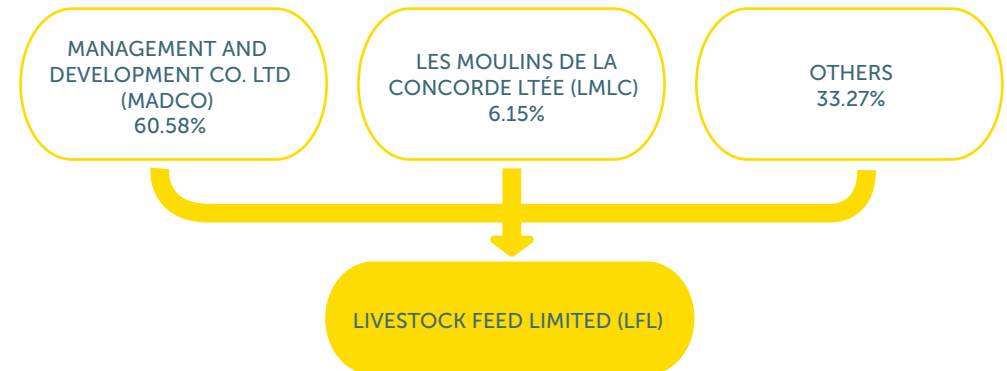


CORPORATE GOVERNANCE REPORT

1. SHAREHOLDING STRUCTURE

The shareholding structure of Livestock Feed Limited ("the Company") at June 30, 2023 was as follows:



1.1 Shareholders holding more than 5% of the Company

At June 30, 2023, the shareholders holding more than 5% of the Company were:

Shareholders	No. of Ordinary Shares Held	%
Management and Development Company Limited	57,251,916	60.58
Les Moulins de la Concorde Ltée	5,816,223	6.15

Livestock Feed Limited is a public company listed on the Development Enterprise Market ("DEM") of the Stock Exchange of Mauritius. Its largest shareholder, MADCO, holds 60.58% of the ordinary share capital and the ultimate beneficial owner of MADCO is Mr Pierre Elysée Michel Doger de Spéville.

1.2 Distribution of shareholding at June 30, 2023

At June 30, 2023, the Company had 2,632 Ordinary Shareholders, distributed as follows:

No. of Shares	No. of Shareholders	No. of Shares Owned	% Shareholding
0 - 500	1,530	141,853	0.14
501 - 1,000	168	127,490	0.14
1,001 - 5,000	395	965,042	1.02
5,001 - 10,000	164	1,235,776	1.31
10,001 - 100,000	324	10,416,874	11.02
100,001 - 200,000	25	3,698,218	3.91
200,001 - 500,000	18	5,601,934	5.93
above 500,000	8	72,312,813	76.53
	2,632	94,500,000	100.00

CORPORATE GOVERNANCE REPORT (CONT'D)

1.3 Shareholders' Agreements affecting Governance of the Company

There are no shareholders' agreements that affect the governance of the Company.

1.4 Annual Meeting

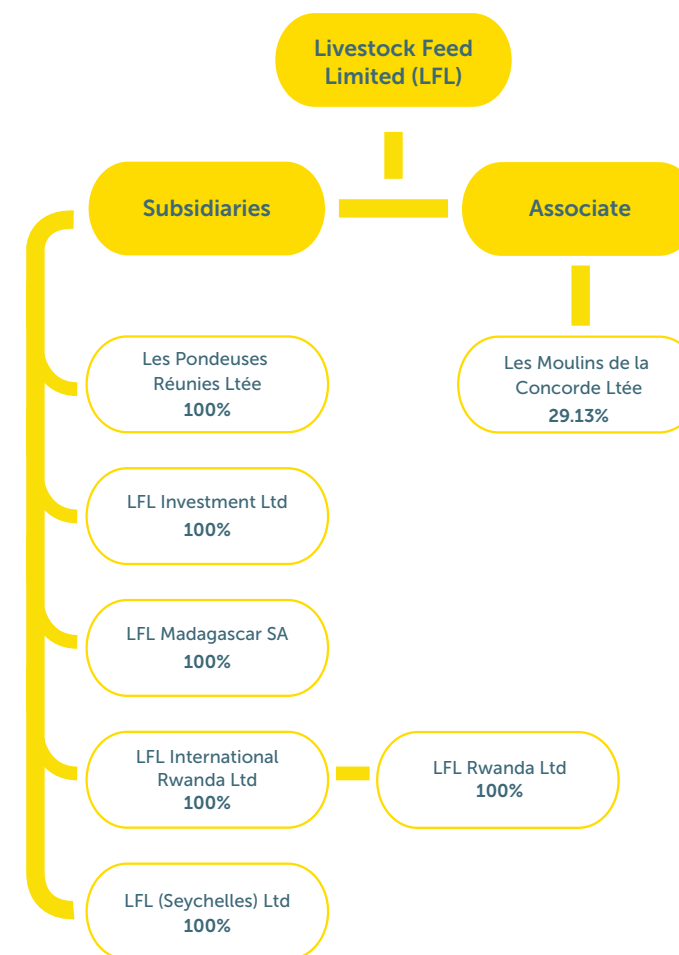
- The next Annual Meeting of the Company will be held on December 13, 2023. Shareholders are encouraged to attend the Annual Meeting which is a forum where the Chairperson and the Managing Director of the Company give a review of the Group's and the Company's performance for the year. It allows face-to-face interactions between the Members of the Board, management and shareholders of the Company.
- Shareholders also receive the annual reports of the Company, the notice of Annual Meeting of shareholders and the proxy forms, should they wish to be represented at the said Meeting, within 21 days from the date of the meeting, as per the requirements of the Companies Act.
- The notice of Annual Meeting details the agenda for the day and all matters which are to be approved by Ordinary and Special resolutions, if any. The standard agenda for the Annual Meetings is:
 - To consider the Annual Report of the Company for the year under review;
 - To receive the Auditors' Report for the year under review;
 - To consider and approve the financial statements of the Company for the year under review;
 - To appoint Directors, through individual resolutions, as Directors of the Company in accordance with Section 138 (6) of the Companies Act 2001, if any;
 - To appoint new Directors, through individual resolutions, as Directors of the Company, if any;
 - To re-appoint, through individual resolutions, Directors who retire by rotation as per the Company's Constitution and who offer themselves for re-election as Directors of the Company;
 - To appoint the External Auditor of the Company who will hold office until the next Annual Meeting and to authorise the Directors to fix their remuneration.

2. CONSTITUTION

- The Constitution is in line with the Companies Act 2001.
- The shares of the Company are traded on the Development Enterprise Market ("DEM") of the Stock Exchange of Mauritius and are free from any restrictions on ownership.

3. THE GROUP STRUCTURE

- The structure of Livestock Feed Limited and its subsidiaries ("the Group") at June 30, 2023 was as follows:

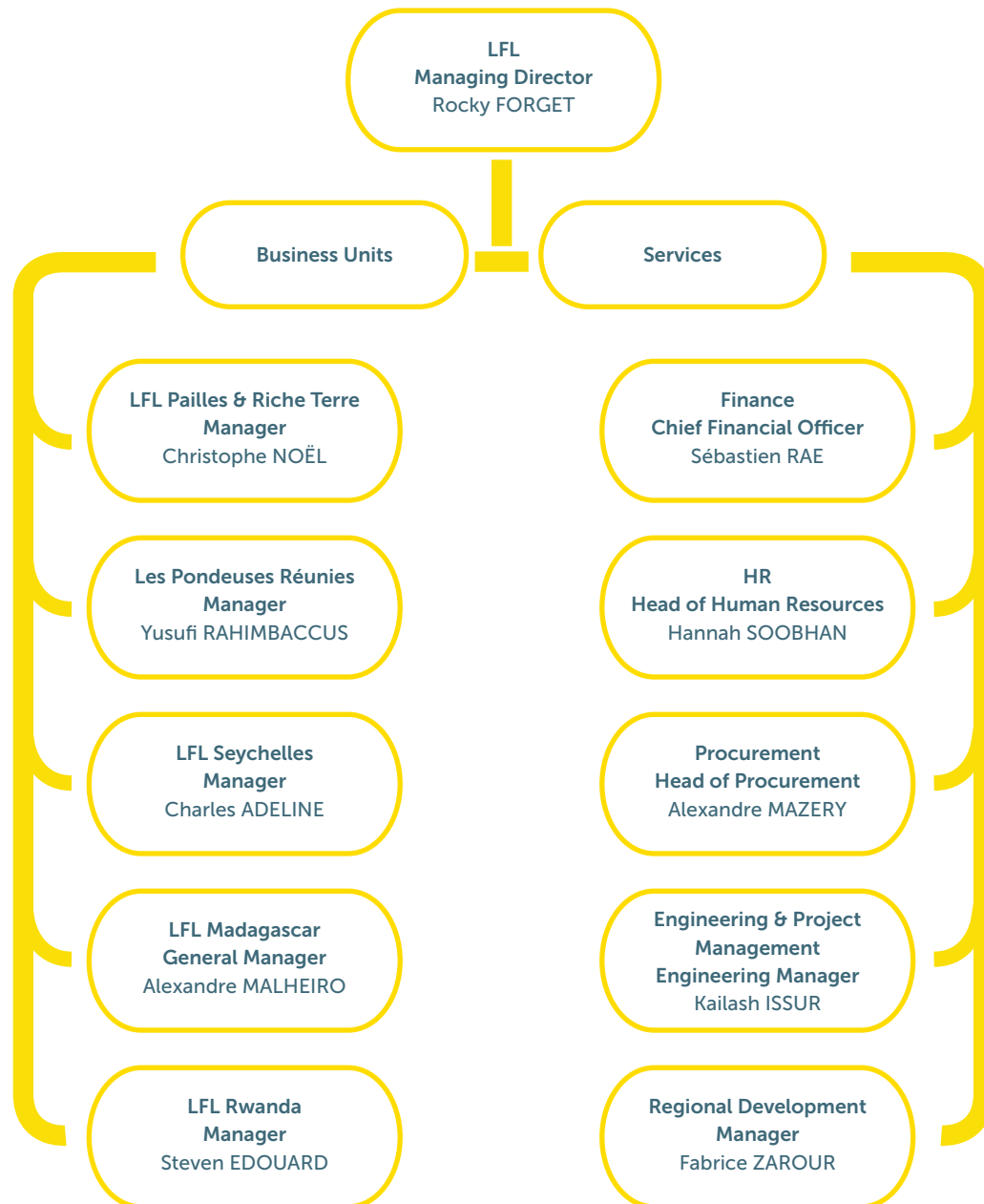


- Although the above subsidiaries have their own governance structure and each has its respective boards, a status on the operations of the subsidiaries and the issues, if any encountered at their level, is presented and discussed at each Board Meeting of Livestock Feed Limited.
- Moreover, issues identified at the level of the largest subsidiary, LFL Madagascar, by its Audit and Risk Committee, are also discussed and followed at the level of the Company's Audit and Risk Committee until the issues identified have been resolved.

CORPORATE GOVERNANCE REPORT (CONT'D)

4. THE ORGANISATIONAL STRUCTURE

The organisational structure of Livestock Feed Group at June 30, 2023 was as follows:



CORPORATE GOVERNANCE REPORT (CONT'D)

The profiles of the senior management of Livestock Feed Limited at June 30, 2023 were as follows:

Rocky Forget
Managing Director

Christophe Noël
Manager - LFL Pailles

Alexandre Malheiro
General Manager - LFL
Madagascar SA

Sébastien Rae
Chief Financial Officer

Alexandre Mazery
Head of Procurement

Hannah Soobhan
Head of Human Resources

Yusufi Rahimbaccus
Manager – Les Pondeuses
Réunies Ltée

The profile of the Managing Director is given on page 25.

Christophe Noël joined the Company in 2006 as Marketing Manager. He was promoted Manager of LFL Pailles Operations in April 2008 and has also managed operations at LFL Riche Terre since 2014. He holds a BSc in marketing and an MBA from Surrey University.

Alexandre Malheiro joined the Eclasia Group of Companies in 2009 as Sales Manager at FTL Madagascar and was promoted Country Manager from 2015 to 2022. He then joined LFL Group of Companies in 2022 as General Manager of LFL Madagascar. Mr Malheiro holds a Masters in Commercial Science from ESSCA (Angers-France).

Sébastien Rae joined the Eclasia Group of Companies in 2006 as Group Financial Analyst and was promoted Chief Financial Officer of the Company in 2011. Mr Rae is an FCCA, holds an MBA and followed an executive education programme on Strategy from HEC Paris.

Alexandre Mazery joined the Company in 2014 as Head of Procurement. Mr Mazery is a member of the Institute of Chartered Secretaries and Administrators of the UK.

Hannah Soobhan joined LFL in 2023. Mrs Soobhan holds a BSc (Hons) in Human Resources from University of Technology, Mauritius. She has 14 years of experience in the Human Resources field having held various positions as HR in hospitality services and at corporate levels.

Yusufi Rahimbaccus joined the Company in 2006. She holds a BSc (Hons) in Agriculture SP Animal Production, a Masters "3^e Cycle en Gestion" and an MBA in International Management from the University of Northampton. Since May 2020, Mrs Rahimbaccus has taken on the additional responsibility of leading the marketing and sales unit at LFL Pailles.

Fabrice Zarour
Manager – Regional
Development

Kailash Issur
Engineering Manager

Fabrice Zarour joined the Company in 2012 as Technical Coordinator. Mr Zarour holds a Masters in Aquaculture from the University of Montpellier II and a Degree in Agronomy from Bretagne Occidentale University. In 2014, Mr Zarour moved to LFL Pailles as Technical and Marketing Manager. Since May 2020, he has been leading the regional development initiatives of the LFL Group. M. Zarour is presently following an MBA programme at IFG Executive Education.

Kailash Issur joined the Company in 2015 as Maintenance Manager. He holds a BEng (Hons) in Electrical & Electronic Engineering from the University of Mauritius and an MBA from the University of Edinburgh. Mr Issur is also a Certified Energy Manager from the Association of Energy Engineers (US) and was appointed Engineering and Project Management Manager of the Group in May 2020.

- The above managers and other senior officers do not hold shares in the Company.
- In addition, no senior officer of the Company has been granted any special right to subscribe for equity or debt securities of the Company.
- A formal process of succession planning has been put in place through the "Talent Management" program. Under this program, an "Organisational and People Review" is carried out yearly whereby the Management discusses the development of its key talents, establishes succession plans for key positions and sets up competency development programs for the identified talents.
- The main issues discussed during the OPR are thereafter submitted to the Corporate Governance Committee of the Company for analysis and discussions.
- During presentation of the last OPR process to the Board, the matter of succession planning of the Managing Director, who is reaching retirement age, has been brought up and the Board was satisfied that the issue of his succession is being addressed. The Group organisational structure has also been updated with the appointment of Regional Managers responsible for specific geographical zones in which the Company operates.

CORPORATE GOVERNANCE REPORT (CONT'D)

5. THE GOVERNANCE STRUCTURE

- Livestock Feed Limited is a public company quoted on the DEM and, as such, is a Public Interest Entity.
- The Board of the Company assumes responsibility for leading and controlling the organisation and for meeting all legal and regulatory requirements. In addition, it ensures that the Company adheres to the principles of good governance.
- In that respect, a board charter and a directors' code of ethics have been adopted by the Board to ensure that the core values of the Company also form an integral part of its governance. The board charter and the directors' code of ethics are available for consultation on the Company's website.
- Furthermore, all the employees of the Company adhere to the Code of Ethics of the Group.
- The Group believes that the most important part of working together is to give the opportunity to employees to express themselves and interact with the management on a daily basis. As part of the Communication Structure, employees are given, through the "Conseil d'Entreprise" and the "Réunion Elargie," the opportunity to interact with the Management and participate in the development of the Company. Furthermore, the "politique d'écoute" adopted gives the opportunity to employees to come forward if they become aware of any non-conformity with the values of the Company.
- Moreover, the stakeholders of the Company are also involved in a dialogue on its organisational position, performance and outlook, and the Management ensures that the Company responds to their reasonable expectations and interests. In that respect, the following steps are taken:

(a) Suppliers

The Company keeps a register of suppliers for products and services it purchases. The suppliers are evaluated on the quality of product delivered and the service they supply. The evaluation exercise allows the Company to determine its preferred supplier.

The Company favours competitive bidding between the preferred suppliers to ensure that it gets the best product at the most competitive price. However, potential suppliers who are not on the preferred suppliers list are invited to quote and are screened according to a fixed established protocol.

(b) Employees

The satisfaction level of employees is evaluated every two years through an engagement survey. The result of this survey is analysed in focus groups consisting of representatives of employees and an improvement action plan is thereafter put in place. The last survey was carried out in 2023 and the satisfaction score was above national average.

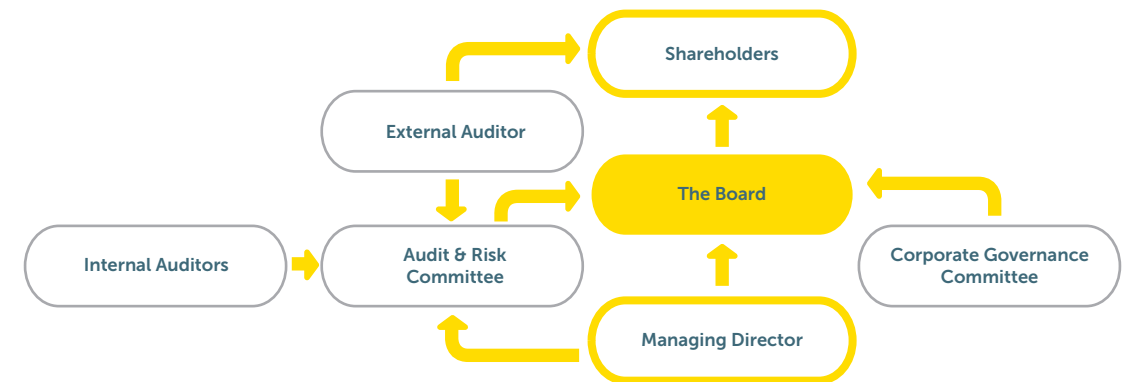
(c) Clients

A customer survey exercise is carried out by an independent organisation every two years. The results of the survey done in March 2022 have been analysed and an action plan put in place. Furthermore, there is a procedure to record complaints from clients which are tackled rapidly in line with LFL's quality system management practices.

All reasonable requests from Shareholders and other Stakeholders are attended in a timely manner. Their concerns, expectations and interests (Government institutions, employees, visitors etc) are dealt with by the Management.

5.1 Statement of accountabilities

- The Chairpersons of the Audit and Risk Committee and Corporate Governance Committee report to the Board on the deliberations of their respective Committees, and, as and when necessary, make recommendations to the Board.
- The Managing Director reports on the operations and management of the Company and its subsidiaries to the Board. The Managing Director is accountable to the Board of the Company.



- Moreover, the accountabilities of the Chairperson, Company Secretary and the Board committees have been set out in their Position Statement and Terms of References respectively.
- The organisational structure of the Company is on page 16.

CORPORATE GOVERNANCE REPORT (CONT'D)

6. THE BOARD STRUCTURE

6.1 The Board

- The Board, as the governing body, fully understands its role, responsibility and authority in setting out the strategy and monitoring the performance of the Company.
- Every 3 years, a strategic review is carried out by the Management. The strategic plan that emanates from this exercise is discussed at board level. Furthermore, a yearly budget is discussed at board level whereby objectives and KPI are set for the year in terms of processes – human resources, finance, marketing and sustainability. During subsequent board meetings, the performance of the Company against these objectives is revised and corrective decisions are taken.
- The Company is headed by a unitary Board consisting at June 30, 2023 of ten members. The Members of the Board are satisfied that:
 - the Board is of an appropriate size, taking into account the organisation's turnover, the complexity of its operations and its sector of activity;
 - the Board is well balanced regarding the skills, experience and knowledge of the organisation shown by its members;
 - non-executive directors are independent from management and discussions at Board level are at a high level and conducted with much independence. To increase diversity in terms of both gender and competencies on the Board, a selection process for the appointment of an additional independent director will be carried out during the financial year 2023/2024.
 - although there is only one executive director on the Board, the attendance of senior executives at the meetings and various sub-committees of the Board fulfils the spirit of the Code.
- Non-Executive, non-independent Directors have undertaken a self-assessment to determine whether their independence of character and judgement have been influenced. This assessment was reviewed by the Corporate Governance Committee and the conclusions were reported to the Board. The criteria for "independence" is based on the criteria defined in the National Code of Corporate Governance and later formalised in the Companies Act 2001.
- The roles of the Chairperson and the Managing Director are separate. They both have regular meetings to discuss matters concerning the Company and the Board is satisfied that the Chairperson commits sufficient time to carry out his duties and responsibilities effectively.
- Although the Chairperson is non-executive and non-independent, the Board has ensured that its Audit and Risk Committee and Corporate Governance committees are chaired by an independent, non-executive director and that their respective members are non-executive directors to ensure the highest level of independence on board deliberations.
- The role and duties of the Chairperson are set out in a Position Statement which has been adopted by the Board of the Company.

6.2 Composition of the board

- The composition of the Board and the interests of the directors in the Company at June 30, 2023 were as follows:

No. Directors	Executive	Non-Executive	Independent	Non-Independent	Resident in Mauritius	Gender	Direct Shareholding in Livestock Feed Limited		Indirect Shareholding in Livestock Feed Limited		Directorships in other Listed Companies	
							Ord %	Pref %	Ord %	Pref %		
1	Richard Arlove	-	•	•	-	•	M	-	-	-	-	3
2	Gérard Boullé	-	•	-	•	•	M	-	-	-	-	2
3	Michel de Spéville, C.B.E.	-	•	-	•	•	M	0.031	0.062	36.22	-	2
4	Cédric de Spéville	-	•	-	•	•	M	-	-	0.46	-	3
5	Eric Espitalier-Noël	-	•	-	•	•	M	-	-	2.21	-	6
6	Gilbert Espitalier-Noël	-	•	-	•	•	M	-	-	1.25	-	3
7	Rocky Forget	•	-	-	•	•	M	-	-	-	-	-
8	Jean Noël Humbert	-	•	-	•	•	M	-	-	-	-	2
9	Pierre-Yves Pougnet	-	•	-	•	•	M	0.101	0.034	-	-	3
10	Jacqueline Sauzier	-	•	•	-	•	F	-	-	-	-	-

- A yearly review of the board composition is done in March of each year to (i) ascertain the independent status of respective directors and (ii) identify whether the board composition needs to be reviewed following resignation of directors or cessation to hold office due to retirement, rotation or other reasons, during the year under review.

CORPORATE GOVERNANCE REPORT (CONT'D)

Below are the profiles of the directors of the Company at June 30, 2023:

1. Gérard Boullé (Chairperson)

Holder of a "Maîtrise de Gestion" from the University of Paris IX Dauphine in France, Gérard Boullé is presently the Chief Operating Officer (C.O.O), Food Industry of the Eclasia Group of Companies. He is a former President of the Association of Mauritian Manufacturers and is also Member of the Board of several companies of the Eclasia Group.

Gérard Boullé was appointed Chairperson of the Company on December 4, 2013.

Directorships in other listed companies: Oceanarium (Mauritius) Ltd and Les Moulins de la Concorde Ltée.

2. Michel de Spéville, C.B.E.

Founder President of the Eclasia Group as well as Founder and Senator of the "Jeune Chambre Économique de l'île Maurice", Michel de Spéville was elevated to the rank of "Commander of the Order of the British Empire" (C.B.E), "Chevalier de l'Ordre de Mérite de Madagascar" and "Chevalier de la Légion d'Honneur de France". He is an Honorary Citizen of the Moka-Flacq District of Mauritius and "Honorary Fellow - Agribusiness" of the University of Mauritius. He is a former President of the Mauritius Chamber of Commerce & Industry, a former President of "L'Institut de la Francophonie pour l'Entrepreneuriat" (IFE) and is presently Chairperson and Member of the Board of various companies of the Eclasia Group.

Directorships in other listed companies: Oceanarium (Mauritius) Ltd and Les Moulins de la Concorde Ltée.

3. Cédric de Spéville

Obtained a "Maîtrise en Économie" from the University of Paris I Panthéon Sorbonne in 2001. He also completed an MSc in Accounting and Finance at the London School of Economics in 2003 and obtained a Masters in Business Administration from Columbia Business School in 2007. He was Consultant for COFINTER in Paris from 2002 to 2003 and joined the Eclasia Group in 2003. In January 2013, Cédric de Spéville was appointed Group Chief Executive Officer. He is a director of various companies of the Eclasia Group, a former President of the Mauritius Chamber of Commerce and Industry, a former President of Business Mauritius as well as a former Member of the Economic Development Board of Mauritius. He was appointed to the Board of the Company on May 6, 2009.

Directorships in other listed companies: Oceanarium (Mauritius) Ltd, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

4. Eric Espitalier-Noël

Holder of a Bachelor's degree in Social Sciences and an MBA, Eric Espitalier-Noël has extensive experience in the commercial and hospitality sectors, being a board member of various companies evolving in those sectors. He was first appointed to the Board of the Company in 1991 and is currently the Chief Executive Officer of ENL Commercial Limited.

Directorships in other listed companies: Automatic Systems Ltd, Commercial Investment Property Fund Limited, ENL Limited, Rogers and Company Limited, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

5. Gilbert Espitalier-Noël

Holder of an MBA from INSEAD Fontainebleau, France, Gilbert Espitalier-Noël was the CEO of New Mauritius Hotels Ltd until 30 June 2023. He is now the CEO of the ENL Group. Gilbert was appointed to the Board of the Company on February 16, 1998.

Directorships in other listed companies: ENL Limited, New Mauritius Hotels Ltd and Rogers and Company Limited.

6. Rocky Forget

Holder of an MBA from Surrey University, UK, Rocky Forget joined the Eclasia Group of Companies in 1980, when he held a position in the farming division. He was appointed in 1991 as Technical & Commercial Manager of Livestock Feed Limited prior to being nominated General Manager in 1999. Rocky Forget was appointed Managing Director of the Company on May 6, 2009. During his 43-year career in the animal production & animal feed industry, Mr Forget has constantly acquired knowledge to spearhead LFL into being a key player in the regional animal feed industry.

Directorship in other listed company: None.

7. Pierre-Yves Pougnet

An accountant by profession, Pierre-Yves Pougnet was appointed to the Board of the Company on September 26, 1985 and is also a member of both the Corporate Governance Committee and the Audit and Risk Committee. He started his career with an audit firm and, in 1975, joined the Eclasia Group where he occupied executive functions, amongst them the Managing Directorship of Panagora Marketing Company Limited and Food and Allied Industries Ltd (now Avipro Co. Ltd). He was the Vice Chairperson of the Group when he retired in 2015.

Directorships in other listed companies: P.O.L.I.C.Y. Limited, Tropical Paradise Co. Ltd and Les Moulins de la Concorde Ltée.

CORPORATE GOVERNANCE REPORT (CONT'D)

8. Jean-Noël Humbert

Jean-Noël Humbert is the holder of an Honours Degree in Agriculture and a Diploma in Agriculture & Sugar Technology. He has a vast experience in the field of agro-industry, having managed different companies in the sector and also resulting from his previous capacity as General Secretary of the Mauritius Chamber of Agriculture (1997-2005) and Chief Executive Officer of the Mauritius Sugar Syndicate (2005-2015). He has also acted as President of the National Productivity and Competitiveness Council. He is currently Chairperson of the Board of Directors of New Maurifoods Ltd and Chairperson of the Board of ENL Limited.

Mr Humbert was appointed to the Board of the Company on November 13, 2015.

Directorship in other listed company: ENL Limited and Oceanarium (Mauritius) Ltd.

9. Jacqueline Sauzier

Jacqueline Sauzier has a scientific background in aquaculture and marine biology. Formerly Manager of the Mauritius Deer Farming Cooperative Society for more than 20 years, she has also invested her time in major national and regional projects in relation to the protection of the marine environment and biodiversity. She has been General Secretary of the Mauritius Chamber of Agriculture since April 2012 and is the board director of several parastatal bodies. Mrs Sauzier was honoured with the distinction of Chevalier de l'Ordre du Mérite Agricole by the French Government in July 2018.

Directorship in other listed company: None.

10. Richard Arlove

Richard Arlove, FCCA, worked in Big Four accounting firms in Mauritius and the UK and as General Manager of companies marketing international brands prior to co-founding ABAX, a financial, corporate and fiduciary services company, in 2001. He was the CEO of ABAX until the company was acquired in 2018 by Ocorian, a global trust and administration firm. He retired from Ocorian in August 2020, after two years as Regional Head of Africa, Middle East and Asia and Group ExCo member. Richard currently runs a business and finance consulting practice.

Richard has been and continues to be a board member of international companies and private equity funds investing in Africa and Asia and of national business and industry institutions.

Richard has been appointed director of the Company on December 23, 2020.

Directorship in other listed company: IBL Ltd, Caudan Development Ltd and Promotion and Development Ltd.

6.3 Common directors

- The table below indicates the Directors common to Livestock Feed Limited, the management company, Management and Development Company Limited ("Madco") and LFL's associate, Les Moulins de la Concorde Ltée ("LMLC")

NO	DIRECTORS	LFL	MADCO	LMLC
1	Richard Arlove	•	-	-
2	Gérard Boullé (Chairperson)	•	•	•
3	Michel de Spéville, C.B.E.	•	•	•
4	Cédric de Spéville	•	•*	•
5	Eric Espitalier-Noël	•	•	•
6	Gilbert Espitalier-Noël	•	•	-
7	Rocky Forget	•	-	-
8	Jean-Noël Humbert	•	-	-
9	Pierre-Yves Pougnet	•	•	•
10	Jacqueline Sauzier	•	-	-

* Also alternate to Mr Michel de Spéville in this company.

6.4 Directors' dealings in securities of the Company

- The directors follow the principles set out in the DEM Rules on restrictions on dealings by the directors.
- None of the directors acquired shares of the Company during the year under review.

6.5 The Company Secretary

- Eclosia Secretarial Services Ltd ("ESS") is the Company Secretary of the Company and its team consists of two Company Secretaries, one Assistant Company Secretary and administrative assistant
- ESS is represented by the Head of Secretarial Services who is holder of a Bachelor of Laws (LLB Hons) from the University of Manchester, UK, and is an Associate of the former Institute of Chartered Secretaries, UK (now the Chartered Governance Institute, UK) and a Company Secretary who is also an Associate of the Chartered Governance Institute. They both complete a minimum of twenty hours of training and skill development annually as required by the Chartered Governance Institute.
- ESS, the Company Secretary has access to Board Members and has been assigned the task of applying and implementing the principles of the Code by the Board.
- The duties of the Company Secretary have been set out in terms of reference which have been adopted by the Board. The said terms of reference are available for consultation on the Company's website and will be reviewed during the financial year 2023/2024.

CORPORATE GOVERNANCE REPORT (CONT'D)

6.6 Board committees

6.6.1 The Audit and Risk Committee

- The roles and responsibilities of the Audit and Risk Committee are set out in its terms of reference and are in summary:
 - To assist the Board in fulfilling its supervisory responsibilities;
 - To review the financial reporting process, the system of internal control and assessment of business and financial risks, the internal and external audit processes;
 - To monitor compliance with laws and regulations as well as Board policies and Board decisions. In performing its duties, the Committee maintains effective working relationships with the Board of Directors, the Management, as well as the Internal and External Auditors;
 - To review regularly the risks register and ensure through internal audit reports that the identified risks are monitored and reviewed on a regular basis;
 - To submit recommendations to the Board (for consideration and acceptance by shareholders) for the appointment and remuneration of the External Auditors.
- The terms of reference of the Audit and Risk Committee are available for consultation on the Company's website. These terms of reference are reviewed as and when required and, in any case, at least every five years. A review of the said terms of reference will be carried out during the financial year 2023/2024.
- The composition of the Audit and Risk Committee at June 30, 2023 was as follows:

Name	Position	Status
Mr Richard Arlove	Chairperson	Independent director
Mr Cédric de Spéville	Member	Non-executive director
Mr Eric Espitalier-Noël	Member	Non-executive director
Mr Pierre-Yves Pougnet	Member	Non-executive director
Eclosia Secretarial Services Ltd	Secretary	-

- The Audit and Risk Committee is presently composed of one independent director, the other Members being non-executive, non-independent directors. The Board is satisfied that the skills, knowledge of the organisation and experience of those non-executive directors allow them to discharge their responsibilities towards the Company and its shareholders effectively. The skills and expertise of the Members of the Audit and Risk Committee are detailed on pages 24 to 26.
- The committee met four times during the year under review and confirms that it has discharged its responsibilities for the year in compliance with the above terms of reference.

- In those meetings, the committee considered the internal audit reports, the IT Audit report, the Food Safety report, the top 10 risks and the risk management process of Livestock Feed Limited and its subsidiaries. The committee also meets the internal auditors and the CFO regularly to have their insights on the different areas covered in their reports.
- All matters discussed during the Audit and Risk Committee meetings are communicated to the Board at the subsequent board meetings and a brief of the deliberations of those meetings is inserted in the board packs.

6.6.2 The Corporate Governance Committee

- The roles and responsibilities of the Corporate Governance Committee are set out in its terms of reference and are in summary:
 - To make recommendations to the Board on all corporate governance provisions to be adopted so that the Board remains effective in ensuring that the Company complies with prevailing corporate principles and practices;
 - To ensure that the disclosure requirements with regard to corporate governance, whether in the annual report or other reports on an ongoing basis, are in accordance with the principles of the Code of Corporate Governance as recommended by the National Committee on Corporate Governance;
 - To make recommendations to the Board on the nomination and remuneration of Directors.
- The terms of reference of the Corporate Governance Committee are available for consultation on the Company's website. These terms of reference are reviewed as and when required and, in any case, at least every five years. A review of the said terms of reference will be carried out during the financial year 2023/2024.
- The Corporate Governance Committee has worked out an internal procedure which provides guidance to the Board on the nomination of Directors. The procedure was approved by the Board and an induction programme for new directors has been reviewed by the Corporate Governance Committee and upon recommendation of the said committee, has been approved by the Board.
- The induction programme is under the responsibility of the Chairperson of the Board.
- The composition of the Corporate Governance Committee at June 30, 2023 was as follows:

Name	Position	Status
Mr Richard Arlove	Chairperson	Independent director
Mr Gérard Boullé	Member	Non-executive director
Mr Eric Espitalier-Noël	Member	Non-executive director
Mr Pierre-Yves Pougnet	Member	Non-executive director
Eclosia Secretarial Services Ltd	Secretary	-

CORPORATE GOVERNANCE REPORT (CONT'D)

- The Corporate Governance Committee is presently composed of one independent director, the other Members being non-executive, non-independent directors. The Board is satisfied that the skills, knowledge of the organisation and experience of those non-executive directors allow them to discharge their responsibilities towards the Company and its shareholders effectively. The skills and expertise of the Members of the Corporate Governance Committee are detailed on pages 24 to 26.
- The Corporate Governance Committee met twice during the year under review. During these meetings, the Committee considered the corporate governance report, the directors retiring by rotation and their proposal for re-election at the next AGM, the board composition, the Company's compliance with the NCCG scorecard, the succession planning through the OPR process and a review of the fees payable to the Directors of the Company.
- All matters discussed during the Corporate Governance Committee are communicated to the Board at the subsequent board meetings and a brief of the deliberations of those meetings is inserted in the board packs.

6.6.3 Investment Committee

- Investments of LFL are regrouped into LFL Investment Ltd. A specific committee annually reviews its portfolio of investment.

6.7 Attendance at Board and Committee Meetings

- The attendance of the Directors and Committee Members for the financial year ended June 30, 2023 was as follows:

No	Directors	Board Attendance	Audit & Risk Committee Attendance	Corporate Governance Committee Attendance
		5 Meetings	4 Meetings	2 Meetings
1	Richard Arlove	5/5	4/4	2/2
2	Gérard Boullé	5/5	-	2/2
3	Michel de Spéville, C.B.E.	4/5	-	-
4	Cédric de Spéville	5/5	4/4	-
5	Eric Espitalier-Noël	3/5	4/4	2/2
6	Gilbert Espitalier-Noël	3/5	-	-
7	Rocky Forget	5/5	-	-
8	Pierre-Yves Pougnet	5/5	4/4	2/2
9	Jean-Noël Humbert	5/5	-	-
10	Jean Ribet*	3/5	-	-
11	Jacqueline Sauzier	2/5	-	-

*Ceased to hold office on April 5, 2023

7. DIRECTORS' APPOINTMENT PROCEDURES

7.1 Appointment procedures

- As per the Company's constitution, every year one third of the directors longest in office retire by rotation and may offer themselves for re-election. These directors, if re-elected, have a three-year term after which they may once again stand for re-election.
- Moreover, according to the Company's constitution, in cases of casual vacancies, the Board can appoint someone to serve as director of the Company until the next Annual Meeting, where his election will be ratified.
- The Company has a formal procedure for appointment of directors. This procedure stipulates that prior to the appointment of directors on the Board of the Company, the corporate governance committee shall evaluate the profiles of candidates based on the requirements of the positions and the skills and expertise needed.
- Once the appropriate candidate is selected by the Corporate Governance Committee, the latter will recommend the nomination of the person selected to the shareholders, or, in the case of casual vacancies, to the Board.
- A letter of appointment for non-executive directors has also been approved by the Board and non-executive directors are required to sign the said letter as soon as they are appointed to the Board.

7.2 Induction and orientation

- The Company has a formal induction process. Upon appointment, the Director receives an induction and orientation programme where they are invited to visit the Company and get acquainted with its operations.
- The Director also receives, through an induction pack, copies of minutes of the last three board meetings held prior to his appointment, the last three financial statements, the mission and vision statements of the Company, a company profile and relevant legislations which shall enable him to understand the duties and obligations of being a director.
- Moreover, at the time of his appointment, the Director is requested to give his consent, as per the requirements of the Data Protection Act, for his personal information to be used and shared with authorities and financial institutions as per the requirements of the AML/CFT regulations in place.

7.3 Professional development

- The Company provides the opportunity to its directors to develop their knowledge and skills through workshops and development programmes delivered mostly by the Mauritius Institute of Directors. The Head of Governance, Risk and Compliance of Eclasia Group through the Company Secretary, screens the workshops and training programmes offered and recommends to Directors those which would be relevant and of interest for the Directors to attend.

7.4 Succession planning

- In order to keep a balance of skills and expertise at the level of the Board, a review of the composition of the Board and its committees is carried out at least once a year by the Corporate Governance Committee.

CORPORATE GOVERNANCE REPORT (CONT'D)

8. DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

8.1 Directors' duties

- Upon a director's appointment, the relevant legislations pertaining to the legal duties of acting as a director on the Board of the Company are communicated to the newly-appointed director through the induction pack.
- Furthermore, at the start of every financial year, the directors are provided with the close periods for trading on the Company's securities for the year and the relevant legislations pertaining to declarations of interests under the Securities Act and the DEM Rules.
- In addition, a board charter setting out all the director's duties and responsibilities with respect to the board governance has been adopted by the Board and is available for consultation on the Company's website. This Board charter is reviewed periodically by the Corporate Governance Committee and, thereafter, the Board itself. The Board Charter will be reviewed during the financial year 2023/2024.

8.2 Code of ethics

- A code of ethics for the directors of the Company has been adopted by the Board and is available for consultation on the Company's website.
- The said code of ethics provides guidance to the directors in dealing with and managing ethical issues, conflicts of interest and related party transactions.

8.3 Conflicts of interest and related parties transactions

- The Company Secretary maintains an interest register for the Members of the Board. It is, however, the responsibility of each director to ensure that any interest be recorded in this register. This interest register is available for inspection by the Shareholders upon written request to the Company Secretary.
- Whenever there is an actual or potential conflict of interest, the concerned director is not present at the part of the meeting during which the conflict or potential conflict is discussed and, therefore, does not debate or vote on the matter.
- Specific provisions relating to directors' conflicts of interest and related party transactions are included in the directors' code of ethics which is available for consultation on the Company's website.

8.4 Board information

- Relevant board information is provided to Board members in a timely manner to enable them to have sufficient time to study the matters that will be discussed at the meetings and make appropriate decisions. As a general rule, board documents are sent to the Directors at least 7 days prior to the board meeting.
- Where necessary, directors may have access to management or to independent professional advice at the Company's expense, subject to the formal approval of the Chairperson, to enable them to discharge their responsibilities.
- A Directors' and Officers' Liability cover is in place for directors and senior officers of the Company.

8.5 Board evaluation

- The Board recognises the significance of board evaluation exercises which are carried out on a two-yearly basis. The next board evaluation is due to be carried out during the financial year 2023/2024.
- The board evaluation is done internally by way of a questionnaire and any weakness identified is examined by the Corporate Governance Committee and addressed by the Board.
- Results are discussed at Corporate Governance Level and any corrective action, if needed, is reported to the board.

8.6 Remuneration

- The fees for Members of the Board, Audit and Risk and Corporate Governance Committees at June 30, 2023 were as follows:

Type of meeting	Chairperson		Directors	
	Annual Retainer Rs	Meeting Fee Rs	Annual Retainer Rs	Meeting Fee Rs
Board meeting	200,000	20,000	100,000	20,000
Audit and Risk	140,000	10,000	80,000	10,000
Corporate Governance	50,000	10,000	35,000	10,000

- The fees paid to the directors of the Company for the financial year ended June 30, 2023 were as follows:

No.	Directors	Board Fees Rs	Audit & Risk Committee Fees Rs	Corporate Governance Committee Fees Rs	Total Rs
2	Gérard Boullé	300,000	-	55 000	355,000
3	Michel de Spéville, C.B.E.	180,000	-	-	180,000
4	Cédric de Spéville	200,000	120 000	-	320,000
5	Eric Espitalier-Noël	160,000	120 000	55 000	335,000
6	Gilbert Espitalier-Noël	160,000	-	-	160,000
7	Rocky Forget	200,000	-	-	200,000
8	Pierre-Yves Pougnet	200,000	120 000	55 000	375,000
9	Jean-Noël Humbert	200,000	-	-	200,000
10	Jean Ribet*	160,000	-	-	160,000
11	Jacqueline Sauzier	140,000	-	-	140,000
Total		2,100,000	540,000	235,000	2,875,000

*Ceased to hold office on April 5, 2023

CORPORATE GOVERNANCE REPORT (CONT'D)

- Non-executive directors have not received any remuneration in the form of share options or bonuses associated with the performance of the Company.
- The total remuneration and benefits received by the Executive Director during the financial year amounted to Rs 9,527,717.

8.6.1 Statement of Remuneration Philosophy

- A formal Statement of Remuneration Philosophy has been adopted by the Board of the Company. The philosophy is to offer a competitive package that will attract, retain and motivate directors and employees of the highest calibre and recognise value-added performance, whilst taking into account the Company's financial position.

In that respect, the remuneration offered to each category of jobs within the Company has been benchmarked and aligned with the current market rate as per the "Hay Group National Survey" which is carried out regularly.
- Moreover, the directors' fees are also benchmarked on market norms and reviewed on a regular basis by the Board upon recommendation of the Corporate Governance Committee. The latest benchmark was done during the financial year under review and another one is expected to be carried out in 2023/2024.

9. RISK GOVERNANCE AND INTERNAL CONTROL

9.1 Risk governance

- The Board is responsible for the governance of risk and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. In that respect, it has entrusted to the Audit and Risk Committee the responsibility of ensuring that the Management identifies and manages all inherent risks on a regular basis.
- The management of the Company has set up a risk management process to identify and manage risks. The Management keeps a risk register that is updated regularly when risk elements are observed. Risks are evaluated according to the likelihood of their occurrence and their potential impact on the business activity. This methodology helps to prioritise the risks and consequently the focus of management. The top 10 risks of the Company are monitored on a regular basis through cross-functional action meetings under the supervision of the Chief Financial Officer and are presented at the quarterly meetings of the Audit and Risk Committee to ensure that the top 10 risks are properly managed and mitigating actions have been taken.
- For the year under review, the main risks regrouped under, sourcing of raw materials, volatility of commodities prices, supply chain and logistics disruptions, and exchange rate fluctuations and supply were the principal areas of concern and actions to mitigate these risks were taken.
- The enterprise Risk Management Framework is currently being reviewed and updated and new software to assist Risk Management is currently being developed while its implementation is planned for 2023/2024.

- The key risk categories of the Group are as follows:



CORPORATE GOVERNANCE REPORT (CONT'D)

(a) Strategic Risks

The Group carries out a complete risk analysis exercise yearly and during this process, uncertainties and opportunities are identified for each segment in which it operates. Action plans are then implemented in the yearly budget.

(b) Financial Risks

Risks linked to liquidity, interest rates, foreign currency, due diligence process, costs structures and profitability are covered under this category and management of risks is addressed by the CFO and reported as necessary to Executive meetings, Audit and Risk Committee meetings and Board meetings. Some financial risks are also detailed in note 3 of the financial statements.

(c) People Risks

The Group's success depends on the commitment and performance of its employees. Procedures have been put in place for the recruitment and development of talents in the Group. The management of Human Resources is an ongoing process that involves careful planning so that the Company is geared to respond to any change in the environment. Policies have been put in place to ensure that all processes are carried out in line with international best practices. Furthermore, employees are strongly encouraged to participate in improvement teams to continuously improve our processes. This is further detailed in section 23.

(d) Legal and Compliance Risks

The Group minimises legal and compliance risks by consulting in-house and external Legal Counsels, who provide legal advice on relevant files as and when required. The legal and compliance departments also assist Business Units in complying with applicable laws and regulations in force.

(e) Information Technology and Cyber Risks

The Group's management of Information Technology and Cyber risks is detailed under section 9.6.

(f) Customer and Commercial Risks

Risks associated with maintaining the quality and reputation of our products and services and innovation in our customer offer are analysed and the HACCP and ISO 12000 certification and audits ensure that procedures are strictly adhered to so that the quality of products delivered is constantly up to the set standards.

(g) Operational Risks

Risks of loss resulting from inadequate or failed internal processes and procedures, human error, system failure or external events. They include all processes from procurement of raw materials, manufacturing process, up to the point of receipt by customers. These items are constantly discussed in weekly operational meetings.

(h) Business and Market Risks

Risks relating to macroeconomics, politics and foreign investments. These risks are discussed at board level.

(i) Environmental and Sustainability Risks

Risks can be related to climatic conditions or related to other environmental factors, social and governance practices and sustainable development processes.

The annual sustainability plan aims at mitigating risks related to environment (Section 21).

9.2 Risk Management

- Insurance policies are maintained in all countries in which the company operates. These policy covers include fire and allied perils, machinery breakdown, loss of profits resulting from fire and allied perils and machinery breakdown, public and product liabilities, directors' liability, burglary, money in transit, goods' inland transit, marine cover and credit protection facility for non-group local and foreign credit clients. The adequacy of insurance covers is reviewed annually based on the advice of a consultant.

9.3 Business Continuity

- As part of its business continuity plan, a full IT breakdown drill has been carried out in January 2023. The exercise showed that the protocols and procedures in place are effective.

9.4 Internal control

- A sound internal control system is in place in the Company. The internal control system ensures that organisational objectives in terms of effectiveness and efficiency are met. It provides assurance that financial statements are prepared in compliance with relevant accounting standards and that the Company complies with laws, regulations and policies.
- The internal control process is audited by internal and external auditors who report directly to the Audit & Risk Committee on any material weaknesses which come to their attention.
- In addition to reviewing the Company's risks, the Board has entrusted the Audit and Risk Committee with the responsibility of reporting on the effectiveness of Internal Control.
- Internal control systems are (i) reviewed at the level of the ARC annually during the presentation of the auditors' management letter and (ii) discussed during presentation of the internal audit reports at least twice a year.

9.5 Data protection

- LFL complies with the Data Protection Act and the GDPR. It is committed to protect the privacy of its stakeholders including clients, suppliers and employees. In this context, LFL has outsourced the role of Data Protection Officer to a specialist who has been assisting the company in the setting up and implementation of its Data Protection Framework. The planning of activities is updated and there is regular reporting to the Data Protection Committee (DPC) on the progress on the Data Protection Initiatives.
- The year 2022/2023 was marked by the development of several actions to meet the requirements of the applicable legislations and the main elements are:
 - (a) Elaboration and deployment of a DPA Action Plan to monitor the progress of the different steps.
 - (b) Deployment of policies and procedures.
 - (c) Update of the Records of Processing Operations (RPO)
 - (d) Preparation and signature of Contracts with Processor and Data Sharing Agreement.
 - (e) Staff awareness training on new data protection policies and procedures at LFL.
- There was no case of data breach identified nor reported during the course of the year.

CORPORATE GOVERNANCE REPORT (CONT'D)

9.6 Information Technology and Information Security governance

- The Eclasia Group IT Executive Council (“the GIT”), supported by three sub-committees, is responsible to provide the necessary directions with regards to strategy, infrastructure and operations management in relation to information, communications and technology systems at LFL.
- An Information Technology Policies and Procedures (“ITPP”) manual has been mandated by the GIT to provide guiding principles applicable to the management of IT related processes in order to:
 - (a) Establish responsibility and accountability for the use and maintenance of IT resources;
 - (b) Encourage management and staff to maintain an appropriate level of awareness, knowledge and skill to allow them to leverage IT resources in delivering quality service to the clients;
 - (c) Minimise the impact of IT incidents on service delivery;
 - (d) Protect the business information and any client information within its custody by safe guarding their confidentiality and integrity by maintaining their availability.
- The ITPP manual is reviewed annually by a sub-committee to accommodate process changes and adapt to new technologies. New IT policies and procedures were introduced to adapt with adoption of emerging technologies. These IT policies encompassed Web Application, Collaboration Tools, Data Classification & Handling, and Generative Artificial Intelligence.
- Independently, the IT Auditor reports to the Audit and Risk Committee of each Group Company about the level of compliance to the ITPP.
- An End-User IT Security Policy is remitted to all new recruits and must be adhered to by all employees together with the cybersecurity awareness and eLearning programme. Periodic cybersecurity awareness and eLearning programmes are conducted for employees to foster a cybersecurity-conscious culture. These initiatives included information security best practices, phishing campaigns, and safe online behaviours.
- Collaboration with a cyber incident response and forensic specialist was established, along with a well-defined incident response plan. Our aim is to facilitate incident response through prompt detection, containment, eradication and recovery from cybersecurity incidents.
- Implemented since 2020, Microsoft D365 Enterprise Resource Planning (ERP) System is improving business operations and decision-making process, as well as providing enhanced financial controls. It is managed through a strong governance, enabling to keep benefits over the time, and benefit from a full redundancy and back-up to ensure full availability for operations.
- Access rights are managed centrally and enable management and restriction to access applications, transactions, and data, for ERP and business systems, and on folders and documents in the document management system, it also enable to qualify sensitivity and confidentiality of documents.
- This robust IT Governance Framework and initiatives prove that Information Management, Information Technology and Information Security is at the heart of LFL’s operations and that no efforts will be spared to maintain a reliable and secured IT environment.

10. AUDIT

10.1 Internal audit

- The Company outsources the internal audit functions to Eclasia Corporate Services Ltd (“ECS”) ECS’s Internal Audit Departments, consists of nineteen staff members, who possess the necessary qualifications (including FCCA, CGI, CIA, CFE, CISA, CRISC, CISM, CDPSE, Certified Compliance professional, among others), expertise and coupled with the number of years of experience to fulfil their role effectively. They are supported by a well-structured Enterprise Risk Management and Governance framework that ensures their independence, objectivity, competence, and free access to books and records for a comprehensive evaluation of risks and controls. The staffing level together with continuous learning & development enable a sufficient coverage of emerging risks and various audit areas such as financial, accounting, operational, data privacy, and information technology. We adopt and apply international auditing standards prescribed by the IIA and ISACA, risk-based audit methodologies, automated tools with data analytics to conduct thorough audits and reporting to Audit and Risk Committees.
- Factory operation is also audited by technicians of MixScience, a major European Operator in the Animal Feed Sector.
- The Board, with the assistance of the Audit and Risk Committee and the Internal Auditor, monitors the effectiveness of internal controls.
- The Internal Auditors follow an established system of internal control and policies which ensure that the control objectives are attained.
- The Internal Audit team has an independent appraisal function which reviews the adequacy and effectiveness of internal controls and the systems that support them. This includes controls at both the operational and financial levels as well as offering guidance to Management in relation to the evaluation of overall business risks and actions taken to mitigate such risks.
- The areas regularly reviewed are: procurement, inventories, approval processes, accounts payable, accounts receivable and production workflows.
- Weaknesses identified by the Internal Auditors during their reviews are brought to the attention of Management and the Audit and Risk Committee formally by way of risk-rated structured reports. These reports comprise the results of the current review together with updates on the corrective actions taken by the Management to improve control systems and procedures. The corrective actions taken are reviewed annually in a follow-up audit.
- The Audit Reports are compiled by the Group Head of GRC (Governance, Risk and Compliance) who attends and reports on the findings at the Audit and Risk Committee. Thereafter, the Chairperson of the Audit and Risk Committee brings before the Board any material issues requiring the special attention of the Directors.
- The purpose, authority and responsibility of the Internal Auditors are formally defined in a charter.
- The Internal Audit team has the authority to access and examine all information, both paper-based and electronic documents, as well as to inspect physical assets. No complaints were received from the Internal Auditor during the year under review with respect to restrictions on access to records, management or employees of the organisation.

CORPORATE GOVERNANCE REPORT (CONT'D)

- The objectives of the reviews performed by the Internal Audit function are to give assurance on the adequacy and effectiveness of internal controls, compliance with applicable laws and regulations as well as on the reliability of financial reporting.
- The Group Internal Audit Manager meets with the Chairperson of the Audit and Risk Committee once a year without the presence of the Management.

10.2 External Auditors

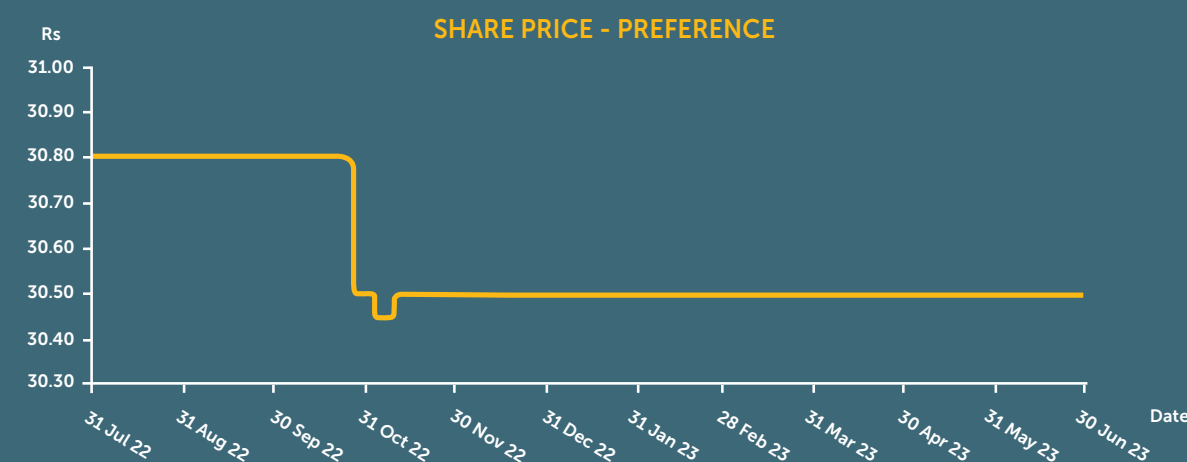
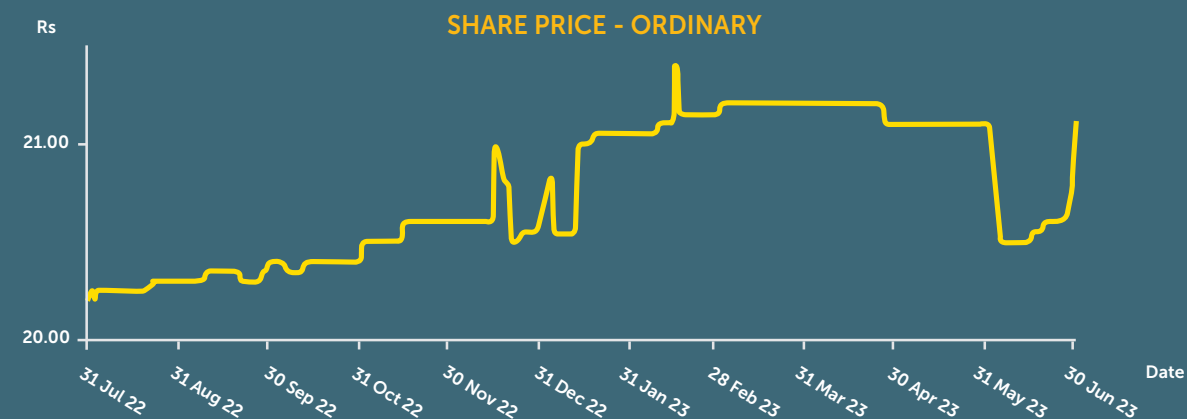
- Further to the tendering process carried out in 2022 to proceed with the rotation of the external auditors of the Company, BDO & Co. were appointed external auditors of the LFL Group. Since BDO was previously acting as external auditor for the LFL Group prior to the appointment of Pricewaterhouse Coopers in 2019, and due to a mandatory cooling-off period, BDO has ensured that LFL shall have a different signing partner this time around.
- The Audit and Risk Committee reviews the audit plan and fees of the external auditor prior to the yearly audits. Moreover, the management and the Chairperson of the ARC met and discussed critical policies, judgements and estimated with the external auditors.
- The Audit and Risk Committee meets once a year with the external auditors to review the Company's financial statements, management and representation letter and to assess the effectiveness of the external audit process. The external auditor also has the opportunity to meet the members of the Audit and Risk Committee without the Management's presence. The points raised in the external auditor's management letter are then taken up at each of the subsequent Audit and Risk committee meetings to ensure that all recommendations made by the external auditor are followed and implemented by the Management. Once the issues are resolved, the subjects are thereafter removed from the minutes of the committee meeting.
- An assessment of the work and performance of external auditors is carried out yearly both by the Management and the Audit and Risk committee. The criteria used for such assessment is as follows:
 - Quality of Services provided
 - Sufficiency of Audit Firm and Network Resources
 - Independence, Objectivity and Professional Scepticism.
- The audit fees of the external auditor of the Group for the financial year 2022/2023 were Rs 1,450,000. Non-audit services were not provided by the external auditor during the year under review.

11. SHARE OPTION PLAN

- The Company does not have any Share Option Plan.

12. SHARE PRICE INFORMATION

- The following graph shows the evolution of the Company's share price on the Stock Market during the year under review up to June 30, 2023:



13. DIVIDEND POLICY

- The Company has no defined dividend policy as such and pays dividends based on its current profitability and the liquidity requirements of the Company.
- The dividend paid for the financial year under review amounts to Rs 0.43 per ordinary share and Rs 1.20 per preference share.

14. RELATED PARTY TRANSACTIONS

- Related party transactions are disclosed in note 35 of the accounts and are at arm's length and in the normal course of business.

CORPORATE GOVERNANCE REPORT (CONT'D)

15. CONTRACT OF SIGNIFICANCE

- The following contracts exist between the Company and its major shareholders for:
 - The provisions of management services as detailed in section 17;
 - The sale of animal feed to Avipro Co. Ltd (wholly-owned subsidiary of MADCO) in the normal course of business;
 - The provision of secretarial services by Eclasia Secretarial Services Ltd (wholly-owned subsidiary of MADCO); and
 - The provision of business support services by Eclasia Corporate Services Ltd (wholly-owned subsidiary of MADCO).
- Furthermore, the following contracts of significance exist:
 - The provision of sales & distribution services by Panagora Marketing Company Limited (subsidiary of MADCO) for dog food in the normal course of business; and
 - The provision of IT Support Services by Eclasia Technology Services Ltd (wholly-owned subsidiary of MADCO).

16. CONTRACT OF SIGNIFICANCE WITH A DIRECTOR

- There is no contract of significance between the Company and any of its directors.

17. MANAGEMENT AGREEMENTS

- Livestock Feed Limited has a management contract with MADCO in which six directors have an interest. Review of scope and at arm's length
- The above contract is remunerated in the form of management fees.

18. MAJOR EVENTS

- The Chairman of the Board in his annual report to the Shareholders addresses the main issues dealt by the Board in terms of personnel, markets environment performance and other environmental factors.
- The main events of LFL for the financial year under review were as follows:

Event	Month
Approval of Audited Financial Statements and Publication of Abridged Financial Statements	September
Annual Meeting	December
Dividend Declaration	June
Dividend Payment	August
Publication of Quarterly Accounts:	
- 1 st quarter: ending September 30	November
- 2 nd quarter: ending December 31	February
- 3 rd quarter: ending March 31	May

19. DONATIONS

- Donations by the Group for the year under review were:

	Group	
	2023 Rs000	2022 Rs000
Charitable Donations	628	729
Political Donations	Nil	Nil



CORPORATE GOVERNANCE REPORT (CONT'D)

20. MISSION AND VISION

- The vision and mission statements of LFL are used as the guiding framework of all strategic decisions:

Mission : « Contribuer activement au développement durable et responsable du secteur de l'alimentation animale en apportant à nos partenaires des solutions performantes et adaptées. »

Vision : « Nous voulons être dans l'océan Indien et l'Afrique de l'Est, le partenaire de référence de l'alimentation animale par un développement inclusif, valorisant les matières premières produites dans la région. »

- These statements have been communicated to all stakeholders and employees across the Group and are available on the Company's website.

21. SUSTAINABILITY

- LFL started its operations in 1977 to provide the emerging animal farming community with a readily available quality product. The local production of animal feed was a sinequanone condition for the development of a sustainable animal product on the island. Today, the country is self-sufficient in all its poultry production, the main meat consumed by the population. A local success story in sustainable development.
- At LFL, we are aware of the environmental and social impact of our industrial activities. In a common effort with our internal and external stakeholders, we work towards mitigating these impacts. The recent Covid pandemic has highlighted the vulnerability of SIDS in terms of food security. It also underlined the urgency of implementing a regional food security strategy.

21.1 Strategic approach to sustainability

- Considering both our internal and external stakeholders, we develop our sustainability strategy and objectives for a three-year period which are implemented through a yearly sustainability implementation plan. A dedicated team of Green Leaders in the company, under the supervision of a Sustainability Manager, is responsible for implementing these activities. Some examples of the key indicators are reduction of waste (Kg/Unit), increase of recycling, reused water (m³), etc.
- A monthly management reporting meeting on the progress and achievement of KPIs is organised to follow-up on the implementation plan. Aware that the implementation plan requires the buy-in of the employees of Livestock Feed Ltd, the monthly progress is communicated to all the staff of our company. Our quarterly progress is also shared with all the stakeholders and the neighbourhood of the Company's factory through the newsletter "La Gazette Verte".

21.2 Neighbourhood outreach

- We have a strong will to engage with the neighbourhood for our environmental and social endeavours. Thus, our production facilities are compliant to prevailing laws & regulations. Our relationship with the residents has always been cordial and engaging. This relationship has been consolidated over the years as any request/complaint received by the neighbourhood and registered by Livestock Feed Ltd is obligatorily processed within 3 days. Our neighbourhood outreach policy also concerns the employees of the factory as 48% of the work force are from the region. Our engagement in local livelihood also includes beautification campaigns in collaboration with the municipality to create and maintain green spaces in the locality.

21.3 A sustainability plan inspired by the SDG

- The United Nation's Sustainable Development Goals have created a worldwide framework that sets the pace for sustainable development. At Livestock Feed Ltd, we strongly adhere to the values carried by the framework and our sustainability goals are aligned with these objectives.

CORPORATE GOVERNANCE REPORT (CONT'D)



Responsible consumption and production

With an objective of reducing raw material packaging and the efficient use of finished product packaging, Livestock Feed Ltd is proud to have reduced its packaging consumption by 3.4T, corresponding to a 40% reduction in total tonnage of packaging.

Another important action implemented recently is the reduction of industrial packaging of our products by promoting reuse of bulk bags. The bulk bag deposit project was launched with our local supplier whereby the same bulk bag is used 5 times to transport goods. The quantity of plastic bags used in the local transport of raw materials was thus reduced by 1.7T. To further reduce the consumption of plastic bags, Livestock Feed Ltd installed 6 silos at our most significant customers. This action allowed the company to reduce the use of plastic by a further 1.6T.

Regarding water consumption, Livestock Feed Ltd is engaged in reducing its water usage. Indeed, consumption has decreased by 17% since the installation of a water recovery system.



Affordable and clean energy

The objective of reducing the energy consumption to produce 1T of feed by 8% was achieved during this financial year. The setting up of the control and operational monitoring of electricity consumption in the factory made it possible to optimise the energy consumption of the whole plant. Furthermore, the installation of a feedwater tank on the boiler allowed a reduction of 0.30L of heavy fuel oil per ton of finished products.

Since April 2023, the LFL photovoltaic panel station has been active and has generated 243,000 KWh in total. Since the photovoltaic plant has been operational, it contributed to 11% of the monthly electrical consumption.



Sustainable cities and communities

As mentioned previously, Livestock Feed Ltd places significant emphasis on its relationship with the local community and is poised to undertake projects to address food insecurity and promote sustainable agricultural practices within the communities. Two successful projects for the financial year are:

Poule Pondeuse

In January, our Poule Pondeuse project achieved a significant milestone by reaching 50% self-financing. This project aims to empower local communities by providing them with a sustainable source of food and income through egg production. With the support from LFL technical team, beneficiaries have been able to manage their poultry operations efficiently, leading to increased egg sales and savings. More importantly, the project helped to combat malnutrition and ensures a more balanced diet for beneficiaries.

Pailles Community Garden Enhancement

This community outreach project promotes responsible agricultural practices and supports the transition towards a sustainable and autonomous food system. Beneficiaries of this project were trained for the cultivation of fresh, locally grown products. This activity was enhanced by technical support to develop horticultural skills among the beneficiaries of the project.

The company's environmental plan is carefully crafted at a community level, with more than 80% of actions undertaken in collaboration with our employees, suppliers, customers, neighbors, schools, NGOs, and recyclers. This approach ensures that sustainability is deeply embedded throughout our value chain. Every year, suppliers are selected according to the results obtained in the supply reliability test assessing their responsibilities towards sustainable and social development, occupational health and safety, product/service quality and solvency. Our company ensures that these responsibilities are carried over its entire value chain and its customers are supported to achieve these same objectives.

Spontaneous projects for 2023-2024 were identified and then supported by employees through a committee of Green Leaders made up of administrative and operational staff. Livestock Feed Ltd strives to foster environmental stewardship and empower individuals with knowledge and resources for a more sustainable future. Two flagship projects were accomplished by employees during this financial year:

Clean Up de Pailles

In September, Livestock Feed Ltd organised the Clean Up de Pailles event, demonstrating our commitment to environmental preservation and community engagement. Through collaboration with our employees, village schools, and beneficiaries of our community gardens united to tackle the pressing issue of pollution. On a single day, an impressive 650kg of waste were collected. 340kg of plastic litter were properly sorted for recycling. By removing this waste from the environment and ensuring proper recycling, the initiative contributed to reduce the impact of pollution on natural habitats and water bodies and contributed to a cleaner and a healthier neighborhood. The Clean Up de Pailles initiative served as an educational platform, raising awareness about the impact of waste on the environment. Participants gained a deeper understanding of the importance of waste management and recycling, inspiring them to adopt more responsible practices in their daily lives.

The project also fostered a strong sense of community collaboration and collective responsibility. By involving employees, schools and beneficiaries, the event showcased the power of working together towards a common goal of environmental sustainability.

CORPORATE GOVERNANCE REPORT (CONT'D)

Circuit ZEP Project

In June, we launched the Circuit ZEP (zone d'éducation prioritaire) project in partnership with Xavier Barbe's school, seeking to instill environmental consciousness in young minds and encourage active engagement in conservation efforts. The impacts of the Circuit ZEP Project are significant. The project engaged thirty Grade 5 and 6 children in science and history development workshops, combined with school outings to learn about conservation and environmental protection in Mauritius. By targeting children at a crucial age, we promote a lifelong commitment to environmental stewardship and sustainable practices.

The students who participated in the Circuit ZEP Project took the lead in sharing their knowledge and experiences with other classes through oral presentations. This peer-to-peer learning approach empowers children to become environmental advocates within their school and beyond. By integrating environmental education into the school curriculum, the initiative contributed to nurture a culture of conservation and sustainability. The project serves as a steppingstone towards building a generation of environmentally conscious citizens who actively contribute to the preservation of our planet.



Life on land

The collaboration between Livestock Feed Ltd and Ebony Forest was consolidated and enhanced during the financial year. The company provided financial support for activities to protect and reintroduce endemic species such as the Pink Pigeon, the Olive White Eye and the Mauritius Fody back in their natural habitat. Through this partnership, Livestock Feed Ltd continues to work towards the preservation and the protection of the local endemic biodiversity of Mauritius. On the World Environment Day 2023, 27 endemic trees and more than 300 endemic shrubs were planted on the premises of the company by the employees.

Livestock Feed Ltd is also proud to have achieved a sorting strategy for the locality accessible to residents and schools in the community as well as to our employees. The community is invited to bring their recyclable waste to the sorting bins and every quarter we organise a home collection of electrical and electronic waste. 73% of waste is recycled, recovered, or reused and the amount of waste sent to Mare Chicose has been significantly reduced by 39% in one year.

To further our involvement in creating a sound environment, a recycled furniture initiative has been launched by the Green Leaders of the company. The company's garden area will be furnished with recycled plastic furniture according to the amount of plastic brought back by employees. 375Kg have already been brought back for the manufacture of 4 garden benches.

These actions are perfectly in line with Livestock Feed Ltd improvement strategy through ISO14001 and ISO50001 certification. Environmental empowerment of each department has been launched so that projects with a social and an environmental dimension are carried out by the managers of each process for the coming year.



Climate action

At Livestock Feed Ltd, the challenges of climate change are considered as important for the continuous sustainable growth of the company. We have identified three strategic actions that directly address climate change.

La Fresque du Climat

La Fresque du Climat has been identified as a strong communication tool to disseminate the challenges of climate change. This interactive card game shows how the global increase of atmospheric CO2 has been impacting livelihoods around the world. Our goal is to have 100% of the staff of Livestock Feed Ltd participating in the fresque by July 2024. At date, 9 employees have been trained as fresque animators and 10% of the employees have participated in the fresque. The initiative was performed with the top management of the company prior to the development of the Environmental Plan 2023-2024. At Livestock Feed Ltd, we are convinced of the success of this approach to sensitise on climate change.

Carbonact

The project was launched with the technical support of Ecoact, a French company specialised in performing carbon footprint calculations of companies and industries using the globally recognised and standardised GHG (Green House Gas) protocol. The objective is to calculate the carbon footprint of Livestock Feed Ltd scope 1, 2 and 3. The results will be the foundation to create an action plan to reduce the carbon footprint of the company. The objectives of the action plan will be set using the Science Based Target principle. The first stage of this project was launched in February 2023 with a data collection campaign. The action plan is expected to be available by the end of 2023 and the implementation will start by 2024. The Management of Livestock Feed Ltd is participating fully in this ambitious endeavour with a solid support from the Board of Directors.

CORPORATE GOVERNANCE REPORT (CONT'D)

22. HUMAN RESOURCES

- The HR function at LFL supports activities for the company present in four countries namely Mauritius, Seychelles, Madagascar and Rwanda. Mauritius & Madagascar have a proper locally based HR Team and Rwanda and Seychelles are remotely supported by the HR Team of Mauritius. As at June 30, 2023, LFL Group had approximately 500 employees (Mauritius: 184 employees, Madagascar: 279 employees, Rwanda: 27 employees and Seychelles: 8 employees).
- The demographics for Mauritius: with a total of 184 employees, 148 are gentlemen and 36 are ladies. 96 of them are aged between 30 and 50 years, 61 are over 50 years old and 27 of them are aged under 30. 3.8% of our workforce sits at a senior level positions comprising of 2 women.

1. HR Practices

At LFL, we believe in the need to have the best employee in each job. These are processes in place which enable us to sustain this commitment:

1. All jobs at staff and managers level at LFL are graded by using the Hay Methodology which is a world recognised method. It considers the qualifications required to do the job, the level of problem-solving which the job must face and the level of accountability which the job has.
2. We have a Leadership Competencies Framework; a set of competencies are attached to each grade. These are soft skills which are required to properly progress in the company. These are thoroughly incorporated in our job advertisement and in our Performance Management system model.
3. Further to the above, Competency-Based interview has been crafted and deployed so that we evaluate the leadership competencies at the recruitment level.
4. Employee performance is measured against performance Indicators during bi-annual performance management meetings.

Besides, LFL has continued with its approach to have more gender equality or parity within its workforce. The Company is focussing to increase the presence of women within its more automated factories.

Moreover, LFL has started an initiative to create more awareness about people with Handicaps and is working closely with the local branch of the Global Rainbow Foundation. The said organisation has been assessing both our Business Units in Mauritius and established jobs where we could recruit handicapped people. Our existing workforce will also be prepared to welcome this change. The project is progressing in a positive way.

2. Learning & Development

To improve our productivity and encourage continuous improvement, we believe that our most important asset is people. As such, we are reinforcing our engagement in making LFL a learning organisation to allow our employees to continue expanding their knowledge and skills, but also highly support and encourage them to do so.

- The Learning Needs Analysis (LNA) is prepared together with each Head of Department by identifying the training needs for each employee every year. We achieved 87% completion of the LNA.

- A dedicated training budget representing nearly 5% of salary mass is allocated every year to the HR Department so that the LNA is deployed. This reflects our commitment to investing in our employees' professional growth and development. The budget has been fully utilised.
- For the financial year 2022 to 2023, a total of 3651 hours of training were conducted. These training sessions covered various types of training such as online, on the job training and technical training and targeted 105 collaborators (staff & operatives).
- The induction programs have been redesigned to ensure that the new employees feel welcomed, supported, and valued. The Managing Director and BU Manager are invited to share the vision, mission and values of the company during the induction sessions so that all employees are aligned with the (OJT; Quality: H&Safety training) were conducted during this period.
- The HR Department is manned with a dedicated person for Learning & Development, and this enables LFL to manage closely both the LNA and the HRDC Refund mechanism. As such, the Company optimises the HRDC scheme by getting 100% refunds.

3. Welfare & Wellbeing

We believe that good health and wellbeing are core enablers of employee engagement and organisational performance. As such, a yearly welfare calendar has been implemented to spread welfare and wellbeing activities throughout the year.

All activities are open to all our employees and allow them to have a work-life balance.

Furthermore, this year marks the renovation of our Pétanque pitch so that our employees can play during their free time. For football enthusiasts, once a week, a group of employees play football at the Futsal which is fully funded by LFL. Additionally, we have implemented in all our Mauritian Business Units, an Egg Breakfast three times a week for all our employees.

4. Employee Engagement

LFL has participated in the National Engagement Survey organised by Business Mauritius in May 2023. LFL Mauritius has scored 81%, LFL Madagascar scored 90%, LFL Rwanda scored 94% and Seychelles 94%.

5. Communication

A lot of focus has been put on internal communication with LFL's team members to ensure optimum top-bottom and bottom-up flow of information.

- a. Internal "Cellule d'écoute": The Company has maintained this unit which exists to help and support our employees. We advised all our employees of this initiative in our Company Induction.
- b. Departmental Meetings have been set up across the Company systematically every 2 months in line with LFL's endeavor to promote internal dialogue. This is organised and monitored by the HR Dept and promotes two-way communication.
- c. LFL has also increased the presence of the HR personnel on the floor by having two dedicated team members constantly visiting production sites.
- d. LFL Ki News is a weekly internal publication for the employees. It covers information that concerns different departments and sites which contributes to foster the sense of belonging among all team members.

CORPORATE GOVERNANCE REPORT (CONT'D)

- e. Teambuilding (with a purpose): LFL organised on-going unweeding sessions at Ebony Forest. LFL Mauritius has also organised a Teambuilding exercise to reinforce cohesion. It was held on the public beach of Mont Choisy on July 1, 2023.
- f. LFL Mauritius has partnered with APSA for a two-year programme to follow our diabetic employees and provide them with the required facilities to control and monitor on their medical condition.
- g. Corporate Social Responsibility (CSR): LFL is in partnership with the local community to accompany vulnerable groups to be more autonomous. Unemployed women have been accompanied to better prepare themselves for the local labour market to get a job. The project consists of sponsoring the school fees of the children provided the parent commits to follow a program to become more employable. It takes the form of preparing a CV, assistance in job search and preparing for interviews, etc.

23. HEALTH AND SAFETY

- The Company benefits from the services of a Health and Safety Officer from the Eclasia Group of Companies who acts as facilitator for the proper functioning of the Safety and Health system of Livestock Feed Limited. His role is to ensure compliance with the Occupational Safety and Health Act 2005 and OSH regulations through regular audits. Furthermore, the Company has a full time Safety and Health Officer who ensures Safety and Health compliance.
- A company doctor is made available to any employee suffering from any ill-health conditions on a weekly basis and as per OSHA 2005; a health surveillance program is being carried out with an Occupational doctor, who visits the company each month.
- Great importance is placed on management commitment, communication, sensitisation and personnel training. Annual refresher training courses as well as weekly task-based Safety and Health Toolbox Talks are being carried out.
- Along with regular Safety and Health Audits and risk assessments, mechanisms such as the work permit are enforced to allow identification of hazards and implementation of control measures to protect employees from ill-health and injury at work.
- Regular Safety and Health meetings with employees are scheduled to review actions required to mitigate risks. An annual Safety and Health plan has been defined placing emphasis on communication & awareness and implementation of engineering control measures to ensure the continual improvement of the Safety and Health Management System of Livestock Feed Limited.
- LFL's Safety and Health Committee representatives are the Safety and Health champions of their respective departments which eases the process of hazard identification and implementation of corrective and preventive actions.
- Over and above all these Safety and Health measures, LFL ensures that the best possible Personal Protective Equipment (PPE) are selected by taking into consideration the protection rating and the ergonomic factor to allow employees to work safely and comfortably.
- All incidents which occur at LFL are diligently investigated to find the root causes in order to implement corrective and preventive actions. A monitoring is then carried out to assess the effectiveness of such corrective and preventive measures.

24. SUMMARY OF RESULTS, ASSETS & LIABILITIES

	GROUP	
	2023 Rs000	2022 Rs000
Results - Net profit after tax	209,277	206,116
Current Assets	1,870,760	1,894,289
Non-Current Assets	2,519,952	2,263,501
Total Assets	4,390,712	4,157,790
Capital and Reserves	2,729,597	2,491,192
Current Liabilities	1,425,391	1,469,756
Non-Current Liabilities	235,724	196,842
Total Equity and Liabilities	4,390,712	4,157,790

ECLOSLIA SECRETARIAL SERVICES LTD SECRETARY

Date: October 10, 2023