption of best practices in terms of cybersecurity risk management is actively promoted through regular awareness exercises including training sessions and simulated phishing attacks. The Group continues to invest in technology to enhance its operational resilience with significant investments monitored by the Board. Internal Audit provides independent assurance on the suitability of the Group entities' information and IT policies while the Audit Committee evaluates the effectiveness of related internal control systems.

 *More details on information governance is available in the 'Information, Information Technology and Information Security Governance Policy' on the website*

 *More information is available in the 'Risk and capital management report' on pages 155 to 201*

Internal audit

The primary role of Internal Audit is to assist the Board in protecting the assets and reputation of the Group. The aim of internal audit is to assess the policies, methods and procedures in place at the organisation in order to cater for their adequate application. It is responsible for independently assessing the effectiveness of key controls, including those within the risk management framework, and providing timely reporting to the Audit Committee with a view to strengthening the internal control framework. In the exercise of their function, the internal auditors have sufficient access to information, records, and employees of the organisation. Whilst the Internal Audit SBU of MCB Ltd provides independent assurance over the internal control systems at Bank level, its scope of activity also encompasses other Group entities in line with its Group wide mandate. In this respect, it reports to the Audit Committee and/or Board of each subsidiary as well as to the Audit Committee of the Group, which acts as the overarching authority.

 More information is available in the 'Risk and capital management report' on pages 155 to 201

External auditors

With a view to ensuring the overall adequacy of the Group's internal control framework, the Audit Committee evaluates the independence, effectiveness and eligibility of the external auditor on an ongoing basis before making a recommendation to the Board on their appointment and retention. The appointment of Deloitte as external auditor was approved at the Annual Meeting of Shareholders of MCB Group Ltd, held in November 2022. As regards to the timeframe, the total duration of the audit assignment is for a period of one year with the possibility of reappointing the selected firm annually, subject to regulatory provisions and approval at the Annual Meeting of Shareholders of MCB Group Ltd.

Non-audit services

MCB Group Ltd, *via* the Audit Committee, has a process in place to ensure that there is no threat to the objectivity and independence of external auditors in the conduct of the audit that could result from the provision of non-audit services by them. As such, non-audit services, which are limited to ad hoc advice and other assurance-related services, are pre-approved by the Audit Committee.

Auditors' fees and fees for other services

	2023		2022	
	The Group	The Company	The Group	The Company
	Rs '000	Rs '000	Rs '000	Rs '000
Audit, Quarterly Review and Internal Control Review fees paid to:				
<u>Deloitte</u>				
The Mauritius Commercial Bank Limited	20,967	-	18,975	-
MCB Leasing Ltd	1,461	-	1,323	-
MCB Group Limited	1,175	1,175	1,064	1,064
MCB Investment Holding Ltd	118	-	106	-
Fincorp Investment Limited	318	-	288	-
<u>BDO & Co</u>				
MCB Capital Markets Ltd	2,798	-	2,459	-
MCB Equity Fund Ltd	827	-	718	-
MCB Consulting Services Ltd	519	-	486	-
MCB Factors Ltd	270	-	235	-
MCB Properties Ltd	101	-	92	-
MCB Microfinance Ltd	306	-	266	-
MCB Real Assets Ltd	575	-	489	-
MCB Group Corporate Services Ltd	90	-	78	-
MCB Forward Foundation	106	-	92	-
Blue Penny Museum	75	-	68	-
<u>KPMG</u>				
MCB Maldives Private Ltd	566	-	654	-
<u>Sey Auditors and Associates</u> <i>(formerly known as BDO & Associates)</i>				
MCB Seychelles Ltd	1,568	-	1,337	-
<u>PwC</u>				
MCB Madagascar SA	822	-	870	-
<u>CGA</u>				
MCB Madagascar SA	327	-	286	-
<i>Fees for other services provided by:</i>				
<u>Deloitte</u>				
The Mauritius Commercial Bank Limited	11,897	-	1,898	-
MCB Leasing Ltd	222	-	201	-
<u>Sey Auditors and Associates</u> <i>(formerly known as BDO & Associates)</i>				
MCB Seychelles Ltd	466	-	-	-
<u>KPMG</u>				
MCB Maldives Private Ltd	530	-	252	-

Note that fees for other services relate mainly to comforts on dividend declaration, AML/CFT review, issuance of the GMTN programme, senior bond issuance under the GMTN programme and Tier 2 capital issuance. The bulk of the non-audit fees relates to the one-off fees for the issuance of MCB Ltd's GMTN programme.

Directors of MCB Group Ltd Subsidiaries

The Board composition of the subsidiaries is given hereafter, with the corresponding Chairperson as well as Chief Executive or Managing Director (where applicable) sitting on the respective Boards being mentioned. Changes in the Board Composition during the FY 2022/23 and to date are also highlighted.

Subsidiary	Cluster	Directors
MCB Investment Holding Ltd	Banking	Jean-François DESVAUX DE MARIGNY (Chairperson) Jean Michel NG TSEUNG (Chief Executive) Margaret WONG PING LUN
The Mauritius Commercial Bank Limited	Banking	Jean-François DESVAUX DE MARIGNY (Chairperson) Uday Kumar GUJADHUR Thierry HEBRAUD (Chief Executive Officer Designate)(as from June 2023) Johanne HAGUE Philippe LEDESMA Alain LAW MIN (Chief Executive Officer) Jean Michel NG TSEUNG Su Lin ONG Simon WALKER
MCB Madagascar SA	Banking	Jean-François DESVAUX DE MARIGNY (Chairperson) Gilbert GNANY Patrick LE GUEN (Deputy Managing Director)(until December 2022) Désiré LEO (as from December 2022) Jean Michel NG TSEUNG Pierre Guy NOEL Rony RADAYLALL (Managing Director) Patrick RAZAFINDRAFITO
MCB Maldives Private Ltd	Banking	Pierre Guy NOEL (Chairperson) Jean-François DESVAUX DE MARIGNY Gilbert GNANY Hemraj HOSANEE (Managing Director)(as from August 2022) Désiré LEO (Managing Director)(until August 2022) Laila MANIK Jean Michel NG TSEUNG Marcello Chee Yan LEUNG HING WAH
MCB Seychelles Ltd	Banking	Pierre Guy NOEL (Chairperson) Regis BISTOQUET (Deputy Managing Director) Jean-François DESVAUX DE MARIGNY Gilbert GNANY Bernard JACKSON (Managing Director) Jean Michel NG TSEUNG

Subsidiary	Cluster	Directors
MCB Capital Markets Ltd <i>(MCBCM)</i>	Non-Banking Financial	Pierre Guy NOEL (Chairperson)(until May 2023) Couldip BASANTA LALA Bertrand DE CHAZAL <i>(until December 2022)</i> Gilbert GNANY Rony LAM YAN FOON <i>(Chief Executive Officer)</i> Jean Michel NG TSEUNG <i>(as from May 2023)</i> Jeremy PAULSON-ELLIS Eric SIEW HEW SAM <i>(as from February 2023)</i> Catherine SWANEPOEL Gilles TRANCART
MCB Investment Services Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON Akesh UMANEE
MCB Registry & Securities Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON Marivonne OXENHAM Vimal ORI
MCB Stockbrokers Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON Jeremy PAULSON-ELLIS Shivraj RANGASAMI <i>(Managing Director)</i>
MCB Capital Partners Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Couldip BASANTA LALA Rony LAM YAN FOON Catherine SWANEPOEL
MCB Investment Management Co. Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Couldip BASANTA LALA Ameenah IBRAHIM <i>(Managing Director)</i> Rony LAM YAN FOON Michael NAAMEH Jeremy PAULSON-ELLIS Catherine SWANEPOEL Gilles TRANCART
MCB Structured Solutions Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Ferial AUMEERALLY Robert IP MIN WAN Rony LAM YAN FOON Vimal ORI
CM Diversified Credit Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Ferial AUMEERALLY Robert IP MIN WAN Rony LAM YAN FOON Vimal ORI

Subsidiary	Cluster	Directors
CM Structured Finance Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON Anish GOORAH Vimal ORI
CM Structured Products Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Ferial AUMEERALLY Robert IP MIN WAN Rony LAM YAN FOON Vimal ORI
MCB Leveraged Solutions Ltd <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON Shivraj RANGASAMI
MCB Financial Advisers <i>(a subsidiary of MCBCM)</i>	Non-Banking Financial	Gilbert GNANY (Chairperson) Rony LAM YAN FOON
MCB Equity Fund Ltd	Non-Banking Financial	Bertrand DE CHAZAL (Chairperson)(until December 2022) Karuna BHOOJEDHUR-OBEEGADOO (Chairperson as from March 2023) Jean Michel NG TSEUNG <i>(as from May 2023)</i> Pierre Guy NOEL <i>(until May 2023)</i> Eric SIEW HEW SAM <i>(as from December 2022)</i>
MCB Leasing Ltd <i>(a subsidiary of Fincorp Investment Ltd)</i>	Non-Banking Financial	Simon Pierre REY (Chairperson) Raj GUNGAH <i>(Managing Director)</i> Martine IP MIN WAN Johanne HAGUE Désiré LEO <i>(as from June 2023)</i> Jean Michel NG TSEUNG <i>(until June 2023)</i> Anju UMROWSING-RAMTOHUL
MCB Factors Ltd	Non-Banking Financial	Margaret WONG PING LUN (Chairperson)(until November 2022) Jean-Philippe COULIER (Chairperson as from May 2023) Koomaren CUNNOOSAMY <i>(until July 2023)</i> Jean-Mée ERNEST <i>(Managing Director)</i> Martine IP MIN WAN <i>(as from July 2023)</i> Désiré LEO <i>(as from July 2023)</i> Michael LISING Pierre Guy NOEL <i>(until May 2023)</i> Dominic PROVENCAL <i>(as from July 2023)</i>
MCB Microfinance Ltd	Non-Banking Financial	Pierre Guy NOEL (Chairperson) Paul CORSON Jean-Philippe COULIER Gilbert GNANY Aurélie LECLEZIO <i>(Chief Executive Officer)</i> Alain REY

Subsidiary	Cluster	Directors
MCB Real Assets Ltd (MCBRA)	Non-Banking Financial	Margaret WONG PING LUN (Chairperson) Gilbert GNANY Jean Michel NG TSEUNG (as from May 2023) Pierre Guy NOEL (until May 2023)
Compagnie des Villages de Vacances de L'Isle de France Ltée (a subsidiary of MCBRA)	Other Investments	Margaret WONG PING LUN (Chairperson) Gilbert GNANY Robert IP MIN WAN (until November 2022) Angelo LETIMIER (as from November 2022) Jean Michel NG TSEUNG (as from May 2023) Pierre Guy NOEL (until May 2023) Medina TORABALLY (as from November 2022) Jean Marc ULCOQ (until November 2022)
Fincorp Investment Ltd	Other Investments	Jean-Pierre MONTOCCHIO (Chairperson) Sunil BANYMANDHUB (until December 2022) Jean-Philippe COULIER Navindranath HOOLOOMANN (as from December 2022) Marivonne OXENHAM Margaret WONG PING LUN
MCB Properties Ltd	Other Investments	Pierre Guy NOEL (Chairperson)(until March 2023) Gilbert GNANY Jean Michel NG TSEUNG (as from March 2023)
MCB Consulting Services Ltd	Other Investments	Pierre Guy NOEL (Chairperson) Jean-Michel FELIX (Chief Executive Officer) Gilbert GNANY
MCB Institute of Finance Ltd	Other Investments	Pierre Guy NOEL (Chairperson) Marc DESMARAIS (until March 2023) Jean-Michel FELIX Gilbert GNANY Dhiren PONNUSAMY
MCB Group Corporate Services Ltd	Other Investments	Pierre Guy NOEL (Chairperson)(until March 2023) Gilbert GNANY Jean Michel NG TSEUNG (as from March 2023) Marivonne OXENHAM (Managing Director)
Mascareignes Properties Ltd (Incorporated in Seychelles)	Other Investments	Pierre Guy NOEL (Chairperson) Regis BISTOQUET Jean-François DESVAUX DE MARIGNY Gilbert GNANY Bernard JACKSON Jean Michel NG TSEUNG

Subsidiary	Cluster	Directors
MCB International Services Ltd <i>(Incorporated in Seychelles)</i>	Other Investments	Jean-François DESVAUX DE MARIGNY (Chairperson) Regis BISTOQUET Gilbert GNANY Bernard JACKSON Jean Michel NG TSEUNG
MCB Forward Foundation	Other Investments	Didier HAREL (Chairperson) Jean-François DESVAUX DE MARIGNY Gilbert GNANY Alain LAW MIN Madeleine DE MARASSE ENOUF Jean Michel NG TSEUNG <i>(as from October 2022)</i> Pierre Guy NOEL <i>(until March 2023)</i>
Blue Penny Museum	Other Investments	Pierre Guy NOEL (Chairperson)(until July 2023) Jean-François DESVAUX DE MARIGNY (Chairperson as from July 2023) Vanessa DOGER DE SPEVILLE Jean Michel NG TSEUNG <i>(as from July 2023)</i> Damien MAMET

Directors of subsidiaries' remuneration

The remuneration and benefits paid to directors of subsidiaries, who did not sit on the Board of MCB Group Ltd during the financial year, are shown below.

Remuneration and benefits received (Rs '000)	2023	2022
Executive (Full-time)	196,748	172,162
Non-executive	15,150	13,238
Total	211,898	185,400

Shareholder relations and communication

How we communicate:

- Annual Report
- Sustainability Report
- Earnings releases
- Website
- External events and conferences
- SEM filings

Who we engaged with

- Retail shareholders
- Institutional investors
- Financial analysts

How we engage:

- Quarterly earnings calls
- Roadshows
- Annual Meeting
- Institutional Investors' queries to the Investors Relations Unit
- Conference calls and one-to-one meetings

The Board is committed to promoting open and transparent communication in relation to its engagement with shareholders with a view to building trust and maintaining strong relationships with them. The Group upholds an ongoing dialogue with shareholders and provides them with clear, accurate and relevant information to help them make informed decisions, while also providing them with the opportunity to share their views through different forums. Shareholders are kept abreast of all material business developments that influence the Group in a transparent and timely manner through various aforementioned communication channels. A dedicated 'Investor Enquiry' section is available on the website, offering shareholders the opportunity to post their queries online. Complementing information on the 'Investor Centre', the corporate website also provides for a 'Sustainability' section where shareholders are kept informed of initiatives undertaken in line with our purpose Success Beyond Numbers. Considering its diverse range of shareholders and investors with different communication and engagement needs, there are dedicated teams within the Group to attend to their requirements.

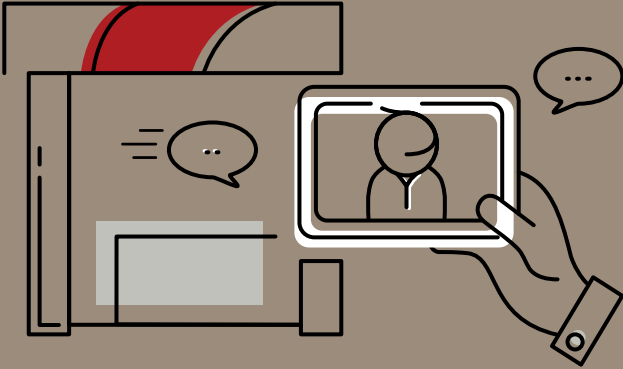
Individual shareholders

The Group's Company Secretary oversees communication with retail shareholders, in collaboration with the Group's Registrar and Transfer Agent, MCB Registry and Securities Ltd. The latter caters for the information needs of retail shareholders that range from sending relevant correspondences to responding to their queries in a timely manner, in strict compliance with applicable rules and regulations. The Company Secretary escalates, as and when necessary, feedback from retail shareholders to the Board.

Institutional investors

The Group's Investor Relations (IR) Unit acts as the point of contact for institutional investors and is responsible for managing and developing relationships with existing and potential investors, with a view to achieving a stable and diversified shareholder base while supporting high liquidity in and fair valuation of MCB Group shares. During the financial year, the IR Unit has maintained a comprehensive Investor Relations engagement programme in order to provide investors with timely updates on the Group's strategy and financial performance as well as latest developments in the operating context. In addition to quarterly interactions with investors through, *inter alia*, results briefings, half-yearly analyst meetings and online earnings calls, the Group engaged with investors through conference calls and one-to-one meetings arranged outside the preset reporting cycle. The Group Executives also participated in an international roadshow, where institutional investors across different countries were present. The IR Unit keeps the Board up-to-date on key market trends as well as investors' views and sentiment. An outline of the Group's engagement programme during the last financial year is set out hereafter.

Our engagement with investors during FY 2022/23

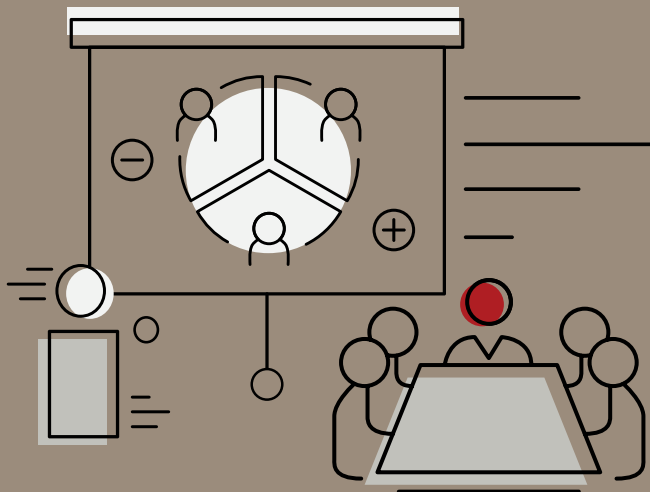


Investor Roadshow

- Participated in the EFG Hermes roadshow (Dubai) in March 2023
- Interacted with some **15** international institutional investors and active fund managers

Quarterly Earnings Calls/ Analyst Meetings

- Organised on a quarterly basis in October 2022, November 2022, February 2023 and May 2023 following the publication of financial results
- Some **50** participants on average interacted with Group Executives



Annual Meeting of Shareholders

- Annual Meeting of Shareholders held in November 2022
- Shareholders who attended, were given the opportunity to express their views, ask questions and receive feedback directly from Board members

In FY 2022/23, the key topics discussed between Group Executives and investors revolved around, but were not limited to the following themes.

Operating Environment

- › Expectations of the Bank of Mauritius (BoM) Key Rate
- › Impact of local rate hikes on credit quality and growth
- › Implications of the new monetary policy framework of the BoM
- › Relevant measures in the 2023-24 national budget
- › General economic conditions prevailing in the country
- › Moody's sovereign rating review and implications thereof
- › Evolution of Mauritian Rupee against major currencies

MCB Group

- › Financial performance and outlook
- › Progress on strategic objectives
- › Updates on the Group's corporate sustainability strategy
- › Foreign currency funding and liquidity requirements
- › Expected credit loss movements
- › Risk of FCY deposit flight related to the turmoil in the US banking sector in early 2023
- › Energy and Commodities business segment
- › Dividend payment
- › Potential fair value losses on held-to-maturity securities
- › International loan book expansion
- › Asset quality

Shareholder information

Shareholding profile

Ordinary shareholders

The Group has a diversified ownership base of around 23,000 shareholders, with foreign shareholding accounting for around 9% of the total. As at 30 June 2023, outstanding ordinary issued capital of MCB Group Ltd amounted to Rs 4.9 billion, comprising 246.5 million ordinary shares. The following tables set out the 10 largest institutional shareholders and ownership of ordinary share capital by size and type as at 30 June 2023.

Largest institutional shareholders	Number of shares owned	% Holding
National Pensions Fund	17,615,285	7.1
State Insurance Company of Mauritius Ltd	9,577,804	3.9
Swan Life Ltd	8,803,801	3.6
Promotion and Development Limited	7,170,573	2.9
The Mauritius Commercial Bank Ltd Superannuation Fund	3,147,796	1.3
BNYM SA/NV A/C Eastspring Investments SIVAC-FIS	2,645,713	1.1
MUA Life Ltd	2,624,785	1.1
SSLC/OSSB Boston A/C Russel Investment Company PLC FN:NAS5	2,561,115	1.0
National Savings Fund	2,480,313	1.0
KASA Investments Ltd	1,895,937	0.8

Size of shareholding	Number of shareholders	% of shareholder base	Number of shares owned	% Holding
1-500 shares	14,683	64.7	1,597,857	0.6
501-1,000 shares	1,719	7.6	1,272,244	0.5
1,001-5,000 shares	3,063	13.5	7,472,165	3.0
5,001-10,000 shares	1,016	4.5	7,273,128	3.0
10,001-50,000 shares	1,496	6.6	34,213,343	13.9
50,001-100,000 shares	323	1.4	23,031,167	9.3
Above 100,000 shares	401	1.8	171,633,926	69.6
Total	22,701	100.0	246,493,830	100.0

Category	Number of shareholders	% of shareholder base	Number of shares owned	% Holding
Individuals	21,480	94.6	112,379,591	45.6
Insurance and Assurance Companies	21	0.1	23,971,699	9.7
Investment and Trust Companies	123	0.6	22,869,517	9.3
Pension and Provident Funds	85	0.4	36,559,805	14.8
Other Corporate Bodies	992	4.4	50,713,218	20.6
Total	22,701	100.0	246,493,830	100.0

Figures may not add up due to rounding

Performance of MCB Group

Performance of MCB Group share price against the market



Year ending June	2021	2022	2023
MCB Group			
Share price (Rs)			
High	279.00	339.00	326.00
Low	200.00	274.00	283.00
Average	228.92	311.62	310.54
Closing - Year end	273.00	307.50	313.25
Market capitalisation as at 30 June (Rs m)	65,381	73,975	77,214
Market capitalisation as % of SEMDEX ¹	28.9	27.2	31.3
Value of shares traded (Rs m)	4,100	4,770	4,651
MCB market share ² (%)	49	45	45
Earnings per share - Basic (Rs)	33.51	40.14	57.67
Price/NAV ratio (times)	0.9	0.9	0.9
Price earnings ratio (times)	8.1	7.7	5.4
Earnings yield (%)	12.3	13.1	18.4

¹ excludes foreign currency denominated, GBC1 and international companies

² excludes one-off transactions

Preference shareholders

As at June 2022, the Group had 339,622,500 preference shares in issue, which are entitled to a fixed dividend of 4.7% per annum, payable in June and December of every year. Since June 2022, holders of preference shares benefit from the option of converting their preference shares into ordinary shares at various dividend dates. During the financial year 2022/23, an aggregate of 109,649,208 preference shares have been converted into 3,604,072 ordinary shares in the conversion windows corresponding to the payment of June 2022 and December 2022 preference dividend. As at 30 June 2023, the Group had 229,973,292 preference shares in issue.

The latest conversion window corresponding to the payment of the June 2023 preference dividend resulted in the conversion of 44,503,612 preference shares into 1,471,081 ordinary shares, which were listed in July 2023.

The next conversion window for the outstanding preference shares will occur with the payment of the December 2023 preference dividend.

Scrip dividend scheme

In September 2021, the Group launched its Scrip dividend scheme (the Scheme) with a view to further consolidating its capital base to support its future expansion and/or to provide the Group with additional capacity to improve its dividend pay-out. As part of the Scheme, ordinary shareholders are given the option of receiving their ordinary dividends, or part thereof, by way of ordinary shares of MCB Group Ltd (Scrip shares).

In relation to the ordinary dividends declared during the course of this financial year, the proportion of eligible shareholders who elected to receive Scrip shares are as follows.

Dividend payment date	Conversion rate (%)	Scrip share (Rs m)
December 2022	20.6%	399.9
July 2023	24.6%	514.5

Dividend policy

MCB Group Ltd normally seeks to distribute around one third of its profits in the form of dividends.

Taking into account the Earnings per Share of Rs 57.66 for the financial year under review, the Board decided to apply part of the proceeds from the issue of Scrip shares amounting to Rs 914.4 million to declare a final dividend of Rs 11.75. This, together with the interim dividend per share of Rs 8.50 paid in July 2023, resulted in a total dividend pay-out of Rs 20.25 per share.

Shareholders agreements

There is currently no shareholders agreement affecting the governance of the Company by the Board.

Shareholders' diary



Statement of Directors' responsibilities

Company law requires the directors to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Group and the Company.

In preparing those Financial Statements, the directors are required to:

- ensure that adequate accounting records and an effective system of internal controls and risk management have been maintained;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been adhered to, subject to any material departures disclosed, explained and quantified 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;
- keep proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Group and the Company while ensuring that the Financial Statements fairly present the state of affairs of the Group and the Company, as at the financial year end, and the results of their operations and cash flows for that period; and
- ensure that the Financial Statements have been prepared in accordance with and comply with International Financial Reporting Standards, the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The directors confirm that they have complied with the above requirements in preparing the Financial Statements. The directors are also responsible for safeguarding the assets of the Group and the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. Other main responsibilities of the directors include the assessment of the Management's performance relative to corporate objectives; overseeing the implementation and upholding of the Code of Corporate Governance; and ensuring timely and comprehensive communication to all stakeholders on events significant to the Group and the Company.

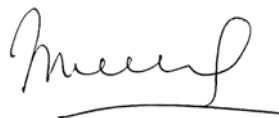
The directors hereby report that:

- adequate accounting records and an effective internal control system and risk management framework have been maintained;
- the Financial Statements fairly present the state of affairs of the Group and the Company, as at the financial year end, and the results of their operations and cash flows for that period;
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been consistently used;
- the Financial Statements have been prepared in accordance with International Financial Reporting Standards, the Mauritius Companies Act 2001 and the Financial Reporting Act 2004; and
- the Financial Statements have been prepared on the going concern basis.

On behalf of the Board



M G Didier HAREL
Chairperson



Jean Michel NG TSEUNG
Group Chief Executive

Statement of Compliance

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


Name of Public Interest Entity ('the PIE'): MCB Group Limited

Reporting Period: 1 July 2022 to 30 June 2023

We, the Directors of MCB Group Limited, confirm that, to the best of our knowledge, the Company has complied with all of its obligations and requirements under the National Code of Corporate Governance (2016).



M G Didier HAREL
Chairperson



Jean Michel NG TSEUNG
Group Chief Executive

28 September 2023



Company Secretary's certificate

Name of Public Interest Entity ('the PIE'): MCB Group Limited

Reporting Period: 1 July 2022 to 30 June 2023

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



Marivonne OXENHAM

Per MCB Group Corporate Services Ltd
Company Secretary

28 September 2023