

PRESS RELEASE

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Statement from the MloD on the situation involving Air Mauritius

The Mauritius Institute of Directors (MloD) has been set up by an act of Parliament and the first object of the MloD according to the FRC Act, section 70, is to promote the highest standards of Corporate Governance and of business and ethical conduct of Directors serving on boards of companies and public interest entities.

Based on the information available in the press, the MloD considers that in the case of Air Mauritius, there has been a serious departure from corporate governance best practice:

- The principles of good governance dictate that directors should receive adequate notice for a board meeting, unless there is an urgent matter. In the case of Air Mauritius, the board meeting was called at very short notice. The board of directors should be able to meet at very short notice only if there is an emergency that could have a serious impact on the company. However, there are no elements to show whether this was the case here.
- Good governance principles also require that arrangements are made to facilitate the participation of all directors to board meetings. This requirement is even more crucial when it comes to urgent matters as in such circumstances, it is recommended to have the participation of the maximum number of members. Were there any arrangements made for attendance through a teleconference or a videoconference? Did the secretary try to establish the most appropriate time for the meeting, which would have therefore enabled the participation of a maximum number of members?
- Furthermore, no agenda was circulated. Good governance principles require that an agenda be circulated to all board directors.

END

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