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Interview with the Group CEO

Last year, Group turnover exceeded pre-Covid levels by 15%. Did this growth momentum continue into the financial year 2023?

What a year this has been for IBL Group! Indeed, FY2023 shaped up to be another historic year. Numerous milestones were achieved, records were set in our lines of business and large-scale investments were fulfilled. With our eyes firmly set on East Africa and the Indian Ocean, our Beyond Borders ambitions have placed IBL squarely on the regional stage.

The outperformance of our businesses is the reflection of a robust and diversified business model, a well-executed strategy and a workforce that is truly world-class. From Rs 36.5 billion in turnover in 2020, and Rs 45 billion last year, we made another leap in our performance, generating a turnover of Rs 54.1 billion and Profit After Tax of Rs 4.9 billion.

The title of this Integrated Report, Beyond Borders, fully encapsulates the transformative mindset that has propelled the Group to challenge its limitations and open itself to new markets and cultures. IBL now stands ready to meet the dynamic demands of its markets and contribute its know-how, honed through decades of experience, to the sustainable development of the region.

IBL delivered a strong performance despite a challenging macro environment and business climate. What factors contributed to this resilience?

These are no doubt challenging times. To borrow a term used during the World Economic Forum, we are operating in a real 'polycrisis', with overlapping economic, social and geopolitical crises – on top of the legacy of shock left behind by the pandemic. All of these phenomena have driven a cascade of consequences on a national and global scale, including an energy crisis, supply chain disruptions and inflation, which in turn has led to central banks hiking interest rates sharply. Several reasons can be ascribed to the Group's strong performance despite this unsettling landscape.

Given IBL's international growing footprint and the diversity of our activities, we have always operated our businesses on the assumption that our markets will be impacted by macroeconomic factors in an uneven manner. This has pushed us to base our strategy on risk diversification and to consider all possible scenarios in our decision-making. Over the past decades, we have been reducing concentration risk by pursuing organic and inorganic growth opportunities in new sectors and geographies, resulting in a diversified portfolio that is able to stand strong in the face of adversity. The Covid-19 pandemic proved us right.

Naturally, we are not immune against macroeconomic developments, as evidenced by the slowing momentum in the insurance business. This is why, in addition to expanding into high-growing markets, we adhere to the sound principles that have shaped the Group into what it is today: strict cost management and balance sheet management, nurturing strong relationships with our stakeholders, improving governance and internal controls, and continually investing in our growth enablers for improved operational efficiency and productivity.

"With our eyes firmly set on East Africa and the Indian Ocean, our Beyond Borders ambitions have placed IBL squarely on the regional stage."

Did IBL proceed as planned with its regional expansion? What acquisitions came about in the course of the year?

Our *Beyond Borders* strategy is moving full steam ahead and our vision for IBL International is materialising. We went from having dispersed operations in East Africa to a more anchored footprint, driven by a coherent and deliberate strategy to leverage our core competencies. At this time in 2022, we had just about completed the transaction with Naivas. Now a year later, we have added sizable acquisitions to our portfolio and have a stronger foothold in the retail, wholesale & distribution, healthcare, renewable energy and hospitality sectors in the region – sectors in which we already have proven expertise and a sustainable competitive advantage. Some of the most notable investments for the year include:

- The acquisition of 11% of Naivas, whose retail footprint already spans 100 stores in Kenya, bringing the holding of Mambo Retail to 51% of the supermarket chain, ahead of the Put & Call option for 2025;
- The acquisition of a 65% majority stake in Harley's, a leading importer-distributor of medical equipment and pharmaceuticals in Kenya, Tanzania and Uganda. This consolidates IBL's expertise in the healthcare sector;

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– IBL Energy acquired a majority stake in Equator Energy, alongside STOA, an impact fund. Headquartered in Kenya, and with a presence in Uganda inter alia, Equator Energy is a fully-integrated solar power provider with a portfolio of 45 MW under management across sub-Saharan Africa. It has doubled the size of its solar portfolio each year since its creation in 2016, and is positioning itself at the forefront of the Commercial & Industrial solar industry in Africa;

– In July 2023, Winners completed the acquisition of a 51% stake in RunMarket, held by Make Distribution, with a portfolio of four hypermarkets in Reunion Island;

– UBP is set to acquire a group of companies in Reunion Island, which will substantially increase its revenues;

– LUX* is now present in Zanzibar, Tanzania, and is on track to finalise partnerships with property owners in China, Sharjah, Dubai, Saudi Arabia and Vietnam;

– DotExe Ventures obtained approval for the co-creation of '4Di DotExe Fund 1LP' in partnership with 4Di Capital, a South African venture capital firm. Of the \$17 million raised, \$7 million have already been invested in tech start-ups showing promising signs of growth and scalability.

These accomplishments may have lined up in only one year, but they are the result of years of foundational work and learning valuable lessons. IBL International, our office in Nairobi, has done a terrific job in facilitating our M&A activities. The team has taken the time to understand the dynamics of our new markets, acclimate to the local business environment, and build a rapport of trust with key stakeholders such as industry associations, service providers and the investment community inter alia. Besides ensuring a good strategic fit, our investment philosophy is uncompromising about only pursuing opportunities with businesses whose core values and ESG practices are aligned with ours. This approach is paying off, as we are seeing growing interest among investors and a pipeline of opportunities coming our way.

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The transactions themselves mark only the beginning of the process. The post-acquisition phase is critical in realising the full potential of our investments. It is not only a matter of achieving economies of scale, but of creating mutual value and synergies through the cross-fertilisation of ideas and know-how. Through the Group's network of over 280 companies operating in 19 markets, we have a wide range of capabilities to support the development of our investees. Conversely, the East African region is experiencing rapid growth, with a young population and a fast-expanding tech ecosystem that IBL stands to learn much from.

How did the Group's different activities contribute to its overall performance?

Most clusters posted an improved performance over the previous year.

After a tumultuous few years, 2022 granted much-needed reprieve to the **Hospitality** cluster. Lux Island Resorts, under the management of The LUX* Collective, registered a record year, increasing PAT by 202.3% despite facing mounting competitive pressures from neighbouring islands and the closure of LUX* Belle Mare following a fire outbreak in July 2022. All of its properties across the world, without exception, are garnering strong demand from existing markets, as well as new demographics. Three new LUX* hotels opened in Tanzania and China during the year, in keeping with its vision to venture into the world's most sought-after destinations. The reconstruction of LUX* Belle Mare, scheduled for opening in October 2023, was financed with LIR's own cash flow, with no impact to the gearing level, which is a testament to its robust balance sheet.

Likewise, the **Seafood** cluster crossed the Rs 500 million profit mark, driven by considerable productivity gains and an excellent performance in Ivory Coast. The cluster's strategy to diversify and create value through fish by-products is enabling it to differentiate itself in the market. Energie des Mascareignes (EDM), a waste-to-value venture which converts fish waste into biogas, became fully operational in October 2022, and is powering a significant portion of Princes Tuna's steaming requirements. Princes Tuna continues to serve as a model for growth in the circular economy and a pioneering advocate for the sustainability of the tuna industry, undertaken through the Sustainable Tuna Association, which it founded in 2019 for this very purpose.

The **Life & Technologies** cluster pursued its mission to change the face of healthcare in Mauritius. This activity is still in its early stages of development, requiring capital-intensive investments in state-of-the-art equipment and facilities, which inevitably translated into losses for FY2023. We are confident in our long-term vision and unique value proposition for Life Together, which brings together cutting-edge Research & Development and a differentiated approach to patient care. So far, Life Together has opened two full-fledged day care medical destinations in Forbach and Tamarin.

In the **Agro** industry, Alteo completed its restructuring into two distinct entities, Alteo Ltd, focused on Mauritian operations, and Miwa Sugar to manage its East African operations. Both entities performed exceedingly well despite a lower harvest, boosted by record production levels in Tanzania, which surpassed one million tonnes of cane, higher sugar prices in Kenya and a turnaround in the Property business in Mauritius.

BlueLife, the **Property** development activity, also returned to profitability as a result of higher occupancy rates in its hotel and a flawless execution plan in promoting, building and selling properties.

The **Energy** sector is making strides in Africa through its investment in Equator Energy and a minority stake in a solar kit provider operating in Burkina Faso and Benin. An IBL Energy office was set up in Nairobi to coordinate the cluster's activities in the region.

BrandActiv and Winners were the largest contributors to the performance of the **Commercial & Distribution** segment. Winners opened its flagship store, spread over 7,000m² in Tribeca Mall, offering an even wider array of fresh produce, wine and electronics, and continuing to entrench itself as the preferred supermarket chain for Mauritians. In appreciation of its environmental commitments, it is also being recognised as the leading sustainable supermarket in Mauritius, adding another feather to its cap. The acquisition of RunMarket, which I mentioned earlier, comes on the heels of our investment in Naivas, whose profitability soared by 25% in FY2023, allowing it to pursue its rapid expansion at a pace of one supermarket opening per month.

Individual performances in the **Financial Services** cluster were mitigated. Insurance activities and DTOS were impacted by higher operational costs. AfrAsia Bank, for its part, posted an outstanding 311% increase in profitability over FY2022. However, due to our intention to dispose of our 30.29% shareholding and its subsequent status as a 'Held For Sale' asset, these profits were not accounted for in our third-quarter results. Our proposal having not fallen through, the bank's profits were reconsolidated into our full-year results ended June 2023. We are seriously reassessing our strategy with respect to banking and global management activities.

How are IBL's growth enablers supporting its strategy?

Adding to IBL's three growth enablers – Human Capital, Technology & Transformation and Sustainability, – **Innovation** was identified as a fourth growth enabler to structure IBL's existing practices and develop innovation as a real organisational muscle. Guided by a consultant, a clear methodology was defined to rigorously test a business idea before we invest in it and ensure that the innovation results in positive business outcomes in a scalable and cost-effective way. We are working on making Mauritius our Innovation Lab, where innovative business models and value propositions are developed, incubated and tested, before we replicate them in our overseas operations.

Likewise, **Technology & Transformation** continues to drive digital transformation within our various BUs, through a strategy that is adapted to each business' specificities, while also aligning with IBL's overarching goals. Artificial Intelligence (AI) is evolving at an exponential rate, requiring businesses to adapt rapidly not just in terms of cybersecurity, but also because it is redesigning certain occupations and necessitating the development of new skills. A Data Analytics team was formed to address the overlapping need for business intelligence capabilities, and measures were implemented to improve the Group's security posture.

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The **Human Capital** strategy has played an instrumental role in driving our regional ambitions, alongside the ongoing standardisation of processes through the People Online Platform (POP) and a continued emphasis on wellbeing and skill-building. A comprehensive talent review was carried out to identify the most critical development needs across our BUs in Mauritius and abroad, and training programmes are being developed by the IBL Academy through the **GREAT IBL Academy** value chain, which works around Growing our Results through Engagement and Accountability Together, helping to shape our leaders of tomorrow on the Foundation of a Culture of Greatness. Spirited communication about mobility opportunities has led to five team members relocating to East Africa in support of our ambitions. The Human Capital function is facilitating the expatriation of our colleagues through a phased approach, enabling them to seamlessly transition into their new roles.

Sustainability is more deeply embedded within the Group following the 'Building a Legacy Together' forum and the closer collaboration between the Sustainability, Risk and Finance functions as we increasingly start viewing our financial resilience through the lens of environmental, social and governance considerations. The Radar tool is also providing BUs with clear priorities, based on their unique operating context and risk landscape. The Radar for the Property cluster was developed, and several projects have emerged as a result. Bloomage has already begun tackling Materials & Waste, which stood out as an area of strategic relevance to its business, through energy conservation efforts including working to obtain the LEED and EDGE certifications for its buildings.

Another project that is worthy of praise is the launch of E-Motion by IBL Energy and Vivo Energy Mauritius, which offers a convenient way to charge hybrid and electric vehicles. Individuals and businesses can both make use of this service through adapted subscription packages. By connecting to Electromaps, a mobile app, subscribers can locate the nearest charging station and make their way to one of many fast-charging points located in strategic areas of the island. This initiative combines innovation, sustainability and technology – three highly valuable skills that IBL aims to cultivate and excel at.

True to our purpose, we remain as committed as ever to using our influence to drive social inclusion and alleviate poverty. Fondation Joseph Lagesse was set up in 2015 as a philanthropic organisation, but it has evolved into an impactful entity carrying out meaningful work in the areas of literacy and community empowerment, to name only a few. Society is undergoing major changes, and just as new needs arise, so too must the role of a business in society. We must keep progressing, with purpose and transparency. The Embedding Project has shed new light not only on environmental challenges, but also on specific social issues. These findings are allowing us to connect the dots between our actions in these two distinct areas, and forming the basis for a fresh approach that effectively brings together ecological and societal aspects. We look forward to sharing more about this project with you in the coming months.

What is the outlook for IBL in FY2024? Do you have any final thoughts to share?

The lessons of the past years are still top of mind, so continued uncertainty is the only thing we can be certain of.

The *Beyond Borders* strategy will continue to fuel our growth as we finalise further investments in East Africa in our designated growth sectors. Our sister island, Reunion, remains an attractive market for IBL, particularly as we are already well-established in sectors like printing, hospitality, beverages and now, retail. The potential for synergies is substantial.

As emphasised by our Chairman, our governance structure and practices are evolving along with our growing international footprint. Our four new Directors bring sector-specific perspectives and independent opinions to our strategic discussions, which is further sharpening our decision-making.

I would like to end this message by paying tribute to Jean Ribet, and extending my condolences to all those who have had the privilege of knowing him. Jean, more fondly known as Jano, passed away on 05 April 2023. As a Non-Executive Director of Ireland Blyth Ltd since 2004, and the longest-serving Director we have had, Jean did not just sit on our Board. He was a thoughtful and active leader whose financial expertise and deep insights made him an invaluable member of every company he worked with, ours included. His humility, diligence and grace will remain etched in our memory and he will be missed dearly.

My gratitude also goes out to Jean-Claude Béga, who stepped down from his role as the Head of Financial Services cluster. I have had the privilege of knowing and working alongside Jean-Claude since he joined me at GML in 1997. During his 26-year tenure, Jean-Claude has strongly influenced the strategic development of the Group, including his leadership during the complex fusion of Ireland Blyth and GML and the successful deployment of our *Beyonds Borders* strategy. His attention to detail and work ethic are unparalleled. He also played a key role in many defining moments for the country, through his participation in the development of Naiade Resorts (known today as LUX*), the creation of AfrAsia Bank and the beginnings of Alteo Group, to name only a few of his many accomplishments. On a personal note, I have appreciated your counsel and friendship, and I wish you all the best in your new pursuits.

A sincere thank you to Gilles Michel for the important work he has done over the past nine years as a valuable member of IBL's Board of Directors, Corporate Governance Committee and Strategic Committee. Through his wealth of experience and knowledge, he distinguished himself as a judicious steward of our organisation, and by all measures, our governance practices have improved on his watch and will be central in safeguarding IBL's future.

With these departures, we also welcome three new Independent Non-Executive directors – namely Georges Desvaux, who now chairs our Corporate Governance Committee (CGC), William Egbe who chairs our Strategic Committee (StratCom), and Momar Ngué who chairs our Remuneration Committee (RemCom). As a long-standing member of the Group and Head of Operations, Patrice Robert who has unparalleled knowledge of our business, joined the board as an Executive Director and I look forward to working more closely with him.

I take this opportunity to thank IBL's entire Board of Directors, both long-standing and new, led by our Chairman Jan Boullé. Your thoughtful guidance and insights have been instrumental in steering us on this journey and in setting the strong governance standards that form the bedrock of IBL. I hope to continue to draw from your wisdom in the years to come.

A big congratulations to our teams in Mauritius and around the world for their outstanding work and contributions to our shared achievements. If I look to FY2024 with optimism, it is because of my confidence in your talents. To our colleagues who have relocated to Kenya, thank you for accompanying us on this exciting journey with utmost dedication.

Finally, to our new partners, we look forward to growing hand-in-hand with you and joining forces to bring meaningful change to the Indian Ocean and African continent.

With the support and trust of our stakeholders, I am confident that together, we will write many more remarkable chapters in IBL's story, always keeping our purpose – Creating a brighter future for all – at the heart of all we do.



Arnaud Lagesse
Group Chief Executive Officer

“IBL now stands ready to meet the dynamic demands of its markets and contribute its know-how, honed through decades of experience, to the sustainable development of the region.”

Strategy



Strengthening IBL's Mauritian Core



Regional Expansion into the Indian Ocean & East Africa



International Expansion Anchored in World-Class Professional Expertise

Our Strategic Pillars

Beyond Borders

a strategy that transcends the boundaries of geography

Our Growth Enablers



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Bringing IBL's strategy to life

In conversation with



Jorsen Patten
COO – East Africa
Operations

Michel Pilot
COO – IBL East
Africa Investment

You were assigned the responsibility for setting up IBL International in Kenya in the context of the Group's regional expansion. What is your role there?

JORSEN PATTEN _ I was approached by IBL in 2018 to spearhead the Group's expansion strategy in East Africa by setting up its regional office in Nairobi, Kenya which we call IBL International. When I first joined as the Head of Business Development for East Africa, IBL International served as an advisory office in business development and investment for the Group and its operations. We initially focused on market research, understanding the economic and industry landscape, carefully considering which sectors to focus on, developing market entry strategies, making IBL Group known among the business and investment community, building strong relationships and partnerships with key firms and stakeholders, from family businesses and law firms to investment banks, and so on.

In parallel to this important foundational work being carried out on the ground, we also reviewed a number of investment opportunities in mid- to large-sized businesses across sectors in the region, as several IBL operations such as DTOS, IBL Energy and Ellegeo Re were also setting up business development offices in Kenya. This culminated in the historic deal with Naivas, the leading supermarket chain in Kenya, in June 2022, followed by investments announced in the pharma distribution and renewable energy sectors in 2023.

Given the pace of these exciting developments, and the scope and scale of IBL's Beyond Borders strategy, the East Africa office has evolved to also offer post-deal services to support the Group, our investee companies and our financial partners. This post-deal phase is crucial and includes operations management activities, which I lead, and investment management activities, led by Michel.

Michel, you moved to Kenya in 2022, in the midst of all these acquisitions to lead the post-deal investment management process. What exactly does it involve?

MICHEL PILOT _ I embarked on the East African chapter in September 2022 and relocated to Kenya with my family. Besides also participating in business development and the M&A process alongside Jorsen, my role really begins once the deal has been sealed. In essence, I am responsible for ensuring that our current investee companies are performing well, and that we provide all the necessary support for our current and future investments to also fare well. This means maximising synergies and efficiencies within the companies, and leveraging all the tools in our arsenal.

Bringing IBL's strategy to life

Could you tell us about IBL's recent and most significant business investments, and what they mean for the Group?

MICHEL PILOT _ You may remember 2022 as a milestone year for IBL as it undertook the largest single investment in the history of the Group through its acquisition of 40% of Naivas International alongside Proparco and DEG. Naivas is Kenya's leading retail chain with an impressive network of outlets in prime spaces and strategic locations. During the last financial year, Naivas has sustained its growth trajectory, with 11 additional stores opened across multiple formats. In fact, it is nearing the 100-store mark, having now opened 98 stores at the time of writing.

Other notable investments include a 65% stake in Harley's, an importer-distributor of pharmaceuticals based in Nairobi, with stock points in Mombasa, Eldoret, Dar es Salaam and Kampala; and a 51% stake in Equator Energy, a solar power operator in the commercial & industrial segment with activities in Kenya, Uganda, South Sudan, Somalia and Zimbabwe. These are all strong testaments to the credibility that IBL has garnered as a serious strategic investor in the region. As we speak, we have seven operations running in East Africa that did not exist in 2018.

The common thread is the fact that IBL is already well established in these sectors in Mauritius, whether in Retail & Distribution through Winners, in Healthcare through HealthActiv, and in Renewable Energy through IBL Energy. To these fast – growing sectors we bring our knowledge and operational capabilities to create value not only for our investee companies, but also for the customers we serve, the suppliers and partners we work with, and also the future of the industry we operate in.

IBL's expansion Beyond Borders has visibly accelerated since last year. What are the key elements of your strategy and approach?

JORSEN PATTEN _ The Beyond Borders strategy has definitely gained momentum in 2022, and closing the deal with Naivas – a well-loved and well-respected Kenyan brand – no doubt played a springboard role in accelerating this expansion. It is true that East Africa represents a huge potential, but taking a business international is no easy undertaking, especially to do so with scale and across multiple sectors. It is a dynamic and complex process, with many moving parts and many stakeholders working together to bring the deal to completion to the satisfaction of all parties.

One of the first things we look at when assessing an investment, besides the degree of strategic fit, is the value creation and synergistic potential between the investee company and our corresponding operation, whether in our commercial capabilities, the transfer of best practices, or the cross-fertilisation of ideas. We spend an equal amount of time working this out on both sides of the transaction to make sure it is mutually beneficial. We are also clear about the kind of investor we want to be – namely a strategic partner for our investees, dedicated to taking their businesses to the next level in their growth stories.

Another extremely important factor is that we invest in the people behind these businesses. We invest in their values, ethics and principles. If we look at Naivas, a family business, the deal was incumbent on having a strong relationship based on common values and a shared vision for the future. Building trust and goodwill requires time, energy and patience, and I cannot overstate the importance of this step.

With all these synergies developing, and the volume of activity occurring, investor appetite is increasing and we are seeing many more opportunities come our way. This is also creating more buzz within IBL's BUs to expand their operations in the region.

What opportunities or challenges do you foresee in the coming years?

JORSEN PATTEN _ The future is looking bright. It is safe to say that IBL has made its presence felt in the region since we started this journey, and that this growth will continue to accelerate. Our focus in the coming year is to make our investments work. There is an incredible talent pool in Kenya, including the many local colleagues we are working with. We have about 11,000 team members in Kenya to date, so the Human Capital function will be a critical enabler of this strategy in the years ahead. Equally important is the alignment of good governance in our investee companies

MICHEL PILOT _ I share Jorsen's optimism. IBL has very exciting prospects ahead. East Africa is a very vibrant economy, with a market size in excess of 200 million inhabitants, fast – improving infrastructure, a thriving digital ecosystem and a multitude of multinationals. IBL stands to benefit immensely from this conducive environment and the potential for cross-fertilisation is limitless. On a personal front, the quality of life in Kenya has been great so far. I have been beyond impressed by the hospitality of the Kenyan people, the beauty of the country, not to mention the openness and dynamism of our East African counterparts.

Human Capital

A clear goal: to be an employer of choice

IBL's Human Capital strategy continues to be executed through a resolutely 'People First' lens.

FY2023 was another tumultuous year for the talent landscape, with increasing competition from both domestic and international markets, leading to a labour shortage in many industries. People are continuing to grapple with the turbulences of the past few years, which have reconfigured their demands from their employers: more flexibility, a focus on wellbeing, a positive and collaborative work environment, and a clear career progression plan, amongst others. Our response has been to diligently follow our future-of-work roadmap, delivered through five pillars, and work to attract, empower, engage and retain our talent in pursuit of becoming an employer of choice.

As the Group's Beyond Borders strategy gains even more momentum, the Human Capital function is working to build a cohesive IBL Together culture across an increasingly geographically-distributed workforce to ensure we maintain a high-value talent pipeline in all the geographies we operate in.

Optimise the Group's HC processes across all companies

Consolidate internal capabilities across the employee lifecycle (from employment until exit) through the harmonisation of practices

Strengthen the Group's succession planning

Develop succession plans and retention strategies for business-critical roles to ensure the smooth continuity of our operations

Support businesses' transformation and performance through capability-building and leadership development

Build a robust pipeline of high-performing teams through continuous upskilling at the grassroots level and a focus on nurturing the leaders of tomorrow

Support our IBL's Beyond Borders strategy through the consolidation of our African offices

Accompany IBL's businesses in their HC strategies overseas and support the expatriation of talents to our African offices

Improve the employee experience and use of data analytics through People Online Platform (POP)

Leverage our fully-integrated HC platform to gain insights on our People analytics and make relevant improvements to our Employee Value Proposition

Progress made in FY2023

- Pursued the harmonisation of HC practices across businesses in different industries. An assessment exercise has started with some companies to measure the adoption of the practices as recommended in our Back-to-Essentials guidelines.
- Paused the implementation of Phase 2 of the People Online Platform (POP) Project to focus on the optimisation of Phase 1 (which consists mainly of the payroll process and time attendance management) and recalibrate systems in accordance with each BU's specificities.
- Launched the performance management module (part of Phase 2 of the POP Project) across the Corporate Centre and two BUs (Bloomage and Brandactiv).

- Revamped our succession planning method by deepening our talent review process and using a more collaborative, scientific and data-backed approach to measure the Potential vs Performance of the talent pool within IBL's BUs. Over 1000 roles were assessed, leading to the identification of business-critical roles. Targeted and tailor-made development plans are being developed accordingly and will be rolled out through the IBL Academy in FY2024.
- Revamped the branding of all our job adverts as part of our attraction strategy.

- The first part of the year was devoted to the completion of leadership workshops for companies that embarked on their journey.
- The second part of the year was devoted to finalising the architecture of the IBL Academy.
- The 8th Edition of our Management Development Programme in collaboration with the Stellenbosch Business School was carried out with 30 participants.

- Restructured the Kenyan office with the addition of a second Chief Operations Officer.
- Carried out cultural awareness sessions for employees and their families ahead of their relocation, offering guidelines on how to navigate the new host country.
- Studying a new approach to ease our talents' transition to East Africa by first sending them on a three-month mission on a trial basis, enabling them to assimilate the new culture before embarking on the full-fledged expatriation process.

- Formed the Data Analytics team, responsible for leading the deployment of the Analytics module. The team is in the process of building dashboards with key metrics to uncover trends and make more informed decisions.
- Aligned salaries with rising inflation to support employees as they face a higher cost of living.
- Extended parental leave to 18 weeks for mothers and 3 weeks for fathers.
- Launched a pulse engagement survey across the Group using the e-NPS tool.

Human Capital



Case in point

IBL Academy

In 2022, the Group embarked on the creation of the IBL Academy to future-proof our workforce, accompany our people in their personal and professional growth and deliver on the Group's growing global ambitions. We aim to develop our talents in a way that not only meets their career aspirations, but that also contributes to the achievement of IBL's business objectives. The Academy supports this ambition by focusing on three pillars: Talent Engagement, Performance Management and Talent Acquisition. The creation of the Academy will also be instrumental in equipping IBL's workforce with the world-class capabilities and growth mindset needed to facilitate their relocation to East Africa or other international assignments. The **GREAT Value Chain** came into being through a structured methodology based on four key steps.

Step	1	2	3	4
	Defining the IBL culture	Identifying the variances	Building capabilities	Assessing performance
Objective	<p>Setting a clear direction and culture. Defining the objectives of the Academy and formulating the culture it is mandated to spread throughout the Group was a pivotal step in its establishment. A clear directive plan was developed to ensure its alignment with IBL's strategic goals.</p> <p>The mission of the Academy is characterised by 5 fundamental components:</p> <ul style="list-style-type: none">• G – Growth: Encompassing the individual, performance, operational, and collective evolution of the Group.• R – Results: Prioritizing tangible outcomes and emphasising that what is being measured can be improved.• E – Engagement: The success hinges on every stakeholder's genuine commitment and active participation.• A – Accountability: Highlighting individual responsibility and total dedication to achieve desired outcomes.• T – Together: Representing a unified foundation for the entire IBL Group. <p>• Growing our Results through Engagement and Accountability Together = GREAT.</p>	<p>Identifying and articulating the needs of our operations and our employees are crucial in the process of closing the variance gap. The Academy is rooted in a philosophy of transformation, not just training. Conducting this identification and assessment across all sectors of activity and at all levels of the organisation allows for mapping the need, the gap and the talent profile of the Group.</p>	<p>To drive the transformation within IBL Group, identifying key capabilities is paramount. A focused analysis revealed 10 capabilities as both crucial and transformational for our organisation. These capabilities are part of a holistic transformation approach for our team members, encompassing individual performance, teamwork, interactions with stakeholders, and our capacity to lead.</p>	<p>Tying employee growth to performance. The progress of Capability Journeys will be monitored and integrated into performance discussions. While these journeys may evolve with emerging capability requirements, the IBL Academy's approach is designed to be agile, constantly adapting to the shifting needs of the business.</p>
Methodology	<p>Deep-dive sessions were conducted across BUs to grasp the needs and operational realities. The relevance of the Academy lies in its ability to understand the business' exigencies and needs to address them precisely.</p> <p>To build a high-performing team and generate performance, our key transformation factors are:</p> <p>Trust, Excellence, Discipline, Culture – forming the building blocks of the culture of GREATness.</p>	<p>A talent review exercise and variance analysis workshops were conducted across the Group. This exercise allowed, on one hand, to standardise practices in terms of evaluation and defining critical roles within the Group and, on the other hand, to assess the performance of team members. A collective and collaborative approach in which every leadership team was involved.</p>	<p>The GREATness Lab is a transformation process which was created to ensure learning, on one hand, and to measure the transformation on the other. Four key steps encompass this learning process. Each step is essential to achieve the transformational objectives in each capability.</p>	
Implementation and outcomes	<p>Cascading down the GREAT culture involves a dual approach that integrates both top-down and bottom-up strategies. A CEO Forum took place, where top leaders of the Group undertook leadership workshops to set the tone from the top, while we also engaged with employees at all levels to involve them in shaping the culture from the bottom up.</p>	<ul style="list-style-type: none">• 1489 employees were assessed, of which 30% at management level and 27% at supervisory level.• Time invested: 150+ workshops and 225+ hours spent over the course of five months.	<p>Capability Journeys have been designed. Selected team members will undertake these custom-made journeys, focusing on building and enhancing specific capabilities. These capabilities are strategically chosen for their impact on both the individual's personal growth and the overall performance of the organisation.</p> <p>A digital platform and mobile app have been developed to make the process as engaging, accessible and flexible as possible.</p>	

Human Capital



Case in point

International mobility

Context

IBL's Beyond Borders strategy was successfully deployed, leading to a number of major acquisitions and a growing global team. Following a survey carried out in 2022 to gauge the appetite for expatriation, 209 colleagues expressed their enthusiasm to relocate to East Africa on a four-year contract and participate in the Beyond Borders journey. We understand that an international assignment requires a great deal of commitment from employees. This is why the Human Capital function is dedicated to offering comprehensive support and providing employees with the necessary assistance for a successful transition into their new role, and a smooth integration into the host country.

The challenge

Relocating to a new jurisdiction involves a multitude of logistical, cultural and administrative challenges. If not addressed adequately, this can lead to a failure to adapt, culture shock or even personal challenges impacting their wellbeing and detracting from performing effectively in their new role.

Implementation

Minimising disruptions before and during the transition is a task that is incumbent upon the Human Capital function, the goal being to ensure a positive experience both for the employee and the organisation.. After garnering in-depth knowledge and experience on the ground, we identified key dimensions to be addressed to ensure that our colleagues feel empowered and well-prepared for their new roles:

- **Pre-departure preparation and planning:** provide a detailed overview of the relocation process – including timelines, expectations and steps involved – and apprise them of legal and regulatory requirements relating to the labour market, tax regime, business practices, and others.
- **Cost analysis:** practical information on the breakdown of costs, including the cost of living, schools, housing, local amenities, transportation. The compensation packages offered take all these factors into account, and salaries and benefits are also set accordingly.
- **Healthcare negotiations:** diligent efforts to partner with a local private health insurer to provide quality medical care to our team members and their families.
- **Cultural awareness:** facilitate cultural orientation for foreign assignees and their families, offering them vital tips on the cultural nuances and sensitivities of the host country's culture, thus enriching their experience on a professional and personal level.
- **Ongoing support:** maintain communication with assignees to address any challenges or concerns that may arise after their relocation.
- **Payroll Partners:** identify partners that can provide payroll services to our team members in Kenya.

Benefits achieved

Three team members successfully embarked on the East African journey, equipped to take IBL's ambitions forward. Internal mobility has delivered upsides both for the Group's growth and the professional development of our colleagues, presenting a win-win scenario. For IBL, internal mobility is a time-efficient way to expand as existing employees who already have a grasp of the Group's operations and processes can bring their expertise to new regions and ensure continuity much faster than a new hire. Equally, they help to spread IBL's core values and culture to the new location, helping to uphold a unified GREAT culture across borders. For their part, employees willing to relocate are rewarded with an invaluable opportunity to broaden their skillsets, gain exposure and build confidence, making them more versatile and agile professionals.

"Our Group human capital has embraced the Beyond Borders strategy by playing an incredible role in facilitating the expatriation of our Mauritian colleagues, myself included, in East Africa. This has been achieved through several visits in the region to connect with the right partners, understand the work environment and the labour laws, and design a mobility policy that smoothenes a process which can sometimes be quite tedious and daunting. We are looking forward to closer collaboration with our Group Human Capital as we reflect on our human strategy in East Africa."

Michel Pilot
COO – IBL East Africa Investment

Sustainability

Sustainability strategy

FY2022 was a pivotal moment for IBL as we embarked on the 'Building a Legacy Together' journey, which imparted us with a new found sense of clarity on how to live our purpose. FY2023 saw **the progress of the sustainability approach** defined last year, based on the principles of The Embedding Project. As a reminder, the Embedding Project provides **a framework resulting in a clear sustainability roadmap** for a Company, including the three dimensions of sustainability: environmental, social and governance. This approach is unique in that it views a business as inseparable from the economic, social and environmental systems in which it operates – and therefore articulates a strategy that is 'embedded' within these systems and contributes to their resilience.

Led by the Group's Sustainability team and guided by the six steps illustrated below, we developed an embedded sustainability strategy for several Business Units (BU's) that rigorously and systematically identifies, ranks and priorities sustainability issues of a business, enabling it to allocate resources effectively and set realistic targets. The result of this exercise is a doughnut-shaped radar, which clearly outlines the sets of issues that are of particular relevance to a business, as well as their degree of priority. The individual and Cluster radars developed during the year (page 76) provide an overview of how this approach has enabled IBL businesses to implement actions in alignment with the priorities set out in their radars. This has also opened up room for further opportunities for collaboration within and between clusters.

Given the diversity and complexity of IBL's different activities, this template offers a practical approach that can be applied to any business operating in any industry and in any geography. As IBL expands its activities in diverse markets, with different realities, this template will also enable the Group to develop contextual ESG strategies for its overseas operations.

1. Reflect at all levels through dialogue and workshops	Proactively scan our operating environment to understand the impact of our activities, gather data to establish a baseline, and identify the issues that are strategically and contextually relevant to IBL's businesses and their spheres of influence.
2. Assess companies and determine the strategic relevance of issues	Using the Prioritisation Radar Tool, we assess the issues described in the previous steps on the basis of their relevance and develop an Individual Entity Radar clearly depicting the priority areas where efforts and resources should be focused on.
3. Develop position statements, policies and targets	Articulate a clear and contextually grounded roadmap, develop policies to support it, and set realistic goals with clear timeframes and a clear action plan.
4. Find linkages across our different businesses	Find overlapping issues between our different BUs in the same cluster, aiming to develop a Cluster Radar , which, in turn, will aggregate into a Group Radar .
5. Develop projects in line with ESG across BUs	Develop programmes, projects and initiatives in line with the defined roadmap and in line with IBL's objectives and purpose.
6. Develop tool to measure and assess our footprint	Track, measure and monitor our progress against set objectives accurately and on an ongoing basis.

Sustainability awareness and capacity-building

Instilling sustainability awareness across the Group, at all levels, is paramount for our strategy to be successfully deployed. This sustainability awareness begins at the highest level, with the Board of Directors and IBL's leadership and senior management team, whose buy-in is crucial in setting the tone at the top, demonstrating the seriousness of our commitments and leading the change management required to drive long-term behavioural change. Following on from last year's hard yards, a strategic inter-cluster inspirational and international 'Towards Building a Legacy Together' forum was organised, bringing together 71 high-level members in the Building & Engineering, Agro & Energy, Commercial & Distribution, Hospitality & Services, Financial Services and Property clusters.

Through the lens of Planet, People and Profits, the full-day workshop was conducted with rich dialogue and conversation focused on the trends and challenges in their specific industries. For any sustainability project to be considered, it must be **financially viable** and scalable, **anticipate emerging risks and opportunities**, and **have the right empowered talents/teams** driving its execution. The forum was followed by a supporting workshop to help leaders to help understand how to translate strategy into practice. The workshop was centred on how to create the right organisational culture to transform employees into change agents, united around a sense of shared responsibility. This project has been having positive reverberating effects in the value chain, and top management of Group Companies (GCs) and BUs are increasingly seeking support to ensure the alignment of projects with the sustainable objectives of their entities.

Through additional embedding workshops, we saw the need to further empower our **Finance** and **Risk** professionals to the sustainable aspects of their roles. This is pertinent as the Group's ambitions to take strides beyond borders have to be truly inclusive and collaborative with all stakeholders. Despite still being in the early stages of our sustainability strategy, the Group has already identified linkages that will require a long and hard look to build up the resilience of its clusters over the long term. This resulted in the **mapping of the rapidly evolving climate risk landscape** of IBL's various sectors of activity to better evaluate the potential impacts and implications of the driving forces shaping our industries, and identify how to evolve our physical and transitioning strategies, partnerships or capital allocation in the coming decades.

The **Human Capital** function is also an important enabler of this Sustainability strategy. Sustainability is greatly valued by employees, customers and shareholders, who increasingly choose to work for, purchase from or invest in businesses with credible ESG commitments. With businesses increasingly facing labour shortages and talent retention challenges, we believe having a genuine sustainability philosophy will be key to retaining and engaging our existing talents, and also attracting potential talents. The Human Capital function is therefore key to developing the adequate recruitment, training and performance strategies to ensure that IBL continues to draw employees who share our values and mindset, and who will take our sustainability objectives further over time.

Sustainability

Linking theory to practice

Progress against strategy



Achievements in FY2023

Planned actions for FY2024

Sustainability

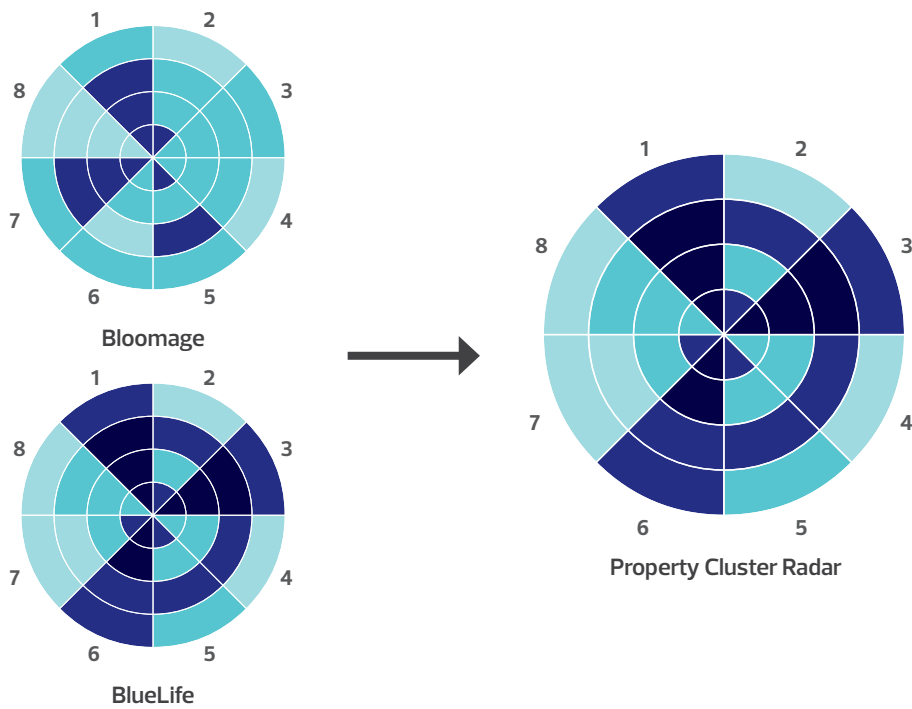
Case in point #1

Property Cluster Radar

In the spirit of transparency, we are choosing to disclose our Radar process for IBL Group. The Embedding process was carried out within Bloomage and BlueLife, which aggregated into the Cluster radar for **Property**.

1 Climate	5 Materials & Waste	Minor or Well-mitigated
2 Rights & Well-being at Work	6 Ecosystems	Moderate or uncertain
3 Rights & Resilience in Communities	7 Water (Fresh & Marine)	Significant
4 Governance & Ethics	8 Pollutants	Critical or systemic

▲ Strategic Relevance to the Business	▲ Operational Impacts	▲ Value Chain Impacts	▲ Our Potential for Broader System Influence
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How to read the radars:			
Areas of materiality and strategic relevance			
Bloomage <ul style="list-style-type: none">1 Climate5 Materials & Waste7 Water	BlueLife <ul style="list-style-type: none">1 Climate3 Rights & Resilience in Communities6 Ecosystems	Cluster <ul style="list-style-type: none">1 Climate3 Rights & Resilience in Communities6 Ecosystems	From the iteration of the Property cluster, deeper assessments revealed that although Rights & Resilience in Communities is an extremely important topic for the industry at large, it was not the case within BlueLife. Although these value-chain level impacts are being considered, more resources were allocated to the implementation of projects within the major overlapping issues 1 Climate and 7 Water. More information is provided in Case study #3.

Case in point #2

Enhancing multilateral interconnectedness in the construction value chain at IBL

Applying this process of Embedding requires an in-depth analysis of the company's activities, as well as a clear understanding of how they interact with the challenges of the SDGs. By using it as a strategic tool, companies can make more informed decisions about sustainability decisions, developing solutions to address priority areas to optimise their social and environmental impact.

A 25-strong delegation of senior executives from the construction sector embarked on a study trip to Reunion Island in March 2023. Working with the Sustainability department of IBL Ltd, the delegation spent three days learning about various aspects of sustainable construction.

Key theme & goals of this initiative:

- Delegation visit to Réunion: Participants met key industry players and visited various sites
- Exploration of sustainable construction: In-depth exploration of Réunion's sustainable construction practices
- Synergy for sector improvement: Encouraged exchange of expertise and skills to enhance sustainable construction
- Bioclimatic infrastructure focus: Emphasised benefits for climate adaptation in tropical region

Outcomes:

- Focus on low-carbon materials, tropical climate adaptability (including natural ventilation), and bioclimatic projects
- Harmonious integration: Emphasis on blending nature seamlessly into bioclimatic projects
- ESG considerations: Highlighted the importance of environmental, social, and governance factors
- Collective spirit: Encouraged further collaborative thinking and knowledge sharing within IBL Group

Sustainability



Case in point #3

Projects that emerged from the Embedding project

Companies	Radar Issue	Efforts as per Embedded issues
IBL Energy Holdings Ltd	Climate – Strategy & Value Chain	<ul style="list-style-type: none">· Gearing towards renewables, low global warming potential energy distribution.
HealthActiv	Materials & Waste – Operations	<ul style="list-style-type: none">· Carton boxes for delivery of products instead of using plastic bags.· Paper recycling.
	Materials & Waste – Value Chain	<ul style="list-style-type: none">· Destruction of Hazardous products via the Ministry of Environment and Polyeco.
BlueLife Ltd	Climate – Strategy, Operations, Value Chain & Broad Systems	<ul style="list-style-type: none">· Development of a solar solution to harness efficient and clean energy.
	Ecosystem – Strategy, Operations, Value Chain & Broader Systems	<ul style="list-style-type: none">· Value creation on their natural capital (mangroves, forest) with an efficient sequestration ecosystem.
	Rights & Resilience in Communities – Strategy, Operations, Value Chain & Broader Systems	<ul style="list-style-type: none">· Development of an 'Inclusion & empowerment project' to reconnect the Azuriens with the surrounding community and integrate Azuri to hold an economic value for the region.· Collaboration with key stakeholders, like IBL Energy and AFD/Proparco, will be crucial to getting these projects off the ground. Discussions are already under way.
IBL Seafood	Materials & Waste – Value Chain	<ul style="list-style-type: none">· Recovery of 1,375 kg of floating waste from the sea in the port area. Out of which 180 kg were PET bottles which were sent for recycling.· Utilisation of the biogas produced by EDM from the effluents of MBP and PTM.· Distribution of 30,000 kg of fish to a number of associations for families in need. Our main partner is FoodWise, to which we gave more than 15,000 kgs. They distributed to 37 NGOs around the island and the volume of fish represented more than 63,000 meals.
	Rights and Resilience in Communities – Value Chain	<ul style="list-style-type: none">· Breakfast for the pupils of ZEP school Serge Coutet in Baie du Tombeau.· Sponsoring of remedial classes at Serge Coutet.· Employees of MBP Cervonic created a group and self-financed a number of projects since the beginning of 2023.· Distribution of fruit and cakes in Roche Bois schools and at the Home Mère Thérèse (catered for 430 pax).· Distribution of fruits and yoghurt to Caritas Roches Bois (45 pax).· Distribution of cakes and yoghurt to Centre pour l'éducation et le progrès des enfants handicapés (65 pax)· Cakes and flowers for Mother's Day at Home Mere Theresa (50 cakes).

Companies	Radar Issue	Efforts as per Embedded issues
IBL Seafood	Ecosystem – Broader Systems	<ul style="list-style-type: none">· Organisation of an international conference on "Tuna in the Indian Ocean: towards a sustainable future".
	Climate – Operations	<ul style="list-style-type: none">· Utilisation of the biogas produced by EDM from the effluents of MBP and PTM. This allows us to reduce our carbon footprint by using the gas instead of fossil fuel.
Bloomage Ltd	Climate – Strategy & Operations	<ul style="list-style-type: none">· Bloomage Head Office designed to be LEED compliant.
	Climate – Value Chain	<ul style="list-style-type: none">· Addition of solar lights at Cassis Business Park (Part of building completed).· Motivated Scomat Ltee to use solar lights on their storage compound instead of a wired light system. Same implemented recently.· Use of white waterproofing membrane at HealthActiv, Les Salines.
CIDP	Rights & Wellbeing at Work – Operations	<ul style="list-style-type: none">· Health screening for all staff.· Breast Cancer Screening.
	Rights & Resilience in Communities – Value Chain	<ul style="list-style-type: none">· Mental Health Awareness Campaigns Sodnac Trails.· Sensitisation Workshop on LGBTQIA.· Donation campaigns.
The Lux Collective	Climate – Strategy & Value Chain	<ul style="list-style-type: none">· Carbon Accounting for all resorts of Mauritius & Maldives.· SBTi target approval for MRU, RUN, MALD, China (2 properties).
	Rights & Resilience in Communities & Ecosystems – Value Chain	<ul style="list-style-type: none">· CSR Partners projects:· Towards Turtle Friendly Beaches Blue Carbon projects with Ecosud.· TLC Gold Champion of Endemic Latanier Bleu tree with Mauritian Wildlife Foundation for Land Biodiversity. <p>Radar Issue:</p> <ul style="list-style-type: none">· Rights & Wellbeing at Work – Operations· Developing Inclusive Workplace policy.· Ongoing training on human rights policy, health & safety, EOP, etc

Sustainability



Case in point #3

Companies	Radar Issue	Efforts as per Embedded issues
Pick & Buy Ltd	Materials & Waste – Value Chain	<ul style="list-style-type: none">· Implementation of food shrinkage – donation.· Implementation of reusable vegetable bags at Fruits & Veg section.· Implementation of Bring Your Own Container at Gourmand'ile.· Upcycling the old Winners polos for donation.
	Materials & Waste – Operations	<ul style="list-style-type: none">· Carton recycling.· Review of Bioil – recycling of used cooking Oil of Gourmand'ile.· Clean up day with the employees.
	Rights & Resilience in Communities – Value Chain	Donation of lunch to needy school children.
BrandActiv	Materials & Waste – Value Chain	Set-up of successful recycling value chain for the Garnier set of products while collaborating with major retailers of the country.

Corporate Social Responsibility

An evolving approach

IBL's Corporate Social Responsibility (CSR) approach has been in constant evolution since its inception, always guided by the Group's motto to create a brighter future for all. Fondation Joseph Lagesse (FJL) was set up as a philanthropic entity for GML in 2005. Since 2016, with the merger between GML and Ireland Blyth, FJL has been coordinating the Group's CSR activities and ensures that the funds being collected from over fifty IBL companies are being directed through the right channels to serve one mission: to reduce poverty sustainably. FJL is called upon as a partner and capacity-building entity to the many CSR teams within the Group, working closely with them to deliver long-term and positive change in vulnerable communities on the island. Over the last decade, the Foundation has made significant contributions towards the UN's Sustainable Development Goals (SDGs) 1, 2, 3, 4, 5 and 11, focusing its actions, since 2018, on improving access to quality education, enhancing youth's development, promoting social justice and human rights, and empowering communities.

Over the years, FJL has had to adapt to the challenging CSR landscape in Mauritius. In 2019, it became mandatory for companies to remit 75% of their CSR funds to the Mauritius Revenue Authority and apply to the National Social Inclusion Foundation's 25% Reduced CSR Amount scheme to sustain their social programmes. These stringent regulations have made it increasingly difficult for the Group to execute its social agenda using its traditional grassroots approach, which has been key to forming strong bonds with our partner NGOs and making a measurable difference in the communities we serve.

In FY2020, in light of the post-pandemic environment and the compounded challenges facing our most vulnerable populations, FJL decided to restructure its activities to optimise its resources and better serve the community. The Foundation's activities are currently classified into three different programmes – Empowerment Programme, Literacy Programme and Rapid Response Programme – underpinned by a Research & Evaluation Unit, whose responsibility is to gather data on ongoing projects, carefully evaluate and monitor the progress made, and maximise their impact.

More recently, in FY2023, the Group's Sustainability journey began taking shape and thanks to the Embedding approach, IBL's BUs began gaining a clear understanding of how to tie their sustainability efforts to their business strategy. The individual and cluster radars have been helping the Group's businesses identify and prioritise sustainability issues across eight dimensions, including not only economic and environmental issues, but also two important social components – **Rights and Wellbeing at Work and Rights and Resilience in Communities** – two areas already being tackled by the Group's Human Capital function and CSR team respectively. It became evident that to have the maximum impact and use our resources optimally,

IBL's CSR approach needs to evolve again, ensuring that we connect the dots across all its actions that fall under the 'Sustainability' umbrella, including our environmental, human capital, social and governance issues.

Having gathered meaningful data, built up the expertise and built close relationships with non-profit organisations and the underserved localities of Bois Marchand and Chemin Rail, FJL will continue to be a vehicle for driving social initiatives. Its structure and operational model are being reviewed to reflect IBL's move towards a more cohesive, integrated and strategic Sustainability agenda. A suitable governance structure is being set up to deliver on the most material social issues stemming from the Sustainability Radars, and most importantly, to enable the Group to deliver on the promises made to the communities we have been involved with for many years and maintain the relationships of trust and transparency we have nurtured with them.




We would like to reiterate that IBL's goal is to move beyond 'quick wins' and achieve meaningful outcomes backed by contextual data. This process has taught us that sustainability is a continuous journey of learning that requires persistent effort and patience. With each evolution, the Group is taking a firm step in the right direction and coming closer to a holistic Sustainability strategy that touches every BU, every department and every aspect of how we operate.

Progress made in FY2023

During the year, in parallel to this deep reflection, FJL continued to pursue its activities and 32 ongoing initiatives across its three programmes – Empowerment, Literacy and Rapid Response.

The Foundation's ability to continue operating these projects has been largely dependent on the work done by the Research & Evaluation Unit, which was set up in 2017. By undertaking community-based needs assessments, setting clear metrics for each project, and monitoring the progress made towards those metrics, the Unit has strengthened FJL's impact on communities through reliable data and evidence. In turn, this has enabled the Foundation to raise funds with the National Social Inclusion Foundation and obtain a grant from the European Commission in Mauritius.

The table below highlights FJL's main projects and classifies them under the Embedding Radar's social dimensions.

-  **Empowerment Programme: Capacity-building of vulnerable communities**
-  **Literacy Programme: Supporting adults and children**
-  **Rapid Response Programme: Social support, Health emergencies, Food Aid, Strengthening houses**

Rights & Resilience indicators	Fondation Joseph Lagesse programmes & projects
Respectful and inclusive community	<ul style="list-style-type: none">· Empowerment programme· Support to CUT (Collectif Urgence Toxida), advocating for the rights of people who use drugs and working to eliminate all forms of violence, stigma and discrimination against them (IBL on the Move 2023)
Healthy and Natural Spaces	<ul style="list-style-type: none">· Social housing: Chemin Rail & Amaury· Support to Centre d'Amitié (Bambous)
Good health and wellbeing	<ul style="list-style-type: none">· Health programme (Bois Marchand)· Food programme (Bois Marchand)· Horizon 2024: a teenage pregnancy prevention initiative (sexual & reproductive health programme)· Alcohol & drug prevention coalitions (Bois Marchand, Solitude, Barkly)· Support to Jean Eon Football youth club (2022–2024)· Support to CUT (IBL on the Move 2023)· Support to Muscular Dystrophy Association – emergency surgical actions towards children
Human Dignity and Integrity	<ul style="list-style-type: none">· Celebration of 17 October International Day for Eradication of Poverty· Université Popiler (ATD fourth world)· Social support to 64 families· Food aid to 28 families· Les Cuisines Solidaires (IBL on the Move 2021)· Social housing project at Chemin Rail & Amaury· Home visits programme
Local Economic Resilience and Decent Local Work	<ul style="list-style-type: none">· Youth orientation, professional training & job placement· Support to The Good Shop (Job & Health & Safety equipment) – IBL on the Move 2021
Social and Cultural connections and civil engagement	<ul style="list-style-type: none">· Capacity-building programme of Bois Marchand community members· Alcohol & drug prevention coalitions (Bois Marchand, Solitude, Barkly)· Support to Tipa (IBL on the Move 2020)· Support to Cirque Social de Cité La Chaux (2022–2024)
Education, Knowledge and skills	<ul style="list-style-type: none">· Support to young students (5, including 3 overseas)· Pre-primary education in Bois Marchand (school)· Support to Tipa (IBL on the Move 2020)· Support to Ecole St. Patrick (2022). We obtained enhanced support from colleagues at the Head Office to support nine (9) children with special needs, either through direct debit from their monthly salaries or one-off donations.· Support to Serge Coutet Government School (ongoing)· Afterschool Care programme (Bois Marchand)
Water, sanitation and waste management	<ul style="list-style-type: none">· Building sanitary blocks for 3 families living in very poor conditions this year· Consolidation of 12 houses impacted by torrential rains

Corporate Social Responsibility



Case in point #1

Project Horizon 2024: A teenage pregnancy prevention initiative

Context

11% of all births worldwide are a result of teenage pregnancy. This amounts to 16 million girls aged 10–19 years old giving birth each year. These rates are substantially higher in Sub-Saharan Africa and in lower-income households. In Mauritius, the statistics are equally alarming: teenage pregnancy affects more than 1 out of 10 female adolescents.

Teenage pregnancies are not the result of a deliberate choice. Instead, several factors can be attributed to this issue: lack of sexual and reproductive health education, unmet needs for birth control at a younger age than the legal age of 16, lack of information on or inadequate access to contraceptives and health services, sexual violence, abuse of alcohol and illegal substances... Early childbearing, pregnancy and delivery have severe impacts on the healthy development of girls into adulthood. They are often forced to drop out of school, face single motherhood, and long-term physical and psychological complications. In fact, early childbirth is the world's leading cause of death among adolescent girls. Socially, they face stigmatisation, rejection and violence by family members or peers. This pushes girls further into the poverty cycle as their job prospects diminish, with the potential to transfer adverse effects to the next generation.

Implementation journey

In 2020, FJL sought to turn the tide on this human rights and public health concern in Bois Marchand by initiating Horizon 2024: A Teenage Pregnancy Prevention Initiative, a four-year project supported by the European Union Commission. Its mission is to protect and empower the youth, prevent gender-based violence and help girls reach their full potential by:

- **Addressing teenage pregnancy and alcohol and substance use among youth**
- **Offering support to parents**
- **Giving access to health services**
- **Offering life skills courses, and sexual and reproductive health sessions to youth aged from 10 to 16**

Horizon 2024 offers a holistic approach through a myriad of initiatives that not only support pregnant teenagers, but that also tackle the underlying issues to prevent early childbirth in the first place. Now in its third year, several milestones have been achieved

Main outcomes

- 53 youth and 23 adults have benefitted from this project so far
- 35 sessions of Sexuals and reproductive health provided
- 14–21% overall improvement in knowledge of sexual and reproductive health for youth attending the course
- 17 life skills sessions provided
- 55 sessions of individual psychotherapy provided to 10 youth
- 10 youth started job placement and career counselling

Expected long-term outcomes

- A decrease in the prevalence of teenage pregnancy in Bois Marchand
- Increased equal opportunities for girls and women: increased number of youth engaged in professional training opportunities and in mainstream education
- Promotion of girls and women's rights: decrease of Gender-Based Violence (GBV) incidents
- Youth living in Bois Marchand are in good health and keep away from risky behaviours: benefit from holistic care



Case in point #2

Research & Evaluation Unit

Context

Companies have been facing difficulties implementing impactful CSR programmes for several reasons: complex process in applying for and obtaining grants, reduced funds, vague objectives and no clear strategy, poor monitoring and communication, the absence of measurable targets and therefore a lack of clarity on the effectiveness of a programme. With the pandemic-induced economic and social crisis, it has become critical for businesses to craft CSR programmes with targeted, demonstrable and lasting impact. This not only ensures that vulnerable communities receive the support they need, but also maximises social outcomes for each Rupee spent in CSR expenditure. For this, there is a dire need for CSR projects to be well-researched, partnership-driven and data-backed.

Implementation journey

The Research & Evaluation Unit was set up six years ago to serve as a cross-sectional asset of the Foundation to its programmes, with the objective of ensuring the relevance and coherence of its actions with the needs of the underserved community. It provides FJL's team with specific data and information before the set-up of a programme, or the draft of a grant application, and measures the short-term and mid-term outcomes of each project using appropriate metrics. While most of the evaluation tools are qualitative, quantitative data is also collected from the community whenever possible, enabling us to track the progress made, gain a critical understanding of where improvements are needed, and assess the overall effectiveness of our programmes. The gathering of data has also created a culture of learning, responsibility and accountability, which we aim to strengthen through transparent reporting and communication around our initiatives. To lead this unit, a Monitoring & Evaluation (M&E) officer is employed on a full-time basis and FJL seeks consultancy services from a U.S.-based expert in impact measurement of initiatives.

Main outcomes

- Design of a strategic plan 2020–2023 under the supervision of Dr Randy Koch and Ms. Nadia Peerun
- Creation and review of three logic models: Fondation Joseph Lagesse, Chemin Rail & Amaury Housing and Nou Zenfan Bois Marchand under the supervision of Dr Randy Koch
- Assessment of the pre-primary educational programme (2020)
- Completion of two (2) field surveys: Covid-19 Needs Evaluation Surveys 2020 and 2021
- Completion of a needs assessment study to implement a Literacy Programme (2022)
- Monitoring & evaluation of Horizon 2024 programme (2021–2023)

Technology & Transformation

The acceleration of digital adoption that began during the pandemic maintained its momentum in the financial year 2023. Within the Group, technology is increasingly being integrated in the business strategies of Business Units (BUs) to reshape their operating model and ultimately deliver greater value to customers. Given the diversity of IBL's businesses, digital adoption is moving at different speeds. Yet, the core objectives sought in pursuing our digital transformation remain the same across all sectors:

- Develop new value propositions and extend our offers across digital channels to generate revenue
- Achieve operational excellence by digitally transforming our processes and our ways of working
- Increase customer loyalty through an exceptional customer experience
- Disseminate and embed a digital culture to strengthen capabilities and collaboration, and attract talent

As IBL pursues its investments Beyond Borders, particularly in East Africa, the potential for the sharing of knowledge and capabilities is immense. Following the recent acquisitions in Kenya, our Mauritian technology teams are already actively engaging with Kenyan service providers on digital implementations for Mauritius and Kenya.

One exciting venture worth mentioning is the investment in Qotto, an off-grid solar kit provider enabled by a proprietary technology platform. IBL Energy led the recent Series A equity-debt funding round of \$8 million, solidifying its partnership with Qotto. One of the key objectives is to collaboratively expand similar activities in East Africa or the Indian Ocean in the coming years, aligning with IBL Energy's growth plans in the region. Qotto is currently operating in Benin and Burkina Faso and has recently begun setting up operations in Ivory Coast. Operations in Benin have scaled up from 3,000 to 10,000 active users over the past year, while operations in Burkina Faso are growing at a slower pace due to economic and political conditions. Qotto serves as a remarkable example of how technology-driven business models can scale in existing markets and extend offerings to new customer segments, all while generating economic and social value in regions with limited access to electricity, Internet, and financial services.

Strengthening the digital maturity of IBL's businesses

This past year, the Group's Technology & Transformation (TnT) team continued to accompany the BUs in the continuous process of assessing and strengthening their digital maturity. The assessment is a multi-stakeholder approach, requiring input from various business functions and teams to understand which areas have the potential to lead to the most transformative outcomes. Digital maturity is assessed across the eight dimensions of IBL's IT Framework:

Governance & Strategy	Resources	Finance	Infrastructure & Operations
Application Portfolio Management	Project Management	Data & Analytics	Security & Risks

The framework was created and disseminated with the aim of providing a set of guiding principles and policies that underpin the governance and management of technology, with the IT strategy as the centrepiece. Extensive IT strategy elaboration journeys have been undertaken in many BUs and Group Companies (GCs), allowing leadership teams to take cognizance of where they were at in terms of information technology, understand the pain points of each department, and craft a roadmap. Digital roadmaps have been redefined accordingly and approved by relevant Boards, supported by the appropriate IT organisational structure and financial investments to enable the execution of the defined strategies.

The implementation of a best-in-class ERP is at the heart of the IT strategy for major BUs and GCs. Several implementations are well under way across the Group and will contribute to strengthening the digital maturity of the concerned BUs and GCs. The case study on the Seafood cluster, below, illustrates this well. Data & Analytics also stood out as an important strategic capability, and investments in people and technology in this domain are being pursued in parallel to the major system changes.

Cascading down the Group Cybersecurity strategy

Cybersecurity is a constantly moving target and remains an area of priority that cuts across all businesses, irrespective of which digital tools or platforms they use. In FY2023, we cascaded down the Group-level Cybersecurity strategy defined in the previous year.

Security posture has significantly improved across the Group as a result of a combination of measures:

- Application of the guiding principles and objectives that underpin the Group strategy
- Effective use of security technologies at different layers of the IT architecture
- Enhanced cybersecurity capabilities through new hires and upskilling of technology teams
- Application of best practices and policies disseminated by the Group's cybersecurity team
- Continuous awareness programme at BU and GC levels
- Regular re-evaluation of cybersecurity technologies and service providers

Alongside intensifying cybersecurity measures, cyber resilience has also been prioritised. Recognising that the risk of cyberattacks remains ever-present, we have proactively reviewed and strengthened our business continuity plans. To ensure preparedness and swift response to any potential threat, regular drills are conducted, further confirming our commitment to safeguarding our digital assets and by extension, our stakeholder interests.

Technology & Transformation



Case in point #1

The Seafood cluster: moving to an integrated ERP

Context

In 2020, the Seafood cluster, which includes FDM, Transfroid, Cervonic, MBP and the Seafood Hub, embarked on the implementation of an Enterprise Resource Planning (ERP) system. This decision was made following a diligent assessment, which revealed that having disparate micro-systems for each company was presenting limitations in terms of information-sharing. The ERP system brings together all operations within different subsidiaries under one roof, centralising information from all businesses in one single database, thus eliminating redundancies and serving as a supporting tool for employees at all levels of the organisation. FDM and Transfroid were the first to deploy the ERP in 2021, followed by MBP and Cervonic, who began implementation in late 2021.

Implementation journey

Given that MBP and Cervonic have very specialised manufacturing processes, they required a solution that could fit their specific requirements. NetSuite's ERP stood out as the most suitable solution, in light of its capacity to customise even the most complex production processes. This customisation to align with MBP and Cervonic's unique needs was an intricate and lengthy process, which necessitated a multi-stakeholder and cross-departmental approach, with employees at all levels working collaboratively with the implementation partner to ensure that the needs of all businesses were being addressed in equal measure.

The implementation journey itself has brought the teams closer together and served as a paradigm shift in how employees interact with their data, make decisions and execute operations. This even extends to the factory floor, where workers have been initiated to the use of tablets to access the ERP and capture information. To ensure a smooth transition, production teams were trained, and practiced using the system for almost two months prior to the go-live to ensure that they were ready, and also to confirm that the system was working as expected.

Navigating these challenges required meticulous planning, clear communication, and strong leadership to ensure a successful ERP implementation without hampering daily operations. Finally, as with all ERP implementations, it is an ongoing journey of refinement, improvement and adaptation to evolving business needs.

Benefits achieved:

- Better flow of information and data between businesses
- Centralised, readily available and real-time information, leading to better decision-making
- Improved collaboration between departments and teams
- Improved management of resources
- Simplification of daily tasks for employees, enhancing their professional growth

"ERP has brought in a new mindset change that will definitely assist with a more speedy, structured and accurate way of working . It has permitted us to take a step out of the old ways and into a faster, more transformative way of doing business . ERP has enabled us to do things differently and hopefully will be the start of modernising our way of thinking and creating new improved work opportunities."

Benoit Desvaux de Marigny
the GM of MBP and Cervonic



Case in point #2

Espace Maison: an omnichannel digital experience

Context

Digital transformation is in full swing at Espace Maison. Since the launch of its ecommerce website in 2018, it has accelerated the digitalisation of its customer journey and made targeted investments into developing an omnichannel experience. By bringing together customer interactions at different touchpoints, it is moving towards a seamless, consistent experience across its retail stores, ecommerce website and mobile application.

To further bridge the information gap between different channels, Espace Maison has successfully integrated its loyalty programmes into the shopping experience. Through Club Espace Maison, which counts over 133,000 members, and Club Espace Pro, with its growing number of 8,500 subscribers, Espace Maison recognised the invaluable opportunity to tap into its data pool to gather crucial feedback on customers' buying habits and develop more relevant value propositions. It continually works on delivering value at each touchpoint through technology.

Implementation journey

E-commerce

Product taxonomy and categorisation: ongoing work to finetune product categorisation into more intuitive segments and sub-segments, as well as enhance product descriptions. With a portfolio of over 35,000 products, this is a lengthy task, but a crucial one to ensure that customers can find what they are looking for as fast as possible, in the fewest clicks possible.

Calculator: a calculator feature helps customers estimate the amount of paint or volume of tiles they require for their upcoming project, enabling them to better control their budget.

Mobile app

Club Espace Maison app: this app, designed for individual customers, has seen a 30% increase in downloads since its launch. To further drive adoption, the app is being fine tuned with value-added features, such as a warranty tracker. Clients will be able to keep track of all their warranties, be reminded when a warranty is about to expire, and receive alerts for maintenance. Alongside this, the Scan & Go feature was further improved to make the buying process more efficient, and the checkout experience far quicker and more frictionless.

Espace Pro app: launched in 2022, this app caters to the needs of professionals in the industry, from architects and contractors, to quantity surveyors, masons and interior designers. Through the app, professionals have access to their purchase and credit history, avail of discounts and promotional offers, and earn discounts. A complete escalation of the sales grid has been built into the loyalty system to enable the Espace Pro customer to benefit from discounts based on his sales volume at any moment, from any shop or on the e-commerce platform.

Technology & Transformation

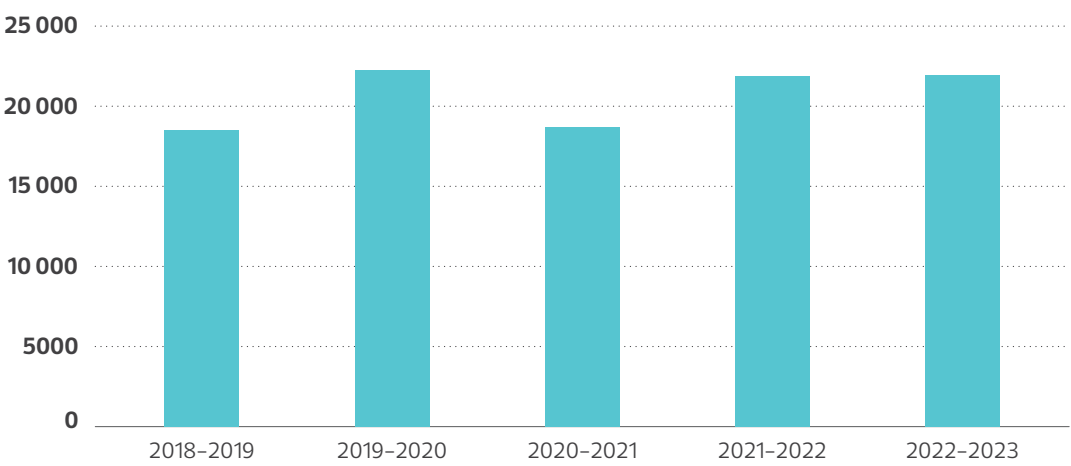


Case in point #2

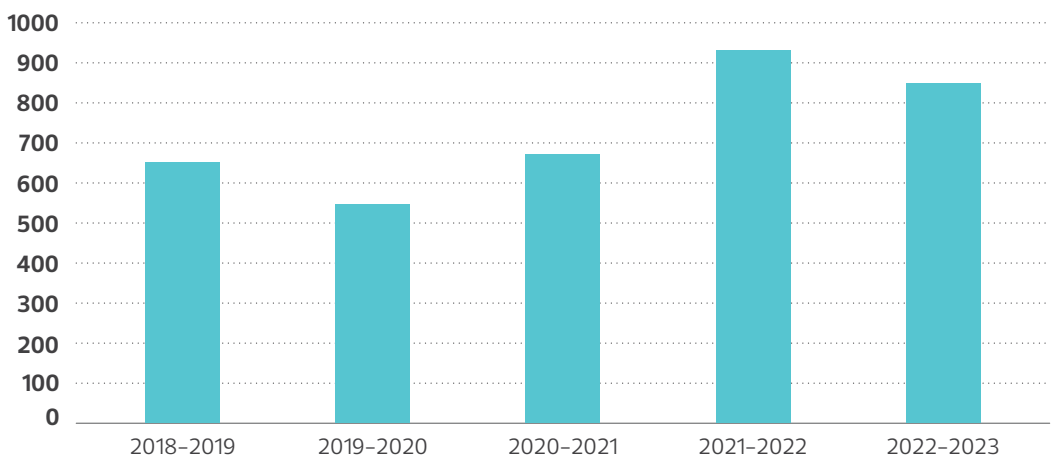
Benefits achieved

- Basket value increase for Club Espace Maison Members (CEM) since launch of loyalty system: 22%
- Contribution to Turnover CEM: 71.8%
- Contribution to Turnover Club Espace Pro Members (CEP): 10.4%
- Redemption Rate: 72%
- Total number of CEM members to date: 135k (started with 14k in 2017)

No of Club Espace Maison members created per financial year



No of Club Espace Pro members created per financial year



Innovation

Building a world-class innovation ecosystem

Innovating and breaking barriers are part of IBL's DNA, as evidenced in the many transformative products and solutions that saw the light of day in 2023, the new markets that were penetrated, the fresh approaches that were adopted, and the culture of continuous improvement that is prevalent across the Group. This past year, in light of IBL's rapid expansion, we formalised our Innovation approach and practices through a structured, evidence-based methodology able to consistently transform great ideas into positive business outcomes in a scalable, cost-effective and repeatable manner. Our goal is to build a sustainable innovation capability that supports the Group's strategy, that can apply to any BU, regardless of its area of activity, industry or business objectives, and that reduces risk and cost when launching radically new ideas.

As IBL progressively expands into new geographies, we have to ensure that our innovation capability and mindset also extend to our businesses and teams overseas. To achieve this, we are working towards making Mauritius our innovation lab, where new products, services and business models are tested and 'de-risked', before being exported to our foreign operations. Central to this innovation culture is how experimentation and failure are viewed: from an innovation perspective, every 'failed' experiment is an opportunity to gain deep insights and continue learning.

Why Innovate?			
To protect ourselves from disruption	To find new growth drivers	To attract, develop and retain talents	To remain competitive
Manage, in a systematic way, the risk of disruption from competitors and/or new players, as well as from changes in the business environment.	Identify and create new growth drivers for IBL. It explores potential future businesses that IBL can operate beyond the existing ones, in a complementary way to mergers and acquisitions.	Attract, develop and retain key talents required to succeed in the future, especially in light of a hyper competitive war for talent	Enhance IBL's competitiveness through: <ul style="list-style-type: none">Efficiency innovation, to continuously improve existing businesses.Sustaining innovation, to adapt existing business to changing customer needs.

Our innovation blueprint

For an innovation to deliver tangible transformation outcomes, it requires strong fundamentals that must be built and nurtured over time: a portfolio that is managed and governed the right way, innovation programmes and an enabling culture. When addressed adequately, these three elements combine to form a thriving innovation ecosystem.

Innovation ecosystem		
Portfolio & Framework	+	Innovation programmes
How will we manage the risks associated with each idea? Portfolio of innovation projects, new business models, new value propositions, new products and services, as well as the frameworks and governance we use, all mapped out in terms of expected risk and returns. To ensure our portfolio aligns with our strategic objectives, we aim to balance our projects across the three types of innovation: efficiency, sustaining and transformative (See below)	+	Exploration culture
Where will our ideas come from? Assessment of active innovation programmes at IBL (including resource allocation, reward systems, etc) and recommendations to increase their impact and ensure their alignment with the Group's strategic objectives		How do we develop the right set of skills and mindset? Identification of enablers and blockers that could support or derail our efforts in critical areas (such as leadership support and organisational design) and co-design of culture interventions for a thriving innovation ecosystem.

To unlock our full potential and ensure that innovation occurs at every level, we classify our projects according to one of the types of innovation described below, with the aim of developing a well-balanced innovation portfolio across all three categories. This holistic approach will ensure we strategically diversify risk across different types of projects and protect both our short-term success and long-term sustainability.

Transformative innovation	Sustaining innovation	Efficiency innovation
A radical change or expansion of a company's business model, value proposition or culture in order to capture opportunities outside of its traditional activity or comfort zone	The addition of new products, services, distribution channels or geographical expansions to an existing business model, typically for existing customer profiles	Gradual and continual improvements to existing processes, systems, value propositions, distribution channels and technologies with the aim of improving operational efficiency

Our innovation blueprint in practice

In collaboration with a leading innovation consultant, we began with a detailed assessment of the state of innovation within IBL. This assessment served to evaluate the blockers and enablers of innovation within the Group in terms of leadership support, culture, processes and frameworks. Following this exercise, an **Innovation blueprint** was defined at the Group level. This blueprint sets the tone for the way innovation will be managed within different BUs, and will be followed by innovation sprints.



February–April 2022
Awareness sessions and leadership workshops conducted with the Group's Executive team and Board members, aiming to align innovation with Group strategy at the highest level.



Mid 2022
Innovation Ecosystem Assessments conducted within BUs with the help of COOs.



January–March 2023
Development of an innovation blueprint for IBL based on the findings of the various Innovation Ecosystem Assessments.

Testing of blueprint within IBL's Seafood cluster, after which we aim to gradually extend it to other BUs.



May 2023
Launch of the first innovation sprints within the Seafood cluster.

Establishment of Innovation as one of the Group's key growth enablers.