NATIONAL COMMITTEE ON CORPORATE GOVERNANCE

Corporate Governance Scorecard for Mauritius (2021)

User Guide

Working together to raise the standards of corporate governance

“I believe that the launch of the Mauritian governance scorecard in 2021 is an extremely important milestone in the journey of governance development within the Republic.”

Dr. Chris Pierce, Chief Executive Officer and founder of Global Governance Services Ltd. and Visiting Professor of International Corporate Governance, Lincoln International Business School - University of Lincoln

“The scorecard is a welcome addition to helping Mauritian companies to best practice corporate governance, and the assessment will provide helpful insights into different levels of delivery.”

Paul Lee, Head of Stewardship and Sustainable Investment Strategy at Redington and Member of UK Endorsement Board

“...the use of weights is tightly linked to the purpose of the scorecard... In adopting weights, the NCCG is, in effect, prioritising how it intends to use the scorecard and what (changes in) behaviour it is seeking from companies...”

Professor Teerooven Soobaroyen, Professor of Accounting, Centre for Accountability and Global Development, University of Essex, UK

Chair of the National Committee on Corporate Governance

The National Committee on Corporate Governance (NCCG) is pleased to present the *Corporate Governance Scorecard for Mauritius (2021)* (the 'Scorecard') and its *User Guide* to Corporate Mauritius. And this, four years after the launch of the National Code of Corporate Governance for Mauritius (2016) (the 'Code'). Being *'principle-based'* (as opposed to *'rule based'*) with an imbedded *'apply and explain'* methodology, the Code provides a certain 'elasticity' in its application which has been well received by the business community. At the same time, the explanations and disclosures provided by organisations to portray *how* the eight principles of the Code have been applied, introduced a level of subjectivity which was not desirable. A tool was therefore needed to encourage best disclosure practice without the intrusiveness of legislation. And part of the answer lies with scorecards.

This Scorecard is a framework that identifies not only the broad dimensions of corporate governance – *Board Effectiveness, Audit Oversight and Effectiveness and Relations with Shareholders/Stakeholders, Sustainability and Inclusiveness* - but more importantly, the different components that make up and drive these dimensions. These dimensions and components cut across the eight principles of the Code and consequently provide a structured and comprehensive, *yet dynamic*, framework for organisations to identify the range of items requiring disclosure, as well as the breadth and depth of that disclosure to effectively communicate good corporate governance practices. The Scorecard is a tool to measure in quantifiable terms the extent of compliance with the indicators set out in the Scorecard by analysing the disclosures and explanations given by organisations in their annual report and website.

The Scorecard is not meant to replace the Code but rather to reinforce the Code and provide clarity on how to operationalise it. The Scorecard goes beyond the Code. It embraces international best practice in the field of corporate governance to nurture NCCG's object and mission to *"promote the highest standards of Corporate Governance in Mauritius"*. Sustainability and managing climate change, for instance, are evolving as real cornerstones of corporate governance.

For more information on the rationale and underlying principles of the Scorecard, the methodology used and the Scorecard evaluation exercise, I encourage you to read the *'FAQs*' and the *'Methodology and Underlying Principles of the Scorecard'* sections of the *User Guide*.

The Scorecard was elaborated in collaboration with the University of Mauritius (UoM) and is therefore a '*Made in Moris*' product. NCCG is grateful to the UoM for having dedicated three competent resources to the Scorecard project, namely: (i) Dr. Vidisha RAMLUGUN; (ii) Dr. Dinesh RAMDHONY; and (iii) Mr. Matthew LAMPORT *(all three Senior Lecturers of the Faculty of Law and Management at UoM*). The Working Group composed of the three UoM resources, myself and Ms. Kavya SAIKIA worked relentlessly for two years on the project to bring it to fruition.

The 66 KPIs cutting across the three corporate governance dimensions in the Scorecard have been subject to a comprehensive and rigorous quality assurance process entailing several rounds of detailed and written reviews from stakeholders, business operators, regulators, industry experts and university professors both within and outside Mauritius before being finalised and validated by the NCCG. We invite you to read the *Scorecard Journey* section of the *User Guide* in this respect.

NCCG is grateful to all those who attended the two *Public Consultation Workshops* held in February of this year; the twenty three entities which wrote to us to comment on the draft Scorecard; the selected local and international experts whose comments were invited on the revised Scorecard in August of this year; the twenty one listed companies which have bravely volunteered to participate in the first Scorecard evaluation exercise and to all those who directly or indirectly contributed to the making and launching of the *Scorecard* and its *User Guide*.

Participation to the Scorecard evaluation exercise will, at the initial stage, be on a voluntary basis. The detailed individual ratings and results of each organisation will remain confidential in the first couple of years. A *Scorecard Yearly Report* will be published by the NCCG, in which good corporate governance practices and shortcomings in governance practices as well as recommended areas of focus will be highlighted without pinpointing specific organisations. It is the aspiration of the NCCG that over time, as organisations familiarise themselves with the Scorecard, Corporate Mauritius will gain in maturity and there will be no issue with individual ratings and results of organisations being made public through the publication of the Scorecard Yearly Report.

The Committee looks forward to the continued collaboration of all organisations so that we may continue to progress on the corporate governance journey. It is only with the participation of one and all that Corporate Mauritius can collectively expect to reach the highest standards of corporate governance.

Ms. Aruna RADHAKEESOON

Honourable Minister of Financial Services and Good Governance

The elaboration of a "Corporate Governance Scorecard" has been the result of a research collaborative agreement, which was signed in February 2021, between the National Committee on Corporate Governance and the University of Mauritius.

The value of good corporate governance, whether as a Board member or senior management of a company, an investor or a stakeholder, has grown during the pandemic period as sound corporate practices guarantees improved performance through better decision making, risk management and control. One key question we might ask ourselves is how does one measure corporate governance or know if a company's practices are adequate?

The Scorecard is one such tool that has been developed using global principles and internationally recognised good practices such as the OECD Principles of corporate governance. The Scorecard will play a useful role in promoting good corporate governance, spurring discussion on the practices that are best suited for a company, and this can create value for both companies as well as potential investors.

Let me outline three specific advantages of using the Corporate Governance Scorecard:

(i) First, the Scorecard provides a systematic framework to identify areas where companies have done well, as well as where improvements can be made. Companies can also evaluate their state of progress by comparing their scores over time. In addition, they would be able to benchmark where they stand relative to peers and learn from others' good practices;

(ii) Second, the Scorecard offers investors insights into corporate governance practices across companies in Mauritius. Investors can use the information to identify companies that have demonstrated good corporate governance practices when making their investment decisions.

(iii) Finally, a positive Scorecard assessment can attract investments in companies and facilitate fund raising efforts by bolstering investor confidence, particularly from global or long-term investors.

Besides adopting good corporate governance practices, it is also important for companies, to keep stakeholders informed on what they have done or are committed to doing. This Scorecard will present another opportunity for companies to identify areas where they could further improve their corporate governance practices and disclosures. The National Committee on Corporate Governance will study the findings and partner with the industry to uplift corporate governance standards in Mauritius.

I am convinced that this Scorecard will create a deeper understanding of the country's corporate governance code and encourage compliance by companies. As we look to emerge from our current challenging business environment due to the pandemic, I would like to encourage board members and executive directors to take the opportunity to strengthen corporate governance practices in Mauritius and in doing so position their companies well for the recovery ahead.

Finally, let me emphasize that the ultimate beneficiaries of the Scorecard are companies themselves. Although scorecards do check observance of codes, they are not mere compliance exercises. Measuring corporate governance helps companies know where they stand and helps them improve performance through better strategy, decision making, risk management and control.

Honourable Mahen Kumar SEERUTTUN

Principal author of the Mauritian Code of Corporate Governance (2016)

In 2017, the National Code of Corporate Governance was implemented. It contained many leading-edge components such as the "Apply and Explain" methodology, sectorial guidance and governance document exemplars. As a direct result of the Code, governing bodies of organizations in Mauritius increased their formal discussions and reports on how they were applying the eight principles contained within the Code. The Code is 'principle-based' and not 'rule based', and so the focus of the Code is directed towards explanations and disclosures that portray how the principles have been applied. I recognize that this was not an easy transition for many organizations. In many organizations, governance was placed centre stage and at the top of the agenda for a short time and this led to many significant governance changes relating to the "tone at the top" within these organizations.

Buried deep within the appendices of the Code a very prescient observation was made:

"The mere existence of a local corporate governance Code does not automatically translate into better practice. Regulators, stock exchanges, and other organizations often put considerable effort into Code development, only to face the new challenge of how to make good governance practices a working reality."

The appendix then went on to suggest that at least part of the answer in making good governance practices a reality is to develop governance scorecards. As Principal Author of the Code, I hoped that governance scorecard development would become a priority for the National Committee of Corporate Governance (NCCG).

I am therefore delighted that, under the able leadership of the Chair, the NCCG in collaboration with the University of Mauritius (UoM) have developed a Corporate Governance Scorecard for Mauritius 2021. The goal of the scorecard is to provide a fair assessment of governance practices at the corporate level. This scorecard is intended to be used as a tool to measure 'objectively' the level of compliance of Mauritian organizations with governance good and best practices. This aligns with the many sayings associated with developing metrics and scorecards: "What gets measured gets managed" and "What gets measured gets done".

I regard the scorecard as being an important tool through which the Code can be reinforced and operationalized. Using the scorecard will measure in quantifiable terms the extent of compliance with the indicators set out in the scorecard.

I also note that the scorecard is aligned with both the Financial Action Task Force (groupe d'action financière) and Basel goals concerning governance practices. This is extremely important for international relationships with foreign investors and regulators.

I anticipate that using the scorecard will lead to greater transparency of corporate governance practices in organizations and as a consequence, it will put Mauritius amongst the few countries in the world to measure progress in corporate governance practices in a quantitative manner.

This scorecard uses a globally accepted framework involving broad generic dimensions of corporate governance – 'Board Effectiveness', 'Audit Oversight and Effectiveness' and 'Relations with Shareholders/Stakeholders, Sustainability and Inclusiveness' which I believe users will find to be both useful and user friendly.

I am also delighted to learn that there has been extensive consultation concerning the development of the scorecard. Drafts of the Scorecard have been circulated to stakeholders and there have been public consultation workshops to answer queries on the draft scorecard. As a result of this consultation users should feel much more comfortable with the scorecard.

However, as Einstein once said:

"Not everything that can be counted counts, and not everything that counts can be counted."

The scorecard focuses upon governance issues that "count" – just because it is difficult to measure does not mean that evaluation of governance practices should not be carried out. The application of this scorecard will require considerable skill and judgement in both its application and analysis. It is a comprehensive self-assessment tool which allows organizations to gauge their corporate governance practices for themselves across time and across companies. Companies should use it to help discussions at the board level and their relationships with their investors and key stakeholders in identifying where they are and where they want to go in terms of corporate governance practices.

A number of countries which have adopted national or regional scorecards have experienced considerable benefits associated with its use. Examples include:

(i) The ASEAN Capital Markets Forum (ACMF) developed and implemented a regional scorecard covering Thailand, the Philippines, Malaysia, Singapore, Indonesia, and Vietnam. The scorecard raised corporate governance standards and practices of ASEAN companies and showcased and enhanced the visibility and investability of ASEAN publicly listed companies.

(ii) In Germany, the Corporate Governance Scorecard was developed specifically to fulfil key goals defined by analysts and investors. The German scorecard has found "good reception at the national financial community". The scorecards are aligned with Financial Action Task Force (Groupe d'action financière) and Basel goals concerning governance practices.

(iii) In India, the Indian Corporate Governance Scorecard developed by Bombay Stock Exchange (BSE) and the Institutional Investor Advisory Services India Limited (IAS) and supported by the International Finance Corporation (IFC) have reported significant improvements in corporate governance practice reporting amongst listed companies that can directly be related to the introduction of a scorecard.

Many governance writers describe improving governance as a journey. I believe that the launch of the Mauritian governance scorecard in 2021 is an extremely important milestone in the journey of governance development within the Republic.
The scorecard builds upon and aligns with previous governance developments and provides an important new tool to measure the level of compliance of Mauritian organizations with governance good and best practices.

Dr. Chris Pierce PhD

Permanent Secretary, Ministry of Financial Services and Good Governance

At the outset, I would like to express my appreciation for the laudable initiative of the National Committee on Corporate Governance (NCCG), which is launching a Corporate Governance Scorecard for Mauritius (2021) and which will be used on a yearly basis as a quantitative tool to measure the corporate governance standards of entities in Mauritius and their level of compliance with the National Code of Corporate Governance for Mauritius (2016).

Corporate governance principles are not static, solid principles written in stone. These principles can differ according to economic circumstances of the countries, development levels and legal systems. When management approaches and understandings change, such principles can be re-arranged in parallel with these changing conditions and needs.
Participation to the Scorecard evaluation exercise will be on a voluntary basis. Most information on entities being surveyed will be gathered from publicly available sources such as the annual reports and websites. There is to-date, no comprehensive tool for measuring the corporate governance status of entities in Mauritius. Entities are, therefore, not in a position to comprehensively and objectively self-assess their corporate governance status and benchmark themselves against other entities nor do the investors have an easy-to-understand tool that evaluates and measures the corporate governance status of a company.

Among the many attributes defined in the Scorecard project, it is worth mentioning a few which will, undoubtedly, have a definite bearing on the eco-system of the corporate world. These are Board Effectiveness, Risk Governance and Internal Controls, External Accountability, Relations with Shareholders and Stakeholders, Sustainability and Inclusiveness, among others.

I am sure that the NCCG has also considered using a methodology that would provide foreign investors and external fund managers comparable information to form part of their investment decision-making process. In so doing, the Scorecard would also provide assurance to foreign investors that corporate governance is a priority agenda in the country. Although the research evidence underlying the relationship between corporate governance and company performance is mixed, poor corporate governance has been proven to negatively affect investors' confidence which, consequently, results in lower investment into the corporate world.

I wish the NCCG plenty of success in the launch and implementation of the Corporate Governance Scorecard for Mauritius.

Mr. Sarwansingh PURMESSUR

Director-General, Independent Commission Against Corruption

The Independent Commission Against Corruption (ICAC) is indeed pleased to associate itself with the launching of a Scorecard by the National Committee on Corporate Governance (NCCG) for corporate entities in Mauritius.

Since the signature of a Memorandum of Understanding with the NCCG, in the context of the commemoration of the International Anti-Corruption Day on 09 December 2020, the ICAC and the NCCG have been working closely on projects that promote corporate governance and reinforce integrity in the public and private sectors in order to prevent corrupt practices and money laundering. Article 12 of the United Nations Convention Against Corruption (UNCAC) and the United Nations Global Compact 10th Principle highlight the need for the private sector to participate in the fight against corruption. Hence, one of ICAC's main objectives remains the integration of anti-corruption compliance programmes in private entities to prevent corruption and malpractices as well as complement anti-corruption initiatives taken in the public sector. In short, our interventions in the private sector aim at instilling an anti-corruption culture through the promotion of good governance practices such as transparency, accountability and integrity.

The practice of corporate governance is increasingly expanding beyond its traditional meaning as corruption is a consequence of poor governance. Thus, we believe that the Scorecard is a novel key tool towards consolidating the national anti-corruption ecosystem. It is indeed timely and lays much emphasis on corruption prevention through a number of indicators under the different components of corporate governance such as "Governance" and "Risk and Internal Controls".

It is worth noting that international organizations such as the OECD, IMF, World Bank, UNODC, FATF, ESSAAMLG and SADC seek to promote private sector governance and anti-corruption principles and practices as part of their work with countries. They increasingly emphasize the importance of putting governance and anti-corruption at the center of their work with their member countries, including the private sector. In its anti-money laundering and combating terrorism finance across the world, for example, the FATF places significant focus on the role of the private sector in the (FATF) global strategy to promote governance and integrity in the financial sector. The recent example of the preparations for Mauritius to exit the FATF "grey" list has illustrated the crucial role, and contribution, that the private sector played in the process.

It is, therefore, critical today that the private sector continues to demonstrate adherence, and effective application, of corporate governance practices embodied in the National Code of Corporate Governance.

ICAC congratulates the NCCG for reaching this milestone and looks forward to further strengthen our collaboration in enhancing corporate governance in Mauritius.

Dr. Navin BEEKARRY

The Scorecard Journey

07 March 2019	'In principle' NCCG Board approval obtained to go ahead with the Scorecard project
16 December 2019	First working session on the Scorecard
05 February 2020	NCCG explores a collaboration with the University of Mauritius (UoM) to elaborate the Scorecard
16 March 2020	Working Group constituted (Chair of NCCG and 3 representatives of UoM) to work on the Scorecard and first meeting held
01 December 2020	First draft Scorecard elaborated after several working sessions
14 January 2021	- Circulation of draft Scorecard inviting comments from Regulatory Bodies, Ministries, Statutory Corporations, Tertiary Institutions, Banks, listed companies (Official Market and DEM), Management Companies, Leasing Companies, Associations, Media Houses and Insurance Companies
09 February 2021	- Signing ceremony of Research Collaborative Agreement between NCCG and UoM - First Public Consultation Workshop to gather feedback on the draft Scorecard

11 February 2021	- Second Public Consultation Workshop held - NCCG Board resolved that, for the first year, the Scorecard evaluation exercise will be restricted to listed companies (Official Market and DEM)
16 April 2021	Last set of written comments on the draft Scorecard received (23 sets of written comments were received in all)
19 April 2021	Meeting between Working Group and the Central Bank on the draft Scorecard
27 April 2021	Invitation sent to listed companies to participate in the Scorecard evaluation exercise
21 May 2021	21 listed companies confirmed their participation to the Scorecard evaluation exercise
September 2021	- Gathered last set of comments from local and international industry experts - Run pilot testing on a set of companies
28 October 2021	- Scorecard finalised and posted on the NCCG website - Official launch of the Scorecard and its User Guide
November- December 2021	Publication of first Scorecard Evaluation Report (2021)

Table of Contents

A. Methodology and Underlying Principles of the Scorecard

1. The Corporate Governance Scorecard for Mauritius (2021) (the "Scorecard") is inspired from the OECD Principles, the United Kingdom Institute of Directors Index, the Indian Corporate Governance Scorecard developed by the Bombay Stock Exchange and the ASEAN Scorecard.

2. The National Code of Corporate Governance for Mauritius (2016) (the "Code") and the Scorecard are two distinct documents which will exist in parallel. The Scorecard is not meant to replace the Code but rather to reinforce the Code and provide clarity on how to operationalise it. Because the Code is 'principle-based' and not 'rule based', the focus is directed towards explanations and disclosures that portray how the principles have been applied. In this regard, the Scorecard is the tool through which the Code can be reinforced and operationalised.

3. At times, the Scorecard goes beyond the Code to embrace current international best practice in the field of corporate governance to nurture NCCG's object and mission to "promote the highest standards of Corporate Governance in Mauritius". The Code was launched in 2017 with reporting thereon as from 2018. In the four years since the adoption of the Code, corporate governance practices have evolved. Standards have risen, best practice has advanced and new trends have emerged. Sustainability and managing climate change, for instance, are evolving as real cornerstones of corporate governance. The aim of the Scorecard is therefore to raise standards of corporate governance in Mauritius to meet international best practice.

4. The Scorecard is not and should never be perceived as a mere 'tick the box' exercise. It is rather a tool to measure in quantifiable terms the extent of compliance with the indicators set out in the Scorecard by analysing the disclosures and explanations given by organisations in their annual report and website. It will put Mauritius amongst the few countries in the world to measure progress in corporate governance practices in a quantitative manner.

5. The Scorecard is divided into three key corporate governance dimensions – Board Effectiveness, Audit Oversight and Effectiveness, and Relations with Stakeholders/Shareholders, Sustainability and Inclusiveness – and each dimension consists of 3 sub-categories making up each dimension operationalised and measured by a corresponding set of KPIs. make up the Scorecard:

(a) **Board Effectiveness**
(i) Corporate Structure – 16 indicators
(ii) Governance – 8 indicators
(iii) Remuneration – 3 indicators

(b) **Audit Oversight & Effectiveness**
(i) Risk and Internal Controls – 4 indicators
(ii) Audit – 9 indicators
(iii) External Accountability – 6 indicators

(c) **Relations with Shareholders/Stakeholders, Sustainability & Inclusiveness**
(i) Conduct of shareholders' meeting – 7 indicators
(ii) Relations with stakeholders – 5 indicators
(iii) Sustainability and Inclusiveness – 8 indicators

The 66 KPIs cutting across the three corporate governance dimensions in the Scorecard have been subject to a comprehensive and rigourous quality assurance process entailing several rounds of detailed and written reviews from stakeholders, business operators, regulators, industry experts and university professors both within and outside Mauritius before being finalised and validated by the NCCG.

6. The assessment of the corporate governance practices of organisations against the Scorecard will be carried out through a two-stage process. During the first stage, an independent assessor(s) selected by the NCCG will assess organisations using the Scorecard and will summarise its findings in preliminary reports. During the second stage, the independent assessor will table its preliminary findings/results/reports to independent jury panels constituted by the NCCG, for review/validation. The preliminary findings/results/reports shall be reviewed by the independent jury panels and amended if needed. Once reviewed and validated, the findings/results/reports of the independent jury panels will be deemed final and ready to be adopted by the NCCG.

7. Organisations will therefore have their corporate governance practices comprehensively and objectively reviewed and assessed.

8. The Scorecard will only measure corporate governance practices as publicly disclosed, that is information that organisations have disclosed about themselves in their annual reports and on their websites. Therefore, for the purposes of the assessment, any corporate governance practice not reported on or disclosed in the annual report and website by an organisation will be deemed not to exist. One should remember that the Code adopts an 'apply and explain' principle. It is therefore not sufficient to 'apply' the principles. The manner in which the principles have been applied should also be properly and adequately explained in the annual reports and websites of organisations. The Scorecard will then assess the quality of the explanations provided by organisations.

9. Each indicator in the Scorecard has been attributed a weight between 1 and 5. The weight is judged based on how big an impact the indicator has on Corporate Governance. Low impact or routine-like indicators are attributed a weighting of 1 or 2. Medium impact indicators are attributed a weighting of 3. High impact indicators are attributed a weighting of 4 or 5. The higher the weight attributed to a particular indicator, the more important the indicator is in the overall corporate governance framework. The weighting was inspired by the research paper authored by Soobaroyen and Mahadeo (2016) entitled "A Longitudinal Study of the Implementation of the Corporate Governance Code in a Developing Country: The Case of Mauritius ".

The corporate governance score for a particular indicator will therefore be the product of, on the one hand, its disclosure score – based on the information disclosed on the organisation's website and in its annual report, a rating of 0 (disclosure criteria not satisfied), 1 (disclosure criteria partially satisfied) or 2 (disclosure criteria adequately satisfied) will be attributed for that indicator – and on the other, its weight.

Therefore, if for a particular indicator, the disclosure score is 2 and the weight attributed to the indicator is 5, the corporate governance score for that indicator would then be 10 (i.e., a disclosure score of 2 multiplied by a weight of 5).

For illustrative purposes, if a sub-category consists of 6 indicators ('In.'), the Corporate Governance score will be as follows:

	Relative Weight of each In. on a scale of 1 to 5	**Level of Adequacy Disclosure by the organisation – *hypothetical figures***			**Corporate Governance score (Relative Weight x Level of Adequacy Disclosure) – *hypothetical figures***
		Criteria Inadequately Satisfied = 0	Criteria Partially Satisfied = 1	Criteria Adequately Satisfied = 2	
In.1	2			√	4
In.2	1	√			0
In.3	1		√		1
In.4	2		√		2
In.5	4	√			0
In.6	2			√	4
	Overall Corporate Governance total score (out of a maximum score[note] of 24)				11

Note: the maximum score has been arrived at by aggregating for all 6 questions the product of Relative Weight (ranging between 1 and 5) and Criteria Adequately Satisfied (a figure of 2) and indicates the best possible Corporate Governance score a firm could attain for the above hypothetical sub-category.

10. The Scorecard will assess the explanations of organisations on the manner in which they have applied the eight Principles of the Code as well as international best practices against the backdrop of such specificities.

11. Any quantitative threshold stated in a specific legislation or 'guidance' issued under that specific legislation for certain organisations operating within a sector cannot, strictly speaking, conflict with the Code or the Scorecard. This is simply because both the Code and the Scorecard incorporate indicators that embody principles rather than quantitative numbers. However, organisations will have to explain how and why adherence to a particular legislation-driven quantitative threshold upholds the principles of the Code and corporate governance indicators set out in the Scorecard.

B. Scorecard (with explanatory notes)

B.1. Board Effectiveness

B.1.i - Corporate Structure – 16 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does the organisation describe and explain how the Board is composed in terms of types of directors (executive, non-executive and independent non-executive directors)?	3	A maximum score is obtained if the organisation explicitly provides an explanation on the composition of its Board.	There is no description or explanation of how the Board is composed.	The description provided is not very detailed and clear as to how the Board is composed.	There is clear and detailed description and explanation of how the Board is composed.
2	Does the organisation provide information to allow the reader to assess whether the size of the Board is commensurate with the nature and scale of its activities?	4	A maximum score is obtained if the organisation discloses information relating to: (i) its activities, for example, size and structure of the organisation in terms of turnover, headcount, different types of markets; and (ii) an explanation of how the Board has reached its current size.	No disclosure.	Partial disclosure.	Full disclosure.
3	Does the Board of the organisation comprise an appropriate number and/ or proportion of independent directors and/or non-executive directors to ensure that there is an effective chal-lenge of proposals and to avoid monopolisation of Board discussions?	5	A maximum score is obtained if the organisation clearly explains: (i) that the number and/or proportion of independent/ non-executive directors are sufficient to ensure that there is no group think; and (ii) its definition of 'independence'.	No disclosure.	Partial disclosure.	Full disclosure.
4	Does the Board have an independent non-executive chair?	3	A maximum score is obtained if the organisation discloses: (i) that the chair is a non- executive director who meets the criteria of independence (with an explanation of its definition of 'independence'); OR (ii) in the event that the chair is a non–executive director, whether the organisation has established compensating safeguards and discloses same..	The chair is neither independent nor non-executive.	The chair is a non-executive director and there are no explanations/ disclosures on compensating safeguards.	The chair is an independent non-executive di-rector or the chair is a non-executive director and the organisation dis-closes compensating safeguards.
5	Does the organisation provide information to allow the reader to assess whether it has the right structure and size of Board Sub-Committees that match the scale and operations of the organisation?	3	The organisation needs to provide details on its Board Sub-Committees in its annual report or on its website. A maximum score is obtained if: (i) the organisation discloses: (a) details on the number of Sub-Committees set up by the Board; (b) details on the roles and responsibilities of each Sub-Committee; (ii) the profiles (expertise & experience) of the members of the Sub-Committees match the terms of reference of the Sub- Committees; and (iii) each Sub-Committee has at least three members. An organisation which has Sub-Committee(s) with fewer members should explain how this is commensurate with the scale and operations of the organisation. Examples of the main Board Sub-Committees are the Audit Committee, the Risk Committee, the Corporate Governance Committee, the Remuneration Committee, the Investment Committee and the Sustainability Committee.	The organisation does not provide any information or provides minimal information on Board Sub-Committees.	The organisation lists its Board Sub- Committees and provides some information on the composition and roles/ responsibilities of each Sub-Committee.	Full details are provided on (i), (ii) and (iii).

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
6	Has the organisation appointed a qualified/ experienced Chief Financial Officer (or equivalent person)?	2	The organisation needs to disclose in its annual report and/or on its website whether the Chief Financial Officer (CFO), or equivalent person, is qualified or has the relevant experience.	No disclosure.	The organisation discloses that a CFO, or equivalent person, has been appointed but there is no evidence of experience and/ or qualification.	The organisation discloses that a qualified CFO, or equivalent person, has been appointed with the required experience.
7	Does the organisation provide information to allow the reader to assess whether the CEO's profile corresponds to the business activities of the organisation?	3	A maximum score is obtained if: (i) the organisation discloses the qualifications of its CEO in its annual report and/or on its website; (ii) the organisation discloses the experience of its CEO in its annual report and/or on its website; and (iii) in the light of the disclosures made, the experience and qualification of the CEO seem to match the activities of the organisation.	No disclosure.	Partial disclosure.	Full disclosure.
8	Has the Board appointed a qualified Secretary?	2	A maximum score is obtained if the organisation discloses whether the Board Secretary holds a professional qualification (CGI formerly ICSA, law practitioner, ACCA, etc.) and his/her biography is disclosed in its annual report and/or on its website.	The Board has not appointed a qualified Secretary or there is no disclosure.	The Board has appointed a qualified Secretary but the organisation does not disclose his/her biography.	The Board has appointed a qualified Secretary and the organisation discloses his/her biography.
9	Does the organisation provide information to allow the reader to assess whether its Board and Sub-Committees have the appropriate balance and diversity of skills, experience and knowledge?	5	A maximum score is obtained if the organisation discloses information relating to the array of skills and experience (e.g., financial, legal, risk management, IT security, governance, financial services and any other skills relevant to the business operations of the organisation) of its Board and Sub-Committees which will enable the reader to conclude that the said Board and Sub-Committees have the appropriate balance and diversity of skills, experience and knowledge.	The Board and its Sub-Committees do not have adequate diversity of skills and experience OR there is no such disclosure.	The Board and its Sub-Committees have some or moderate diversity of skills and experience.	The Board and its Sub-Committees have adequate diversity of skills and experience.
10	Does the organisation disclose information to allow the reader to assess whether its Board composition incorporates diversity beyond skills, experience and knowledge commensurate with its nature and scope?	5	The organisation needs to disclose whether the Board composition incorporates diversity beyond skills, experience and knowledge commensurate with the nature and scope of the organisation. The following criteria may be used: (i) the Board has a good gender balance. (ii) there is evidence that the organisation operates a non-discrimination policy. Such policy covers, amongst others, disability, gender equity, sexual orientation, race, religious beliefs, and age. (iii) there is evidence that the non-discrimination policy is effective.	There is no or minimal evidence of criteria (i), (ii) and (iii) being observed.	There is evidence that only some of the criteria is observed.	There is evidence of criteria (i), (ii) and (iii) being observed.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
11.a.	Does the organisation provide details of directorships for each of its directors?	3	A maximum score is obtained if the organisation has disclosed the number of directorships, both local and international, held by each director. It should also identify whether the directorship involves additional chair and committee responsibilities.	No disclosure.	Partial disclosure.	Full disclosure.
11.b.	Does the organisation have a policy on over boarding of directors?	4	A maximum score is obtained if the organisation discloses evidence that it has a policy on over boarding of directors.	There is no evidence of a policy on over boarding of directors.		There is evidence of a policy on over boarding of directors.
12	Does the organisation have an induction and orientation programme in place for its new directors?	3	A maximum score is obtained if the organisation discloses evidence of a detailed induction and orientation programme for new directors.	There is no disclosure of an induction and orientation programme in place.	There is disclosure of an induction and orientation programme in place.	There is detailed disclosure on the contents of the induction and orientation programme in place.
13	Does the organisation provide or facilitate training and development of its directors?	3	A maximum score is obtained if the organisation discloses details on the training and development programme in place for its directors and there is evidence that such training and development has been undertaken in the last financial year.	No disclosure.	Partial disclosure.	A comprehensive framework of the training and development programmes for directors is disclosed along with details of the training and development programmes provided during the year.
14	Does the organisation provide details on its nomination/ appointment process for its directors and senior executives/ managers?	3	A maximum score is obtained if the organisation discloses information on a nomination and appointment process which is transparent, fair and comprehensive (disclosure of selection criteria used in the nomination/ appointment process).	The process is vague or not disclosed.	The process is disclosed but the selection criteria is moderately or not disclosed.	The process is disclosed and well explained and the selection criteria used is c omprehensively disclosed.
15	Does the organisation have a succession plan for its Board and its senior executives/managers?	4	A maximum score is obtained if the organisation discloses that succession planning is discussed at board meetings and a process has been devised for regular infusion of new thinking around the boardroom table and amongst senior executives/ managers.	No disclosure.	Partial disclosure.	Adequate disclosure.
16	Does the organisation disclose its organisational chart, a statement of governance accountabilities and job descriptions of its senior governance positions?	3	A maximum score is obtained if the organisation discloses: (i) its organisational chart; (ii) a statement of governance accountabilities; and (iii) job descriptions of its senior governance positions.	No disclosure.	Partial disclosure.	Full disclosure.

B. Scorecard (with explanatory notes)

B.1. Board Effectiveness

B.1.ii - Governance – 8 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does the organisation have a board charter, and if so, is it reviewed periodically?	1	A maximum score is obtained if: (i) the organisation discloses the terms of reference of the Board; and (ii) there is evidence that the charter is reviewed periodically.	No disclosure.	Partial disclosure.	Full disclosure.
2.a.	Does the organisation disclose a comprehensive Code of Ethics?	2	A maximum score is obtained if: (i) the organisation has posted its Code of Ethics on its website; and (ii) the Code of ethics contains all or most of the provisions set out in Appendix A hereto.	The organisation has not disclosed that it has adopted a Code of Ethics.	The Code of Ethics does not meet all provisions set out in Appendix A hereto.	The Code of Ethics meets all or most provisions set out in Appendix A hereto.
2.b.	Does the organisation disclose information to allow the reader to assess whether it has a comprehensive ethics implementation plan?	3	A maximum score is obtained if the organisation discloses the following: (i) The Code of Ethics has been approved within the last 3 years by the Board and communicated to all employees and stakeholders. (ii) Structured ethics training program for employees and directors is conducted each year. (iii) Whether the organisation surveys corporate ethical behaviour periodically (e.g., at least every 2 years) in order to implement remedial actions. (iv) Whether the Ethics Officer creates an environment which facilitates discussion on corporate ethical dilemmas with employees. (v) Whether the organisation readjusts its ethics implementation plan for its overseas offices and details of how the processes are readjusted should be disclosed. (vi) Whether there is a formal complaints and breach handling process in place. (vii) An organigram of the team handling ethical issues and the role and responsibilities of the Ethics Officer. (viii) Whether the Code of Ethics is periodically reviewed and adjusted (at least every 3 years).	No disclosure.	Partial disclosure.	Full disclosure.
2.c.	Is there evidence of effectiveness of the organisation's ethics policy/ implementation plan?	3	A maximum score is obtained if the organisation discloses (in a generic manner) how it handles: (i) Breaches of ethics. (ii) Sanctions imposed and/or remedial actions taken. (iii) Corporate ethical problems/ scandals.	No disclosure.	Partial disclosure.	Full disclosure.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
3	Does the organisation disclose a comprehensive whistleblowing policy and is there evidence of its effectiveness?	3	Although the Code provides that whistleblowing procedures be described in the codes of ethics, organisations may have a separate document describing their whistleblowing policy. A maximum score is obtained if the organisation discloses the following: (i) Information on what to report. (ii) Information on how to report (including channels to report corruption). (iii) Safeguards and confidentiality of the whistleblower. (iv) An estimate of the time period it will take for the complaints to be investigated and a report on actual performance. (v) How complaints are handled, investigated and recorded.	No disclosure.	Partial disclosure.	Full disclosure.
4	Does the organisation disclose a comprehensive conflict of interest and related party transactions policy?	4	A maximum score is obtained if the organisation discloses that it has a conflict of interest and related party transaction policy/policies covering the following areas: (i) A definition of 'conflict of interest'. (ii) A definition of 'related party transactions'. (iii) What safeguards are in place? (as a general principle, directors who have a conflict of interest should not participate and/or vote when decisions on the conflicted matter are taken). (iv) How situations of conflict of interest and related party transactions are managed (e.g., are directors required to inform the organisation/company secretary of any direct/indirect interest regarding any transaction/proposed transaction with the organisation?). (v) The authority that is responsible for overseeing conflict of interests and related party transactions. (vi) Whether the organisation keeps a conflict of interest and related party transaction register(s). (vii) The reporting of conflict of interests and related party transactions.	No disclosure.	Partial disclosure.	Full disclosure.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
5	Does the organisation disclose a comprehensive evaluation process for its Board, individual directors and chair, including Board Sub-Committees?	3	A maximum score is obtained if the board evaluation processes are clearly spelt out (for e.g., the board may resort to an external evaluator) and the Annual Report and/or website of the organisation specifies how the method of evaluation was determined, how the evaluators were selected and how the process was managed. A summary of the evaluation findings should be published and details of how this has helped to improve board effectiveness should be provided in the Annual Report and/or the website.	There is no evidence of a board evaluation process.	The organisation makes mention of its evaluation process but there are few details as to how the process was been carried out.	Full details are provided.
6.a.	Do directors receive the Board pack and Board papers in a timely manner?	3	The organisation needs to disclose in its Annual Report whether the Board pack/papers are communicated at least 5 working days in advance to directors.	No disclosure.		Full disclosure.
6.b.	Do directors have access to senior management and external advice (at the cost of the organisation) for clarifications of Board matters?	2	The organisation needs to disclose in its Annual Report whether the directors have access to senior management or external advice at the cost of organisation for clarifications of Board matters.	No disclosure.		Full disclosure.
6.c.	Do independent directors have the opportunity to meet and consult with one another prior to the Board meetings?	3	The organisation needs to disclose whether independent directors have the opportunity to meet and consult with one another prior to the Board meetings.	No disclosure.		Full disclosure.
6.d.	Does the Board focus on issues such as strategy, risk, IT security, CSR and sustainability and governance?	5	The organisation needs to disclose whether the Board is focusing on such matters.	No disclosure.	Partial disclosure.	Full disclosure.
6.e.	Do the Board committees disclose the key issues which they have deliberated upon during the year under review?	4	A maximum score is obtained if the organisation provides an insight to the reader into the key issues (for example strategy, markets, risks, business model, performance indicators) deliberated by the Board committees over the year.	No disclosure.	Partial disclosure.	Full disclosure.
7	Does the organisation have policies in place to protect personal data and where necessary, limit the distribution of data to only those with authorized access?	3	A maximum score is obtained if the organisation discloses that it has: (i) an Information Security and Technology Policy; (ii) a Data Protection Policy; (iii) a Document Retention Policy; and (iv) a Document Control Policy.	No disclosure.	Partial disclosure.	Full disclosure.
8	Is there evidence that the organisation oversees the corporate governance practices of its subsidiaries?	3	A maximum score is obtained if the organisation discloses sufficient information that allows the reader to conclude that the organisation oversees the corporate governance practices of its subsidiaries.	No disclosure.	Partial disclosure.	Full disclosure.

B. Scorecard (with explanatory notes)

B.1. Board Effectiveness

B.1.iii - Remuneration – 3 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does the organisation disclose the remuneration philosophy of directors and senior executives/ managers?	2	A maximum score is obtained if: (i) the remuneration policy explains how remuneration is determined for directors (both executive and non-executive) and senior executives/ managers in accordance with specified benchmarks such as skills and experience, performance and with comparable standards in comparable companies; (ii) the policy clearly distinguishes between executive director remuneration and non-executive director remuneration; (iii) an explanation is provided on the proportions of fixed and variable pay; and (iv) there is a clear indication that remuneration of executive directors is linked to performance.	There is no disclosure or inadequate explanations is provided.	The remuneration policy explains how remuneration is determined for directors but does not distinguish remuneration between executive and non-executive directors nor is information provided on the proportions of fixed and variable remuneration and it is unclear if reward is linked to performance	The remuneration policy is comprehensive and meets all criteria specified at i, ii, ii and iv
2	Does the organisation disclose details of remuneration paid to each director?	3	A maximum score is obtained if the organisation discloses remuneration details of each director.	There is no disclosure.	Only total remuneration of directors is disclosed.	The organisation discloses remuneration details of each director.
3	Does an independent Remuneration Committee or its equivalent determine the compensation package of its senior management, chief executive and directors in line with its remuneration philosophy?	3	A maximum score is ob-tained if the organisation has an independent Remuneration Committee or its equivalent.	There is no evidence of an independent Remuneration Committee or its equivalent		There is evidence of an independent Remuneration Committee or its equivalent

B. Scorecard (with explanatory notes)

B.2. Audit Oversight And Effectiveness

B.2.i - Risk and Internal Controls – 4 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does the organisation's annual report describe the broad Risk Management framework of the organisation?	3	There is evidence of a comprehensive Risk Management framework if the reader can assess from information provided that the following components are disclosed: (i) Risk Management policy statement that clearly describes the risk management process including the identification of those who are responsible for (managing) risk and any committee responsible for monitoring the risk management process; (ii) Risk appetite statement approved by the Board; (iii) Identification of significant risks; (iv) Rating of these significant risks; (v) Risk mitigation strategies/controls (separating those that are in place from those that need to be implemented); (vi) Rating of the mitigation strategies/ controls that are already in place; (vii) Rating of residual risks; (viii) Metrics to monitor significant risks; (ix) Description of how the organisation deals with residual risks; (x) Risk reporting and who is responsible for risk reporting; (xi) Periodic review and evaluation of risk management strategies to ensure effectiveness.	No disclosure.	Some elements of the Risk Management framework are disclosed.	Adequate disclosure of the Risk Management framework.
2	Does the annual report describe in detail the significant risks that can negatively impact the organisation?	3	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) A good explanation of the significant risks affecting the business; and (ii) Either classification of the risks into physical, social and economic environment or classification of the types of risks in terms of strategic risk, operations risk, compliance risk and financial risk or other components pertinent to the industry/organisation.	No disclosure.	Identification of significant risks without proper classification and proper explanation.	Adequate disclosure.
3	Does the annual report disclose measurement of each significant risk and describe the strategic response to such risk and the controls to reduce the risk together with the resulting residual risks?	5	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Each inherent risk is measured and categorised in terms of its likelihood of occurrence and in terms of its impact on the organisation; (ii) The strategic response and controls corresponding to each significant risk are described; (iii) Residual risks are displayed i.e., the impact which the controls have on the inherent risks are shown.	No measurement of risk.	Partial disclosure.	Adequate disclosure.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
4	Does the annual report show evidence of a strong and comprehensive risk culture?	5	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Specification of overall responsibility for risk management and internal controls; (ii) Delegation of risk management and monitoring to a specific committee and specification of the committee's composition and responsibilities; (iii) Review of the significant inherent risks; (iv) Evaluation of the controls to contain the significant risks (by reporting on the interaction with the Internal audit function and Audit Committee); (v) The residual component of each significant inherent risk is disclosed with explanatory notes; (vi) Reporting on whether the evaluation of residual risks fall within the risk tolerance level of the organisation; (vii) Explanatory notes are provided to facilitate understanding and communication of inherent risks, effectiveness of controls and management of residual risks; (viii) Statement that the Board has monitored and evaluated the significant risks affecting the organisation; (ix) Description/explanation of strategies to address the key risks.	No disclosure or minimal disclosure.	Moderate disclosure.	Adequate disclosure.

B. Scorecard (with explanatory notes)

B.2. Audit Oversight And Effectiveness

B.2.ii - Audit – 9 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does the organisation have an internal audit function?	2	A maximum score is obtained if the organisation makes use of an internal audit function (whether in-house or outsourced)	No disclosure.		There is evidence of an internal audit function.
2	Does the organisation disclose how it addresses the findings raised by the internal auditor in a timely manner?	3	A maximum score is obtained if the organisation explains how it has addressed the findings raised by the internal auditor in a timely manner.	No disclosure or minimal disclosure.	Partial disclo-sure.	Adequate disclosure.
3	Does the organisation provide a description of how the internal audit function adds value and improves the organisation's operations?	3	A maximum score is obtained if the reader can assess from information disclosed how the internal audit function: (i) discharges its assurance role in risk management (e.g., by giving assurance that risks are correctly evaluated and that proper risk management procedures are in place and are being adhered to); (ii) reviews and evaluates the internal control system (e.g., by describing the systems and processes covered by Internal Audit); (iii) contributes towards business process improvement; (iv) reviews and evaluates compliance with policies and procedures and sound business practices.	No disclosure or minimal disclosure.	Partial disclosure.	Adequate disclosure.
4	Does the organisation disclose whether its internal audit function has sufficient resources to effectively provide assurance over all areas considered to be of higher risk and importance to the business?	3	A maximum score is obtained if the reader can assess from information disclosed that the internal audit department of the organisation: (i) has adequate staff, both in terms of number and experience; (ii) has the appropriate methods, tools and techniques; and (iii) has sufficient access to all books and records of the organisation to diligently and rigorously perform its duties. In the event that this is not the case, the organisation should explain what external resources the internal audit function would hire or resort to.	No disclosure.	Partial disclosure.	Adequate disclosure.
5	Does the organisation describe how the internal audit function maintains its independence, objectivity and professional rigour?	3	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Description of the structure and organisation of Internal Audit; (ii) Description of qualifications and experience of key members of Internal Audit; (iii) A statement that Internal Audit reports to an independent body e.g., Audit Committee; (iv) Description of how Internal Audit is committed to its own continuous improvement (e.g., training in AML/CFT systems, continuous professional development, External Quality Assurance, quality improvement plan, compliance to IIA standards, consistent and IIA compliant methodology).	No disclosure or minimal disclosure.	Partial disclosure.	Adequate disclosure.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
7	Does the audit committee (AC) create an environment (by laying down structural prerequisites) which is conducive towards the effective discharge of its oversight roles and responsibilities?	4	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Role and responsibilities of AC; (ii) AC has at least 3 members; (iii) The chair of the AC is an independent non-executive director; (iv) Most of the members of the AC are independent non-executive directors; (v) Number of meetings held and attendance records of AC members; (vi) Description of the financial, business and any other expertise of AC members and the relevance of this expertise to the business operations of the organisation; (vii) Ensuring that the head of Internal Audit has ready and regular access to the chair of the AC; (viii) Ensuring that the external auditor is rotated in accordance with guidance from the Financial Reporting Council; and (ix) Ensuring that any proposed agreement with the audit firm for non-audit services be first approved by the AC.	No disclosure or minimal disclosure.	Partial disclosure.	Adequate disclosure.
8	Does the organisation explain how the audit committee (AC) disclosures are effective towards building investor and stakeholder trust and confidence?	5	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Statement that the AC has reviewed the Financial Statements together with the accounting policies/notes and that it is satisfied that the Financial Statements comply with International Financial Reporting Standards and other standards and regulations relevant to the industry; (ii) Report on the review of the internal control system and risk management process; (iii) Report on the review of the independence and effectiveness of the internal and external auditor; (iv) Report on any non audit services provided by the auditor together with a statement that such non audit services did not impair the independence of the external auditor; (v) Report on the key activities and reviews of the internal audit function and how the internal audit function maintains its independence; (vi) Disclosure of whether the AC has met regularly with external auditor; (vii) Disclosure that the AC meets with the internal and external auditors in the absence of management to discuss important issues (for e.g., tone at the top, fraud, ethics breaches, undue pressure from management and any matters of their choosing).	No disclosure or minimal disclosure.	Partial disclosure.	Adequate disclosure.
9	Does the organisation disclose how it addresses the findings raised by the external auditor in a timely manner?	3	A maximum score is obtained if the organisation explains how it has addressed the findings raised by the external auditor in a timely manner.	No disclosure or minimal disclosure.	Partial disclosure.	Adequate disclosure.

B. Scorecard (with explanatory notes)

B.2. Audit Oversight And Effectiveness

B.2.iii - External Accountability – 6 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Do the financial statements (F/S) of the organisation contain a director's statement to the effect that they give a true and fair view of the financial position and performance of the organisation?	3	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Statement of directors' responsibilities in respect of the financial statements (F/S). (ii) Statement by the directors that the F/S have been prepared in accordance with IFRS (any departure should be disclosed, explained and quantified). (iii) Statement by the directors that the F/S portray a true and fair view of the financial position and performance of the organisation. (iv) Statement of the date on which the Board has approved the F/S. (v) Statement by the external auditors to the effect that in their opinion the F/S give a true and fair view.	No disclosure.	Partial disclosure.	Adequate disclosure.
2	Does the annual report and/or website provide reliable information on the reporting of compliance with the Code?	2	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Statement from the directors on the extent to which they have complied with the Code. (ii) Statement from the auditors that they have verified the extent of compliance as stated by the directors.	No disclosure.	Partial disclosure.	Adequate disclosure.
3	Is the organisation providing sections/ headings that introduce information over and above financial information that could provide more insightful information to shareholders and other key stakeholders?	2	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Organisational overview (ii) Internal and external environment (iii) Business model (iv) Connecting the business model with the internal and external environment	No disclosure.	Partial disclosure.	Adequate disclosure.
4	Is the organisation providing detailed information about the organisation's internal and external environment in a manner that allows shareholders and other key stakeholders to better assess the organisation's position, performance and outlook?	4	A maximum score is obtained if the following elements are disclosed: (i) Description of the internal environment by disclosing the organisation's strengths and weaknesses. (ii) Description of the organisation's external environment by, for example, disclosing the opportunities and threats facing the organisation or by describing how any relevant Political, Economic, Social, Technological and Legal factors can create threats and opportunities for the organisation.	No disclosure.	Partial disclosure.	Adequate disclosure.

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
5	Is the organisation providing detailed information about its business model (i.e., how it transforms inputs (financial and non financial capitals) into outputs (products and services) through business activities to fulfil the organisation's strategic goals and create long term value for investors and stakeholders) in a manner that allows shareholders and other key stakeholders to better assess the organisation's position, performance and outlook?	5	A maximum score is obtained if the reader can assess from information disclosed that the following elements are present: (i) Customers: customer segments to serve; (ii) Value Proposition: the value of products/services offered; (iii) Channels: distribution channels and contacts with customers; (iv) Customer Relationships: relationships established with customers; (v) Revenue: stream of revenues generated from the selling of products/services; (vi) Key Resources: fundamental resources needed for the functioning of the organisation; (vii) Key Activities: core activities for the functioning of the organisation's business model; (viii) Key Partnerships: core partners for alliances; (ix) Costs: cost structure and costs to be sustained. (x) Key performance indicators, financial and non-financial	No disclosure.	Partial disclosure.	Adequate disclosure.
6	Is the organisation connecting its business model and components with its internal and external environment?	4	A maximum score is obtained if the reader can assess from information provided by the organisation how its business model overcomes or mitigates its weaknesses/ threats, builds on its strengths and takes advantage of opportunities in the environment.	No disclosure.	Partial disclosure.	Adequate disclosure.

B. Scorecard (with explanatory notes)

B.3. Relations with Shareholders/ Stakeholders, Sustainability & Inclusiveness

B.3.i - Conduct of shareholders' meeting –

7 indicators

Conduct of shareholders' meeting-Relations with Stakeholders-Sustainability and Inclusiveness

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Does each resolution in the most recent shareholders' meeting deal with only one item, i.e., there is no bundling of several items into the same resolution?	1	A maximum score is obtained if the organisation discloses that each resolution of its most recent shareholders' meeting appeared as a separate item on the agenda.	Items on the agenda were bundled into the same resolution.		Each resolution on the agenda tackled a single item.
2	Does the notice state in sufficient detail and clarity the nature of business to be transacted to enable shareholders to understand the fundamentals of the issue and to engage on same with the company?	3	A maximum score is obtained if the reader can assess from information disclosed that: (i) the notice highlights the issues to be discussed at the shareholders' meeting; and (ii) the notice provides, where required, a brief on issues to be voted upon.	There is insufficient detail provided.	Partial details have been provided.	Sufficient details have been provided.
3	Are the profiles of directors (including age, academic qualification, date of first appointment, experience, and directorships in other listed companies) seeking election/re-election provided to shareholders?	3	A maximum score is obtained if full details of directors seeking election/re-election are provided.	No disclosure.	Partial disclosure.	Full disclosure.
4	Are the auditors seeking appointment/ re-appointment clearly identified on the agenda of the meeting of share-holders?	3	A maximum score is obtained if the name of the auditors seeking appointment/ re-appointment is provided and their tenure as auditor is also disclosed.	No disclosure.	The name of the auditors seeking appointment/ re-appointment is provided.	The name of the auditors seeking appointment/ re-appointment is provided and their tenure as auditor is disclosed
5	Does the organisation provide for a shareholders' question time at shareholders' meetings?	4	A maximum score is obtained where the reader can assess from information provided by the organisation in its Annual Report and/or website that time was allowed for shareholders to put questions to the Board and Management at the last shareholders' meetings.	No disclosure.		Full disclosure.
6	Did the organisation provide alternative ways of participating/voting to shareholders who/which could not physically attend the shareholders' meeting(s)?	2	A maximum score is obtained if the organisation discloses in its Annual Report and/or its website the facilities provided to shareholders who/which could not physically attend the meeting to participate and/ or vote at such meeting (e.g., proxy, corporate resolution, virtual attendance, etc.)	No disclosure.		Full disclosure.
7	Does the organisation publish votes of shareholders' meeting on its website?	2	A maximum score is obtained if the organisation's website publish information relating to votes taken at shareholders' meetings.	No disclosure.		Full disclosure.

B. Scorecard (with explanatory notes)

B.3. Relations with Shareholders/ Stakeholders, Sustainability & Inclusiveness

B.3.ii - Relations with Stakeholders – 5 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Has the organisation disclosed its major shareholders?	3	A maximum score is obtained if the organisation discloses the names of its shareholders holding more than 5% of the stated capital as well as the number of shares.	No disclosure.	Partial disclosure.	Full disclosure.
2	Does the organisation identify and disclose its other key stakeholders with an explanation of how it engages with them?	3	A maximum score is obtained if the reader can assess from information disclosed: (i) who are the key stakeholders, bearing in mind the size, complexity and location of the organisation's operations, e.g., investors, employees, customers, government, regulatory authorities, suppliers and service providers, media etc.; (ii) how the organisation engages dialogue with them; (iii) the frequency of such dialogue; and (iv) the type of information disseminated by the organisation to them.	No disclosure.	Partial disclosure.	Full disclosure.
3	Does the organisation value the training and development of its employees?	3	A maximum score is obtained if the organisation discloses: (i) details of the training and development programme in place for its employees; and (ii) that such training and development were undertaken.	No disclosure.	TThere is evidence of training and development programme in place but a comprehensive framework is not provided and there is no evidence of a training programme undertaken during the year.	A comprehensive framework of the training and development programme is disclosed along with details of the training and development programmes provided during the year.
4. a.	Does the organisation have an employment policy which is inclusive?	3	A maximum score is obtained if the reader can assess from information disclosed by the organisation that: (i) it has an inclusive employment policy. Such policy should cover diversity, disability, gender equity, sexual orientation, race, religious beliefs, and age; and (ii) the inclusive employment policy is effective.	No disclosure.	Partial disclosure.	Full disclosure.
4. b.	Has the organisation disclosed information that will enable the reader to ascertain whether it has set targets for each diversity component?	3	A maximum score is obtained if there is evidence that the organisation has set such targets..	No disclosure.	Partial disclosure.	Full disclosure.
5	Does the organisation disclose demographic information about its employees?	3	A maximum score is obtained if the following demographic information is provided on employees: (i) Gender (ii) Age (under 30 years old, 30-50 years old, over 50 years old) (iii) Senior positions	No disclosure.	Partial disclosure.	Full disclosure.

B. Scorecard (with explanatory notes)

B.3. Relations with Shareholders/ Stakeholders, Sustainability & Inclusiveness

B.3.iii - Sustainability and Inclusiveness – 8 indicators

	Indicator	Relative weight of each question on a scale of 1 to 5	Assessment Criteria	0 (Criteria inadequately satisfied)	1 (Criteria partially satisfied)	2 (Criteria adequately satisfied)
1	Has the organisation identified and disclosed key priority areas for sustainable development and inclusiveness?	3	A maximum score is obtained if the reader can assess from information disclosed how the organisation nurtures sustainable development in terms of: (i) protecting the environment (ii) keeping customers aware of any health considerations arising from use, overuse or misuse of its products (iii) promoting non-discriminatory policies (iv) promoting social/community goals (v) promoting the health and safety of staff/employees	No disclosure.	Partial disclosure.	Adequate disclosure.
2	Are the sustainability commitments of the organisation in line with the UN Sustainable Development Goals (SDGs) or other equivalent sustainability goals?	3	A maximum score is obtained if the reader can assess from information disclosed that the organisation is committed to SDGs or other equivalent sustainability goals.	No disclosure.	SDGs mentioned but without further explanation.	Details provided about which SDGs or other equivalent sustainability goals the organisation is committed to and what the organisation's targets are.
3	Does the organisation disclose information to enable the reader to assess if there are management structures/ sustainability teams in place to support the implementation of the organisation's sustainability and inclusiveness agenda?	5	A maximum score is obtained if the organisation provides details about how the Sustainability committee/team/ department of the organisation helps to uphold the sustainability/ inclusiveness agenda of the organisation.	No disclosure.	The organisation has a Sustainability committee/ team/ department.	Details provided about how the Sustainability committee/team/ department helps to uphold the sustainability/ inclusiveness agenda of the organisation.
4	Does the organisation engage in stakeholder dialogue with regard to sustainability and inclusiveness?	3	A maximum score is obtained if the reader can assess from information disclosed that stakeholder consultation takes place with regard to sustainability and inclusiveness in respect of matters which may have an impact on such stakeholders (including the community).	No disclosure.	Information provide, only states that it has engaged in a dialogue with stakeholders regarding sustainability and inclusiveness.	Details provided about dialogue held with stakeholders.
5	Does the organisation take into account the adverse effects of its operations on vulnerable communities and their livelihood?	4	A maximum score is obtained if the reader can assess from information disclosed how organisation takes into account the adverse effects of the organisation's operations on vulnerable communities and how it reduces such adverse effects.	No disclosure.	General information provided about the adverse effects of the organisation's operations on vulnerable communities.	Information provided about the adverse effects of the organisation's operations on vulnerable communities and how it intends to reduce such adverse effects.
6	Does the organisation disclose how it prevents or repairs the damage done to the environment by its operating activities and/or the measures taken by the organisation to offset its carbon footprint?	4	A maximum score is obtained if the reader can assess from information disclosed what actions have been taken by the organisation to prevent/repair damage done to the environment and/or the measures taken by the organisation to offset its carbon footprint.	No disclosure.		Adequate disclosure.
7	Does the organisation promote the conservation of natural resources, including recycling activities and circular economy models?	4	A maximum score is obtained if the reader can assess from information disclosed the conservation measures of the organisation, including recycling activities and circular economy models.	No disclosure.	General information on conservation of natural resources/recycling activities/ circular economy models.	Information on conservation practices/recycling activities/ circular economy model in quantitative terms (Kg, metric ton, Rs).
8	Is there evidence that the Board (or such committees as may be set up by the Board) is addressing its mind to climate change, the impact of same on the organisation, the risks and opportunities related to climate change, and the changes the organisation needs to make and the projects which the organisation needs to implement to adapt to climate change?	5	A maximum score is obtained if the reader can assess from information disclosed the following elements: (i) whether the issue of climate change is discussed at Board meetings (or at such committees as may be set up by the Board); (ii) a description of the risks and/or opportunities resulting from climate change for the organisation; (iii) a description of the impact associated with the risk or opportunity for the organisation; (iv) the changes the organisation is making and/or needs to make and projects which the organisation needs to implement to adapt to climate change.	No disclosure.	Partial disclosure.	Adequate disclosure.

A typical Code of Conduct should contain the following elements:

Part 1: Introduction

• Statement of Support from CEO
• Underlying values
• Objectives
• Scope and Application

Part 2: Code Rules

• Supporting statement from the Board
• Aspirational values
• Conflict of interest
• Responsibilities for dealing with stakeholders
• Improper use of company information
• Insider trading
• Outside employment
• Gifts and entertainment
• Financial inducements
• The use and accounting of company resources
• Non-discriminatory practices
• Equal employment opportunities
• Confidentiality
• Compliance with laws
• Treatment of colleagues
• Sponsorships
• Environmental
• Conducting business overseas
• Consequences of non-compliance
• Political contributions and activities
• Alcohol, drug and tobacco use
• Non-discriminatory practices
• Equal employment opportunities
• Confidentiality
• Compliance with laws
• Treatment of colleagues
• Sponsorships
• Environmental
• Conducting business overseas
• Consequences of non-compliance

Part 3: Administration

• Role of Ethics Committee
• Mandatory attendance at Code of Conduct
• Training Session
• Reporting of non-compliance
• Consequences of non-compliance

C. Frequently asked questions

1. What is the “raison d’ être” of the Scorecard?

The mere existence of a Corporate Governance Code (“CGC”) does not automatically ensure better corporate governance practices or disclosures. Regulators, stock exchanges, and other organisations often put considerable effort into developing a code, only to face the new challenge of how to make good governance practices a working reality. The ‘apply and explain’ concept that underlies the eight principles of the National Code of Corporate Governance for Mauritius (2016) (the “Code”) requires the use of comprehensive, clear and succinct explanations and disclosures to demonstrate the application of the 8 principles. A tool was therefore needed to encourage best disclosure practice without the intrusiveness of legislation. And part of the answer lies with scorecards.

This Scorecard is therefore a framework that identifies not only the broad dimensions of corporate governance – ‘Board Effectiveness’, ‘Audit Oversight and Effectiveness’ and ‘Relations with Shareholders/Stakeholders, Sustainability and Inclusiveness’ - but more importantly, the different components that make up and drive these dimensions. These dimensions and components cut across the 8 principles of the Code and consequently provide a structured and comprehensive, yet dynamic, framework for organisations to identify the range of items requiring disclosure, as well as the breadth and depth of that disclosure to effectively communicate good corporate governance practices.

2. What is the objective of the Scorecard and what would be the key takeaways from its use?

To improve the overall corporate governance practices in Mauritius by achieving the following:

(a) to provide an objective and systematic tool to analyse and measure adherence to corporate governance practices across organisations in Mauritius;

(b) to enable organisations to assess their corporate governance practices and identify their strengths and weaknesses; and

(c) to enable regulatory bodies, the National Committee on Corporate Governance (“NCCG”) and other stakeholders (including investors and the society at large) to identify not only good corporate governances practices in Mauritius but also highlight any areas requiring improvement.

The key takeaways from the use of the Scorecard would be as follows:

(i) the Scorecard generates important information on the quality of governance practices because they provide a structured way to operationalise the eight principles of the Code;

(ii) the Scorecard allows organisations to identify where they stand vis-à-vis the benchmark. In other words, they can get concrete, useful and quantifiable information on the quality of their governance practices and disclosures;

(iii) the Scorecard encourages organisations to improve their governance practices by assessing their disclosures against the corporate governance indicators, both across time and across organisations; and

(iv) the ultimate beneficiaries of scorecards are the organisations themselves. Although scorecards constitute a tool for monitoring compliance with codes and best practice, their benefits extend well beyond mere compliance exercises. Measuring corporate governance in a structured and dashboard-like manner helps organisations identify their current standing and improve their performance through better monitoring and evaluation of organisation and strategy, major financial decisions and risk management and control.

3. How does the Scorecard tie in with the Code?

Because the Code is 'principle-based' and not 'rule based', the focus is directed towards explanations and disclosures that portray how the principles have been applied. In this regard, the Scorecard is the tool through which the Code can be reinforced and operationalised. For instance, Principle 2 states that the board should contain independently minded directors. The Scorecard does NOT specify nor require a minimum number of independent directors but rather poses the question 'does the Board of the organisation comprise an appropriate number of independent directors and/or non-executive directors to ensure that Board discussions are not monopolised'. The focus of the question or corporate governance indicator does not revolve around a particular number of independent or non-executive directors but rather on rationalisation by the organisation as to how its existing number of independent and/ or non-executive directors is sufficient to ensure that Board discussions do not suffer from groupthink where discussions are mainly driven by a small group of people within the Board. The Scorecard therefore recognises and adheres fully to the 'apply and explain' principle in the Code.

It is indeed important to make a distinction between the Code and the Scorecard. The two documents will exist in parallel. The Scorecard is not meant to replace the Code but rather to reinforce the Code and provide clarity on how to operationalise it. At times, the Scorecard goes beyond the Code (launched in 2017) to embrace current international best practice in the field of corporate governance to nurture NCCG's object and mission to "promote the highest standards of Corporate Governance in Mauritius". For instance, one of the indicators of 'Board Effectiveness' is to ask whether the organisation has a policy on over-boarding of directors.

In the four years since the adoption of the Code, corporate governance practices have evolved. Standards have risen, best practice has advanced and new trends have emerged. Sustainability and managing climate change, for instance, are evolving as real cornerstones of corporate governance. The aim of the Scorecard is therefore to raise standards of corporate governance in Mauritius to meet international best practice.

This is why the Scorecard is not and should never be perceived as a mere 'tick the box' exercise. It is rather a tool to measure in quantifiable terms the extent of compliance with the indicators set out in the Scorecard by analysing the disclosures and explanations given by organisations in their annual report and website.

4. Is the Scorecard applicable to all types of organisations?

The eight principles of the Code are applicable to all types of organisations and therefore given that the Scorecard is a framework to reinforce the Code, the Scorecard is equally applicable to all types of organisations. More importantly, the Scorecard is structured in such a way that organisations have sufficient flexibility and elasticity to explain how and why their corporate governance framework and practices is adequate to uphold the principles of the Code. For instance, the question 'does the organisation provide information to allow the reader to assess whether the size of the Board is commensurate with the nature and scale of its activities' suggests that there is not a one-size-fits-all Board structure and that this depends on the organisation's scale and complexity of its operations and activities.

Consequently, there are bound to be a few indicators that might not be applicable to all organisations. As long as these organisations explain satisfactorily and adequately how these indicators are not applicable to them, they will not be penalised for not "complying with" an indicator that may not be applicable to them.

5. How will inconsistencies between the indicators set out in the Scorecard and the compliance requirements of certain organisations (such as banks) under their respective regulatory/legal frameworks be reconciled?

There will in fact be no inconsistency. As mentioned above, the Code is 'principle-based' and the Scorecard provides a framework for operationalising the Code. The focus revolves around fundamental corporate governance principles and not quantitative thresholds, hence any quantitative threshold stated in a specific legislation or 'guidance' issued under that specific legislation for certain organisations operating within a sector cannot, strictly speaking, conflict with the Code or the Scorecard. This is simply because both the Code and the Scorecard incorporate indicators that embody principles rather than quantitative numbers. However, organisations will have to explain how and why adherence to a particular legislation-driven quantitative threshold upholds the principles of the Code and corporate governance indicators set out in the Scorecard. In this regard, two scenarios are possible:

the first scenario occurs when the standards set by the Scorecard are lower than those set by the regulatory/legal framework applicable to an organisation. Here, the organisation is legally bound to comply with the higher requirements of its regulatory/legal framework. In the Scorecard assessment, it is likely to score the highest marks for that indicator;

the second scenario occurs when the standards set by the Scorecard are higher than those set by the regulatory/legal framework applicable to an organisation. Here, the organisation is encouraged to meet the higher standards set by the Scorecard which is based on international best practice prevailing at the time it was finalised.

Assessment and rating will be conducted on the basis of the standards set in the Scorecard.

6. What is the purpose of attributing 'weights' to each indicator and what impact will this have on the corporate governance score and also on the reporting organisations?

Each indicator in the Scorecard has been attributed a weight between 1 and 5. The weight is judged based on how big an impact the indicator has on Corporate Governance. Low impact or routine-like indicators are attributed a weighting of 1 or 2. Medium impact indicators are attributed a weighting of 3. High impact indicators are attributed a weighting of 4 or 5. The higher the weight attributed to a particular indicator, the more important the indicator is in terms of its relevance for decision-making and/or its usefulness in addressing more complex issues.

The corporate governance score for a particular indicator will therefore be the product of, on the one hand, its disclosure score – based on the information disclosed on the organisation's website and in its annual report, a rating of 0 (disclosure criteria not satisfied), 1 (disclosure criteria partially satisfied) or 2 (disclosure criteria adequately satisfied) will be attributed for that indicator – and on the other, its weight. Therefore, if for a particular indicator, the disclosure score is 2 and the weight attributed to the indicator is say 5, the corporate governance score for that indicator would then be 10 (i.e. a disclosure score of 2 multiplied by a weight of 5).

The impact on organisations will be two-fold: first, there will be greater discrimination in the corporate governance scores for organisations with more adequate corporate governance practices than those with less than adequate corporate governance practices. If weights had not been introduced, then for a particular indicator, the possible scores would be 0 (to evidence zero or minimal disclosure), 1 (to evidence some elements of disclosure) or 2 (to evidence adequate disclosure). As regards a particular indicator, there would only be a difference of only 2 points between the best score and the worst score. However, by assigning weights to each indicator, the resulting score would be the product of adequacy of disclosure and weighting. This would incorporate much greater elasticity in the range of corporate governance scores - the score range for a particular indicator would then range from 0 to 10 instead of 0 to 2 – and the result would be that the corporate governance score for organisations with different corporate governance practices would not be bunched or clustered together.

The second impact is that organisations would adopt a more risk-based approach and direct their focus and devote more resources on those aspects of corporate governance that are relatively more important. In other words, it would neither be useful nor efficient for organisations to over-disclose on indicators of corporate governance that have been attributed a low weighting. On the other hand, organisations would be mindful of inadequate disclosure for items that have been attributed a relatively higher weight.

7. Will participation to the Scorecard assessment be mandatory?

No, participation to the Scorecard evaluation exercise will, at this initial stage, be on a purely voluntary basis.

8. Who will conduct the assessment?

The Scorecard evaluation exercise will be carried out through a two-stage process.

During the first stage, an independent assessor(s) selected by the NCCG will assess organisations using the Scorecard and will summarise its findings in preliminary reports.

During the second stage, the independent assessor(s) will table its preliminary findings/results/reports to independent Jury Panels constituted by the NCCG, for review/validation. The preliminary findings/results/reports shall be reviewed by the independent jury panels and amended if needed.

Once reviewed and validated, the findings/results/reports of the independent jury panels will be deemed final and ready to be adopted by the NCCG.

9. Which material will be used to assess corporate governance practices of organisations through the Scorecard?

The assessment will be made exclusively on publicly available information, that is, information that organisations have disclosed about themselves and their corporate governance practices in their annual reports and on their websites.

At this initial stage, it is not being contemplated that organisations being assessed be given an opportunity to make representations, whether verbal or in writing, to the independent assessor(s) and/or the independent Jury Panels prior to the results of the assessment being finalised. Interviews and/or questionnaires are also not being considered at this stage.

Therefore, for the purposes of the assessment, any corporate governance practice not reported on or disclosed in the annual report and website by an organisation will be deemed not to exist. One should remember that the Code adopts an 'apply and explain' principle. It is therefore not sufficient to 'apply' the principles. The manner in which the principles have been applied should also be properly and adequately explained in the annual reports and websites of organisations. The Scorecard will then assess the quality of the explanations provided by organisations.

10. Will the assessment results be made public?

In the first couple of years of the Scorecard evaluation exercise, the detailed individual ratings and results of each organisation will remain confidential and will only be disclosed (in total confidence) to such organisation upon request. However, a Scorecard Yearly Report will be published by the NCCG, in which good corporate governance practices and shortcomings in governance practices as well as recommended areas of focus will be highlighted without pinpointing to specific organisations.

It is the aspiration of the NCCG that over a period of time, as organisations get familiar with the Scorecard and the Scorecard evaluation exercise, Corporate Mauritius will gain in maturity and there will be no issue with individual ratings and results of organisations being made public through the publication of the Scorecard Yearly Report.

11. Can the Scorecard be used for self-assessment?

The Scorecard assessment, as envisaged by the NCCG, will involve independent third party assessment/evaluation which will be presented to independent jury panels for validation. Notwithstanding the aforesaid, organisations are strongly encouraged to use the Scorecard to self-assess the level and quality of their corporate governance practices and disclosures in their annual reports and on their websites. The Scorecard User Guide has been designed to facilitate this self-assessment.

D. Sources and further reading

1. The National Code of Corporate Governance for Mauritius (2016)

https://nccg.mu/sites/default/files/2021-01/the-national-code-of-corporate-governance-for-mauritius_2016.pdf

2. The 2017 Good Governance Report – Institute of Directors of the United Kingdom

https://www.iod.com/Portals/0/PDFs/Campaigns%20and%20Reports/Corporate%20Governance/GGI-report-2017-IoD.pdf

3. Corporate Governance Scorecard for India a BSE – IFC Initiative

https://www.bseindia.com/static/about/CorporateGovernanceScorecard.aspx

4. Institutional Investor Advisory Services Governance Scorecard

https://www.iiasadvisory.com/governance-scorecard

5. Corporate Governance Scores S&P BSE 100 companies developed jointly by Bombay Stock Exchange, International Finance Corporation and Institutional Advisory Services

https://www.ifc.org/wps/wcm/connect/8f451d64-3274-4b72-a6fc-75770ce69e5e/CG_Scores_S%26P_BSE_100_Companies_Handbook.pdf?MOD=AJPERES&CVID=mfgA1oU

6. The ASEAN Corporate Governance Scorecard

https://www.theacmf.org/initiatives/corporate-governance/the-asean-corporate-governance-scorecard

7. G20/OECD Principles of Corporate Governance

https://www.oecd.org/corporate/principles-corporate-governance/

8. Global Reporting Initiative

https://www.globalreporting.org/standards/

9. Mahadeo, J.D. and Soobaroyen, T., 2016. A longitudinal study of the implementation of the corporate governance code in a developing country: The case of Mauritius. Business & Society, 55(5), pp.738-777

10. Overboarding, 2018 AGM season- KPMG Board Leadership Centre

11. Audit committee forum- Position Paper 6 Audit Committee Guidelines for evaluating a whistleblowing system

E. Acknowledgements

Many people and organisations contributed to creating this *Scorecard User Guide*. The National Committee on Corporate Governance (NCCG) is grateful to all those who, directly or indirectly, paved the way to make the elaboration of the *Corporate Governance Scorecard for Mauritius (2021)* and its *User Guide* a reality.

At the top of the list are members of the *Working Group* who spent endless hours toiling away at the elaboration and finalisation of the Scorecard, working their way through various sets of written comments received both from local and international industry experts, interacting with stakeholders and regulators during the Public Consultation Workshops, running pilot tests and exchanging with the publisher to ensure the production of a user friendly and simple *Scorecard User Guide*. The ***Scorecard*** and its accompanying *User Guide* bear testimony to both their dedication and the high quality standards they set for themselves.

Members of the Working Group

(i) Ms. Aruna RADHAKEESOON, Attorney-at-Law and Chair of the NCCG

(ii) Dr. Vidisha RAMLUGUN, Senior Lecturer of the Faculty of Law and Management, University of Mauritius

(iii) Dr. Dinesh RAMDHONY, Senior Lecturer of the Faculty of Law and Management, University of Mauritius

(iv) Mr. Matthew LAMPORT, Member of the NCCG and Senior Lecturer of the Faculty of Law and Management, University of Mauritius

(v) Ms. Kavya SAIKIA, Legal Assistant, Rogers and Company Ltd.

A special word of thanks to the Chair of the NCCG for her unwavering dedication and vision in bringing the Scorecard project to the NCCG Board and the parent ministry, for ably leading the *Working Group* through its various milestones and successfully seeking partners and collaborators to bring this project to fruition. The Chair's foresight and mission to raise corporate governance practices in Mauritius through the Scorecard and the yearly evaluation exercise is commendable.

The support and enthusiasm expressed by the Board of the NCCG, the Minister of Financial Services and Good Governance and the Permanent Secretary, for the Scorecard project should not be underestimated as it infused the *Working Group* with the necessary drive to steer through challenging and at times rough patches.

The NCCG would like to thank Professor Dhanjay JHURRY, Vice Chancellor of the University of Mauritius, who was instrumental in securing the Research Collaborative Agreement with the NCCG and in dedicating a capable team of Senior Lecturers to the project.

The NCCG is grateful to all the regulatory institutions, namely, the Bank of Mauritius, Financial Reporting Council, Stock Exchange of Mauritius and Independent Commission Against Corruption for the special interest they showed to the Scorecard project and the quality and insightful interaction which resulted therefrom.

The Public Consultation Workshops held in February of this year would not have been a success had it not been for: (i) the huge interest shown by Corporate Mauritius in the project; (ii) the high attendance and interaction at the Workshops; (iii) the generosity extended to the NCCG by the Financial Services Institute in allowing its facilities to be used to host the Public Workshops as well as Mr. Rabin Bhujun who readily accepted to act as *'master of ceremony'* for the Workshops; (iv) the dedication put in by the Chair of the Communication Sub-Committee of the NCCG, Mrs. Madhavi Ramdin-Clark, to ensure the logistics of the Workshops were minutely attended to; and (v) the twenty three sets of written comments received by the *Working Group* from local and overseas organisations following these Public Consultations.

E. Acknowledgements

The NCCG was very fortunate to secure the collaboration of both local and overseas industry experts and university professors in September of this year to gather a final round of comments on the Scorecard. Their positive feedback greatly comforted the *Working Group* that the project was on the right track.

A special word of thanks to Mr. Julien Tyack, Partner of PricewaterhouseCoopers (PwC), and Ms. Shirley Jeeban, Senior Manager of PwC, who assisted the *Working Group* in running the pilot tests prior to the official release of the Scorecard. Their insights and comments were indeed precious and very useful.

The NCCG is grateful to Mr. Rajesh Dindoyal, Managing Director of Odysseus Public Relations, for collaborating with the NCCG for the launch of the *Scorecard* and its *User Guide*.

The collaboration and support of Mr. Ashween Bunwaree, Chief Executive Officer of Capstone Consulting Ltd., in designing and publishing the *Scorecard User Guide* is duly acknowledged.

Last but not least, the NCCG is indebted to the twenty one 'brave' listed companies which have volunteered to participate in the first Scorecard evaluation exercise which will kick off straight after the launch of the Scorecard. They deserve to be named here for the record:

ENL Limited, CIEL Limited, Sun Limited, National Investment Trust Ltd., Les Gaz Industriels Limited, Swan General Ltd., Ascencia Limited, Medine Limited, Lottotech Ltd., Terra Mauricia Ltd., Semaris Ltd., New Mauritius Hotels Ltd., IBL Ltd., RHT Holding Ltd., Rogers and Company Ltd., Caudan Development Limited, Promotion and Development Ltd., SBM Holdings Ltd., Quality Beverages Limited, MUA Ltd. and MCB Group Limited.

c/o Ministry of Financial Services and Good Governance,
Level 9, SICOM Tower, Wall Street,
Cybercity, Ebène,
Republic of Mauritius

+230 404 2400 info@nccg.mu www.nccg.mu