Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Currimjee Jeewanjee’s second Integrated Report for the financial year 2019, which provides a comprehensive overview of how our organisation creates sustainable value.

Last year, as we began our journey towards Integrated Reporting, it became clear to us that this report is not an outcome in itself; rather, it is a tool that helps us move forward in our integrated thinking process. The preparation of this report has driven greater collaboration between our stakeholders, clusters and teams, and fostered a Group-wide understanding of the links between our strategy, material issues, risks and business models. Our aim is to embed integrated thinking in our daily operations by breaking down internal silos, thus enabling a more efficient flow of information between departments and business units. This report is simply a milestone in a long journey and we endeavour to continue improving the quality and transparency of information we communicate to our stakeholders.

An unpredictable and disruptive operating environment

As we prepare this report, we are confronting a major unforeseen global health crisis, one that has been sweeping the world with breathtaking speed since the end of December 2019. The coronavirus outbreak is, above all, a human tragedy. With close to fourteen million people infected in over 175 countries and over 500,000 global deaths*, our hearts go out to the victims and their families. At the same time, the economic toll has been unprecedented. Countries have taken drastic measures to halt the spread of the pandemic, enacting travel bans and putting populations under lockdown. As a result, stock markets have plummeted, entire industries have been disrupted and unemployment has soared.

In this climate, businesses are navigating uncharted territory, and our Group is no exception. The outbreak of Covid-19 has impacted a number of our clusters, partners, employees and communities, whether directly or indirectly. We responded to this challenge swiftly, assembling a trusted crisis management team to make rapid tactical decisions. Our employees’ health and safety being at the forefront of our priorities, we promptly developed an internal communication plan focused on keeping them connected and calm. Our Flexible Working Policy, which we approved before the outbreak in 2019 in a drive to promote work/life balance, prepared us to transition smoothly to a remote working model. In a matter of days, we reinvented how we work, with 64% of our workers working from home since the outbreak. Our investments in technology and digital capabilities in all our businesses over the years have proven to be invaluable and have largely facilitated the implementation of agile working practices, with minimal disruption to our operations.

* It is to be noted that at the time of writing this message, the outbreak is still evolving rapidly by the day and the statistics and perspectives in this message may be outdated.
CHAIRMAN’S MESSAGE

Key achievements in 2019

2019 was a year of strong performance for Currimjee Jeewanjee, during which a consistent focus on our diversification strategy produced positive results across our lines of business. As we near the end of our three-year rolling plan, we remain on target to achieving our long-term goals:

- Building organisational strength and operational excellence;
- Diversifying our business portfolio and investing for future growth;
- Rebalancing the Group’s financial structure;
- Making sustainability an integral part of our strategy and operations.

In line with these four strategic pillars, we made great strides in our TMIT, Real Estate and Hospitality clusters, the key activities that generate the bulk of our revenues. We continued diversifying our product and service offerings, placing customer relationships at the heart of our value proposition and investing in digital technologies. As global partnerships between content distributors and telecommunication players peak, increased synergies between Emtel and MC Vision are enabling us to stay ahead of the curve. Moving forward, we aim to continue combining our intra- and cross-cluster capabilities to introduce innovative products and a better customer experience to the home, enterprise and individual segments.

The outbreak of the coronavirus has made one thing abundantly clear: broadband is a necessity upon which Mauritians rely on daily. It is the primary means through which students are engaging in remote learning, employees are accessing their work, shoppers are ordering their supplies and people are maintaining social connections amidst social distancing measures. With many Mauritians confined to their homes and the resulting increase of Internet usage, Emtel is facing the responsibility of delivering critical infrastructure and services, all while keeping our frontline employees as safe as possible. In these moments, I am reminded how important the work we do really is. I am proud of our team members who are working around the clock to ensure smooth and reliable connectivity throughout these times, establishing themselves - and Emtel - as critical providers of support in times of crisis.

After an uphill battle of obtaining the permit to construct, our 5-star Anantara IKO Mauritius Resort, managed by Minor Hotel Group, saw the light of day on 1 September 2019 at Le Chaland. Sustainability, wellness and eco-friendliness are integral to its philosophy, meeting the demands of today’s travellers. Though the hotel was operational in time for prime tourist season, we are aware that tourism and hospitality are among the hardest hit industries by the coronavirus outbreak. The decline in tourist arrivals experienced last year will further plummet as a result of travel bans and quarantine measures. In response, the Group has already set in motion a plan to mitigate the impact of the crisis, the details of which are laid out in the Managing Director’s message on pages 86-91.

Preparing for a more sustainable Group

As a Group that employs over 927 employees, we have an overriding responsibility to use our resources in service of society. Sustainability is one of our longstanding commitments, and even more so now. Though our focus is on countering the consequences of Covid-19, we must not lose sight of the persisting ecological and existential threat we are facing. If this pandemic has taught us anything, it’s that our ecosystem is vulnerable and that we mustn’t tackle one crisis by exacerbating another. We therefore pledge to continue safeguarding the environment and integrating sustainability considerations into our actions as we transition to a lower-carbon future.

While the Currimjee Foundation has long been involved in advancing our communities and strengthening our social fabric, supporting the response to the coronavirus outbreak is more pressing today. As the population grapples with unemployment and unexpected costs, we have committed to helping Mauritius combat Covid-19 by contributing to the National Covid Fund, and establishing an internal fund to support the Group’s employees, their families and also the communities in the regions where our businesses operate. The ramifications of this pandemic may be long-lasting and we are determined to play our part in making sure that nobody is left behind in its aftermath.

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Prudent risk management and strong governance

Good corporate governance and strong ethics are the cornerstones of our organisation. To us, corporate governance goes beyond a set of guidelines or compliance. Rather, it is a framework that underpins our strategy, performance, behaviours, culture and day-to-day actions. We firmly believe in setting the tone from the top; the Board of Directors therefore acts as stewards of the organisation, exercising independent judgment as we fulfill our responsibility of reviewing strategic plans and overseeing the Group’s performance. To discharge our duties, we adhere to the standards set forth in our Corporate Governance report (pages 52-67) as well as the New Code of Corporate Governance for Mauritius. Our specialised committees support us by ensuring that the established policies and internal control systems are embedded within operations and making appropriate recommendations to the Board.

During the year, the Board reviewed the Group’s three-year rolling plan and approved a new strategic plan for 2020-2022. While our three-year strategy articulates our path to long-term resilience, the increasing pace of change requires us to frequently re-evaluate our priorities so we can manage and mitigate emerging risks, without stifling innovation.

The clear delineation and understanding of roles has enabled us to act quickly in response to the pandemic. The management team is actively monitoring the nature of the threat, assessing its potential impact on our stakeholders, and managing the associated risks. As a Group whose structure is complex and whose activities span multiple industries, our disciplined and prudent approach to risk management has served us well over the years, and will continue to do so in this unpredictable environment.

A token of appreciation

Since our earliest days, Currimjee has lived by the strong values established by our founders. I am proud that these principles have stood the test of time and continue to guide our organisation today. Now, more than ever, I feel a deep sense of pride in our employees, who rose to the challenge and operated with fortitude under the most extraordinary of circumstances. Your determination and sacrifice are an important reminder of our shared humanity and I am humbled to be leading you all.

I would like to thank our members on the Board for demonstrating exceptional leadership and driving our organisation forward with their diverse range of expertise, perspectives and knowledge.

On behalf of the Board, I would like to extend my appreciation to our CEO, Anil C Currimjee and his Executive team, who sprung into action to navigate this unsettling period. They have successfully guided our organisation towards prosperity, which also gives me confidence in their ability to lead us to recovery.

To our shareholders, partners and customers, thank you for your ongoing trust in us. We are keeping our eyes on the horizon ahead and are fully prepared to emerge stronger so we can maintain our place at the heart of your households.

I do hope this message finds you and your family in good health.

Bashirali A C Currimjee, G.O.S.K.
Chairman

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