Sustainability

10 YEARS OF IBL

"Ten years ago, sustainability was largely driven by a central Sustainability team, mainly focusing on environmental topics, with CSR treated separately and often associated with philanthropy. Over the past decade, these two dimensions have come together as part of a broader sustainability agenda. There has been a big shift in how we think about ownership. Sustainability is no longer seen as something that sits with one specialist team but as something that requires a cross-functional response. We are increasingly bringing sustainability into conversations around risk, finance, operations, governance and people. Our role at Group level is to build the frameworks, data and capabilities that allow businesses to understand the issues that are the most material to them and take greater ownership of their response."



Christine Marot
Group Head of Sustainability & Social Impact - IBL Group

BUILDING THE FOUNDATIONS FOR MEASURABLE ACTION

As a diversified group operating across multiple geographies, sectors and levels of maturity, IBL needs a common sustainability framework that can also accommodate the different realities of each business. At a time when sustainability expectations are accelerating rapidly, IBL has taken a deliberate, methodical approach: identifying its most material issues, establishing governance and improving data quality to create a credible foundation for measurable objectives, action and long-term impact across the Group.

In FY2026, IBL continued to move from assessment to action. Materiality work was extended across the Group, emissions data coverage increased, climate-related risks were assessed across selected assets, and businesses began taking greater ownership of sustainability data and governance.

IBL's reorganisation from nine clusters into four has also created greater scope for coordination. Businesses now share more operational ground, making it easier to identify shared priorities, build consensus, and coordinate action at cluster level rather than one BU at a time.

ESTABLISHING GROUP PRIORITIES

Materiality assessments reached 86% of businesses in FY2026, up from 72% in FY2025, with work largely focused on the Seafood and Financial Services clusters. Four common priorities have emerged from the assessments completed to date: **Climate & Energy, Materials & Waste, Rights & Wellbeing at Work, and Rights & Resilience in Communities**. These give IBL a common direction, while allowing each business to focus on the issues most relevant to its own activities and stakeholders.

The Group also strengthened its materiality methodology. PwC conducted double materiality assessments with selected UBP Group businesses, providing an independent review of the methodology and confirming the results of the initial assessments by research partners. At Board level, the Corporate Sustainability Committee (CSC) approved the Group's sustainability roadmap, setting out critical milestones for implementation and review.

IBL is also preparing to adopt IFRS Sustainability Disclosure Standards S1 and S2, with work underway to strengthen sustainability data, processes and internal controls. Responsibility for emissions data is also moving closer to operations, with subsidiaries building the capability to manage and report their own data.

Building understanding of sustainability across the organisation remains an important part of this transition. In July 2026, IBL launched *Sustainability: What Every Director Should Know (But Most Don't)*, a practical leadership programme designed to strengthen sustainability literacy at the Board level through a mentor-mentee format. Further modules of the programme are planned and will cover other sustainability topics, reinforcing leadership capacity across the Group.

Externally, IBL contributed to discussions around Mauritius' Nationally Determined Contributions (NDCs), Code of Corporate Governance and the Stock Exchange of Mauritius' Sustainability Index (SEMSI) standards, contributing to the integration of climate considerations in national planning and Mauritius' sustainability goals.

■ Climate & Energy

The Nexus carbon accounting project, which measures and reports greenhouse gas emissions, continued to scale across the Group. Coverage increased from 57% to approximately 87% of Mauritian Group businesses, including UBP Group's businesses. Pilot companies began using year-on-year data to track their progress on emissions reduction.

IBL also made progress on understanding its climate-related risks in order to transition towards lower-carbon operations. Transition plans were developed for four sub-groups based on their emissions profiles and stakeholder expectations.

Through a learn-by-doing approach, IBL businesses are building the capacity to manage and report their own emissions, with regional entities expected to join the platform by 2027.

Alongside emissions management, IBL began examining its exposure to the physical impacts of climate change. A physical climate risk assessment initiated with Schneider Electric Advisory Services covers 25 assets across multiple industries and geographies. This exercise is helping the Group better understand its exposure to physical climate risks under different warming scenarios, and prepare for future reporting requirements under IFRS S1 and S2.

■ Materials & Waste

Waste emerged as a critical shared priority through the Group's materiality assessments, and is also an increasingly important part of Mauritius' Nationally Determined Contributions (NDC) agenda.

During FY2026, the Sustainability team worked with IBL's businesses to identify common challenges and opportunities across different waste streams.

The Group held its first Waste Engagement Day, bringing together businesses to exchange practical experiences, identify common challenges and accelerate action on waste reduction and circularity. The aim is to move from waste reduction towards more resource-efficient and resilient business models that turn waste into resources.

Sustainability

Rights & Resilience in Communities

During FY2026, Fondation Joseph Lagesse (FJL) continued to reposition its approach to community impact after more than 20 years of supporting vulnerable communities. The foundation reviewed its objectives, governance and approach to measuring impact, with a greater emphasis on community needs, empowerment and long-term outcomes.

Its renewed purpose, "*Engager aux côtés des communautés vulnérables, renforcer leur pouvoir d'agir afin de bâtir un futur dans la dignité*", reflects a shift from acting on behalf of communities towards working alongside them, with interventions designed around local needs and helping people build the confidence and capabilities to shape their own future.

During the year, the Foundation restructured its Board to strengthen alignment between governance and the Group's societal impact, in line with its renewed purpose.

It refined its social focus around four emerging areas: literacy, employability, community empowerment and social entrepreneurship, aligning these more closely with the social issues identified through IBL's materiality assessments. The Foundation also introduced an ERP system and completed a financial restructuring, improving traceability, decision-making and resource allocation across its programmes.

Three programmes were designed during the year to put this approach into practice: **Safe Futures**, addressing violence against women and children and shortlisted for European Union funding; **Make It Work**, supporting education and employability, and creating pathways towards economic empowerment; and **Les Éclaireurs**, designed to support residents from Bois-Marchand, Batterie Cassée, Baie du Tombeau and Barkly in identifying challenges and driving change within their own neighbourhoods.

The Sustainability team also worked to broaden employees' understanding of social impact. A survey involving teams from the IBL Head Office, BlueLife, HealthActiv and Bloomage informed the first Social Engagement Day in December 2025. The event introduced IBL team members to community engagement, with a focus on moving beyond traditional assistance towards longer-term partnerships centred on empowerment and dignity.

Case study

FROM GROUP STRATEGY TO COORDINATED ACTION

IBL's FMCG & Healthcare Distribution division consists of BrandActiv, HealthActiv, MedActiv and Harley's, and operates across Mauritius, Kenya, Tanzania and Uganda. During FY2026, the division began developing a common governance model to translate IBL's Group sustainability framework into priorities and accountability at business level.

The work builds on sustainability assessments already undertaken within each business. HealthActiv and BrandActiv completed The Embedding Project's Radar methodology, which surfaced **Materials & Waste and Supply Chain Resilience** as shared priorities. These findings provided a basis for identifying where businesses can address common sustainability challenges collectively while retaining market-specific priorities.

With guidance from the Head Office Sustainability team, the FMCG & Healthcare Distribution team adapted the Group governance model to the regional context: the FHD Sustainability Committee now sets the direction and targets, bringing together senior leaders and key support functions from the various businesses; while the FHD Sustainability Monitoring Office manages the division's initiatives closely, tracking performance and working with the Head Office Sustainability team on indicators, metrics and reporting. A network of Sustainability Functional Champions drives the sustainability projects within their respective functions and captures the data needed for reporting.

The Group Sustainability team is present on both the Committee and the Monitoring Office. The model is designed to provide consistency with Group priorities, while allowing each business to address its own realities in each market.

OUTCOMES

- A sustainability governance model aligning **several markets** (Mauritius, Kenya, Tanzania, Uganda) and **four businesses** (BrandActiv, HealthActiv, MedActiv, Harley's).
- **Shared priorities** identified across the businesses, with opportunities to scale sustainability initiatives

"Deploying a Group strategy across several territories cannot be a top-down exercise. It has to translate into operational priorities, whether that is waste management in one country and logistics in another. Our governance model brings together people who understand those operations into the sustainability conversation, giving businesses a common framework while allowing them to respond to their own realities as well as learn from one another, focus on shared priorities, and create real environmental and social impact in the region."

Olivier Decotter
Cluster Head, Governance & Corporate Affairs - FMCG & Healthcare Distribution

Case study

BUILDING SUSTAINABILITY OWNERSHIP WITHIN UBP

During FY2026, UBP began internalising the Group sustainability methodology, establishing its own Sustainability Committee and defining a roadmap aligned with both its operational realities and IBL's broader sustainability framework.

The process began with direct engagement with UBP's stakeholders, including customers, NGOs, suppliers, financial institutions, local authorities, ministries and employees. Their perspectives helped the business understand its impacts and identify its material priorities, including Climate Action, Rights and Resilience in Communities, Materials Stewardship and Waste Management,and Water Stewardship.

Climate: UBP is advancing its climate transition through three connected workstreams. Nexus is establishing a common carbon footprint for UBP's core businesses (Premix, Drymix, Espace Maison and Gros Cailloux, along with its subsidiaries FAST, Sainte Marie, Welcome Industries, and Terrarock), providing the baseline from which reduction strategies and action plans can be developed. At Gros Cailloux, the 9.9 MWac CNIS photovoltaic project progressed towards commercial operation in 2027. UBP is also contributing to IBL's climate risk assessment programme, assessing its physical climate exposure, vulnerability and financial impact, before developing an adaptation plan.

Waste & Circular Economy: UBP continued developing circular economy initiatives across its operations and value chain. Project (G)OLD (Making Gold with Old) transforms construction and demolition waste into recycled aggregates that can be returned to productive use. To date, nearly 2,000 tonnes of on-site waste have been recycled and more than 10,500 tonnes of demolition debris repurposed, supplying materials such as paving blocks for Telfair La Promenade in Moka Smart City.

UBP is also working with partners ER Property and General Construction on CO(LAB), a project to foster collaboration and innovation in circular construction. In June 2026, (G)OLD and CO(LAB) were presented at *La Construction de Demain*, a forum led by UBP that brought together 200 stakeholders from industry, academia, and the public sector to explore the transition towards a more circular model.

OUTCOMES

- Stakeholder-informed **sustainability priorities established**
- Sustainability roadmap aligned with business and stakeholder priorities
- **Carbon footprint completed** across nine entities
- Nearly **2,000 tonnes** of on-site waste recycled and **10,500 tonnes** of demolition debris recovered through Project (G)OLD
- **200 construction-sector stakeholders** engaged with circular construction practices through La Construction de Demain

"The real value of a materiality process is the conversations you have along the way. We sat down with our clients, financial partners (bankers/insurance providers), NGOs, suppliers, local authorities and team members to understand how they perceive our impacts, risks and opportunities. It was a useful exercise in challenging our own assumptions. You can't do this work on intuition; it has to be grounded in concrete feedback and be brutally honest. We come out of it with a clearer view of where we can genuinely make a difference, and that becomes the basis for a credible sustainability strategy."

Egyla Ellapen
Sustainability Manager - UBP

