



Risk	Impacts and opportunities	Mitigation
<b>11. Sustainable financial performance (External and Internal)</b> <ul style="list-style-type: none"> <li>Promoting sustainable financial performance in a tough trading environment.</li> <li>International economic and political environment causing economic recession, inflation, social upheaval, trade restrictions and unstable exchange rates.</li> <li>Size and duration of the impact of the Covid-19 pandemic and Ukraine conflict on the global economy remains unclear.</li> </ul>	<b>Potential impacts</b> <ul style="list-style-type: none"> <li>Margin contraction from increased promotional activity and discounts, resulting in cost growth exceeding sales growth.</li> <li>Negative operating leverage due to uncontained cost growth.</li> <li>Liquidity issues.</li> <li>Decline in demand for some of our products.</li> <li>Erosion of competitive advantage.</li> <li>Lower return on invested capital.</li> </ul> <b>Associated opportunities</b> <ul style="list-style-type: none"> <li>Build resilience to survive the financial and economic risks, based on past track record and sustainable development initiatives in place.</li> <li>Identify new products and potential acquisitions arising from current conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Ability to leverage group systems, processes and structures to enhance margins.</li> <li>Diverse products and markets, with the opportunity for further diversification.</li> <li>Strengthen agility and responsiveness to changes in local demand.</li> <li>Prudent financial risk management processes are in place.</li> <li>Maintain an appropriate mix between fixed and floating interest rates on borrowings.</li> <li>Maintain tight control over credit exposure.</li> <li>Optimise the foreign exchange management.</li> </ul>

TREND 

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<b>12. Compliance (External and Internal)</b> <ul style="list-style-type: none"> <li>Ensuring ongoing compliance with current and proposed local and international laws and regulations.</li> <li>Need to understand, interpret and apply differing regulatory requirements in multiple jurisdictions.</li> </ul>	<b>Potential impacts</b> <ul style="list-style-type: none"> <li>Increased risk of non-compliance due to unexpected changes in local and/or international legal and regulatory environment.</li> <li>Fines, claims and reputational damage in the event of non-compliance.</li> <li>Management time diverted to resolving legal issues.</li> <li>Restrictions on marketing certain products through traditional channels.</li> </ul> <b>Associated opportunities</b> <ul style="list-style-type: none"> <li>Strengthening our reputation as a reputable operator in all markets.</li> <li>Identify new ways of growing brand awareness using social media, online communities, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Legal compliance is fully entrenched in our risk and controls system.</li> <li>Processes and governance are in place to support ongoing compliance with the Mauritius Companies Act 2001 and the National Code of Corporate Governance for Mauritius (2016).</li> </ul>

TREND 

TREND  Increase  Decrease  Stable

