

# *Presenting the Jury Findings*

## 18<sup>th</sup> Corporate Reporting Awards

### By Michael Ho Wan Kau

# Welcome

**1**

*The Awards*

**2**

*The Process and Review*

**3**

*The Judging Panel*

**4**

*The Ceremony*

## *The Awards*

***Entities listed on the SEM are automatically considered for the Award.***

***Non-listed PIEs, state-owned entities and parastatals will only compete if they submit their ARs for review.***

### Category Awards

- **SEM-10**
- **Financial Institutions**
- **Listed Companies**
- **Non-listed Public Interest Entities and Parastatals**

### Cross-Category Awards

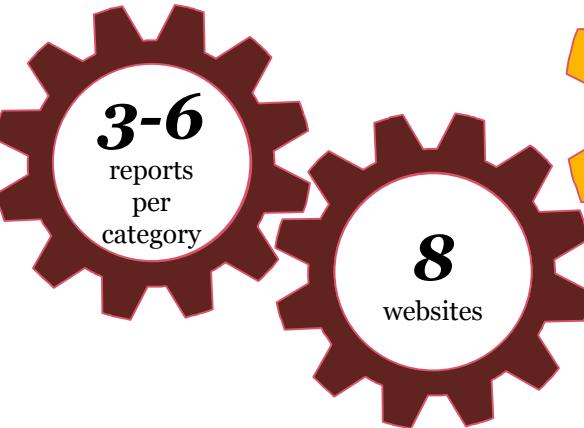
- **Online Reporting**
- **Corporate Governance Disclosures**
- **Risk Management Disclosures - banks**
- **Risk Management Disclosures - non-banks**

# Process and Review

PwC screening and review

Shortlisted for Awards

Jury final decision



## *The Judging Panel*

**Mrs Sharona Rambocus**

**Mr Cyril Wong Sun Thiong**

**Mr James Benoit**

**Mr Jean-Paul de Chazal**

**Mr Maurice de Marassé Enouf**

# *Presenting the Awards*

# Cross-Category Awards

## *Risk Management Disclosures*

### *Banks and non-banks*



# Cross-Category Awards

## ***Risk Management Disclosures - Banks***



### **Findings**

- Little or no changes from prior years
- Boilerplate disclosures
- Some efforts made in describing the evolution of risks year on year
- Lack of specificity of mitigating factors

# ***Risk Management Disclosures***

## **Banks**



### **Recommendations**

- Risk profile and appetite
- Better linkage between the purpose, customer, strategy, business activities, key risks and KPIs
- Less words and more effective use of visual aids

# Cross-Category Awards

## *Risk Management Disclosures*

### *- Non-Banks*

# ***Risk Management Disclosures***

## **Non-Banks**



### **Findings**

- Innovation in the presentation of risk information
- Better mapping of risks and mitigation strategies
- Greater importance given to the Internal Audit function
- Chair of Audit Committee taking responsibility for reporting
- Future orientation

# ***Risk Management Disclosures***

## **Non-Banks**



### **Recommendations**

- Linkage between strategy, objectives and risks
- Financial reporting risk
- Audit and risk committee composition
- How is your risk landscape changing?
- Future orientation



# ***Risk Management Disclosures***





## ***Risk Management Disclosures***

Banks



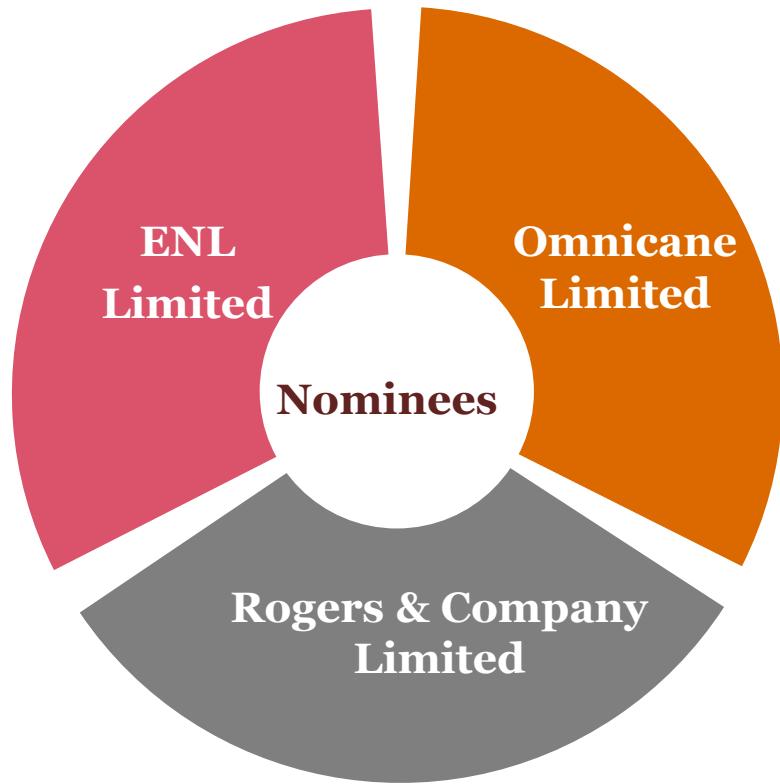
***Winner***

**MCB Group  
Limited**



# ***Risk Management Disclosures***

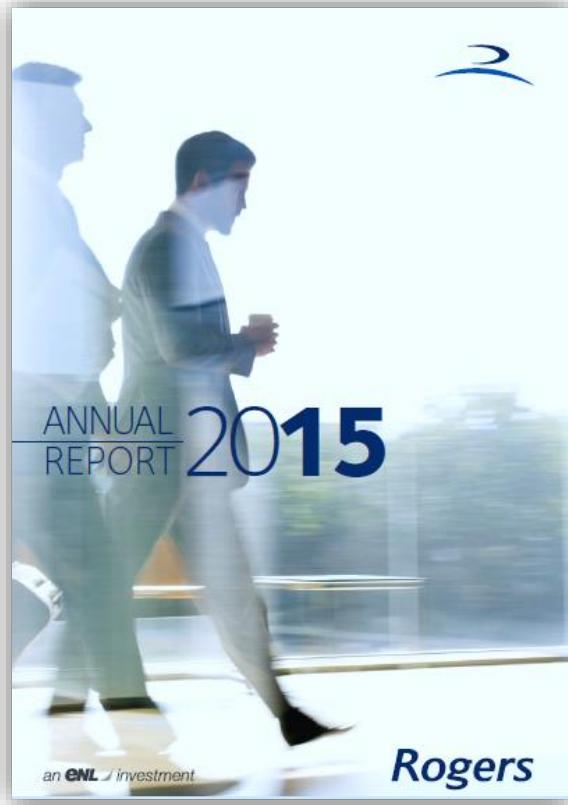
Non-Banks





## ***Risk Management Disclosures***

Non-Banks



***Winner***

**Rogers & Company  
Limited**

# *Corporate Governance Disclosures*



# ***Corporate Governance Disclosures***



## **Findings**

- Strict compliance approach
- Directors' evaluations
- Better discussion of areas of focus
- Board composition and competencies

# ***Corporate Governance Disclosures***



## **Improvements**

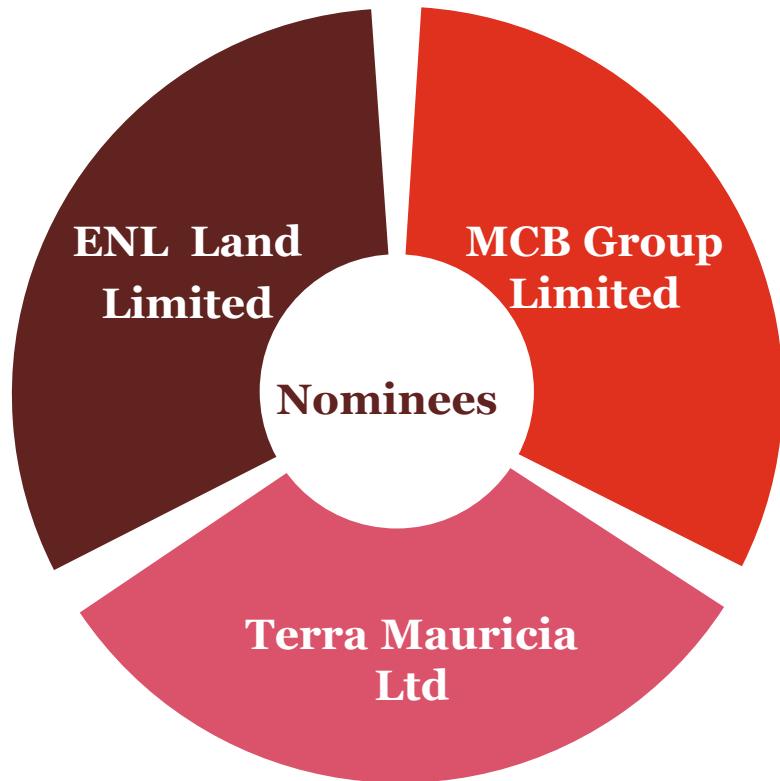
- Move away from boiler-plate approach
- Use more graphics
- Disclose other directorships in listed companies for ALL directors
- Disclosure of detailed remuneration per director
- Transparency around drivers of remuneration
- Clearer separation of power between CEO and Chairperson



# ***Corporate Governance Disclosures***

## Nominees

**2016**  
**18<sup>th</sup> year**



Sponsored by the NCCG



## ***Corporate Governance Disclosures***

Winner

**2016**  
**18<sup>th</sup> year**



***Winner***

**ENL Land Ltd**

# Online Reporting



# **Online Reporting**

## Assessment



Websites were assessed from the perspective of an investor or a provider of financial capital.

- Ease of access to financial and related information
- Use of multimedia, web trends
- Quick downloads; inter-active facilities
- Mobile device adaptability and coherence
- Connection to social media platforms.

# Online Reporting



## Findings

- Marked improvement in trends, style and navigation
- Mobile device adaptability and coherence, paired with links to social media
- Beefed up investor sections
- Useful links helping navigation
- Use of 'flip books'

# Online Reporting



## Recommendations

- Listed entities not mentioning their share price
- PDFs are back to being very static – not even navigation tools
- Select appropriate pictures
- Make the most of your search tool
- Nice recaps of data and charts, but with no links for more details
- Adapt to digital media and investor tools
- Update your calendar of upcoming events



# *Online Reporting*

## Nominees

2016  
18<sup>th</sup> year





# Online Reporting

[www.mcbgroup.com](http://www.mcbgroup.com)

The screenshot shows the homepage of [www.mcbgroup.com](http://www.mcbgroup.com). At the top, there is a navigation bar with links for 'INDIVIDUAL', 'CORPORATE', and 'MCB GROUP'. A search bar is also present. The main content area features a large image of a candlestick chart with a red line trend. On the left, there is a section for 'Investors Email Alert' with a 'Sign up now' button. Below this, there is a 'Start your career at MCB' section with a 'more information' button. The right side has sections for 'Investors' (with a pie chart and links for 'Financial information', 'Shareholder information', and 'Sign up for Email Alerts'), 'Publications' (with a 'MCB FOCUS Economic Update' section for '63<sup>rd</sup> edition FEB 2016'), 'News' (with a 'Half-year profits climb to Rs 3.1 billion' update from '12 Feb 2016'), 'Initiative 175' (with a 'Our commitment towards sustainable development' section), and 'Save the planet' (with a 'Receive your shareholder documents in electronic format. It's greener and' section). A red banner at the bottom left says 'Login securely to IB'.

Winner

MCB Group Limited

# *The Categories*

# Categories

## Findings

- IFRS compliance
- Overseas investments minimally addressed, even by banks
- Quarterly published accounts
- Credit analysis of some financial institutions
- Strategy document together with AR
- Assurance on non-financial KPIs

# Categories

## Recommendations

- Consider adopting <IR>
- Separation of duties for the CEO and Chairman
- Your external reporting should reflect your management reporting
- Report in a balanced way
- Insurance companies – credit quality of loan portfolio

# Categories

## Accounting remarks

- Reversal of impairment
- Impairment in the sugar sector
- IFRS 9 for banks
- IFRS 15 and 16 upcoming

# ***Non-listed PIEs and Parastatals***



## **Findings**

- A marked effort to connect strategy, KPIs and IFRS financial statements.
- Better use of graphics
- Delayed appointment of new directors
- Sub committees and decision power

## **Recommendations**

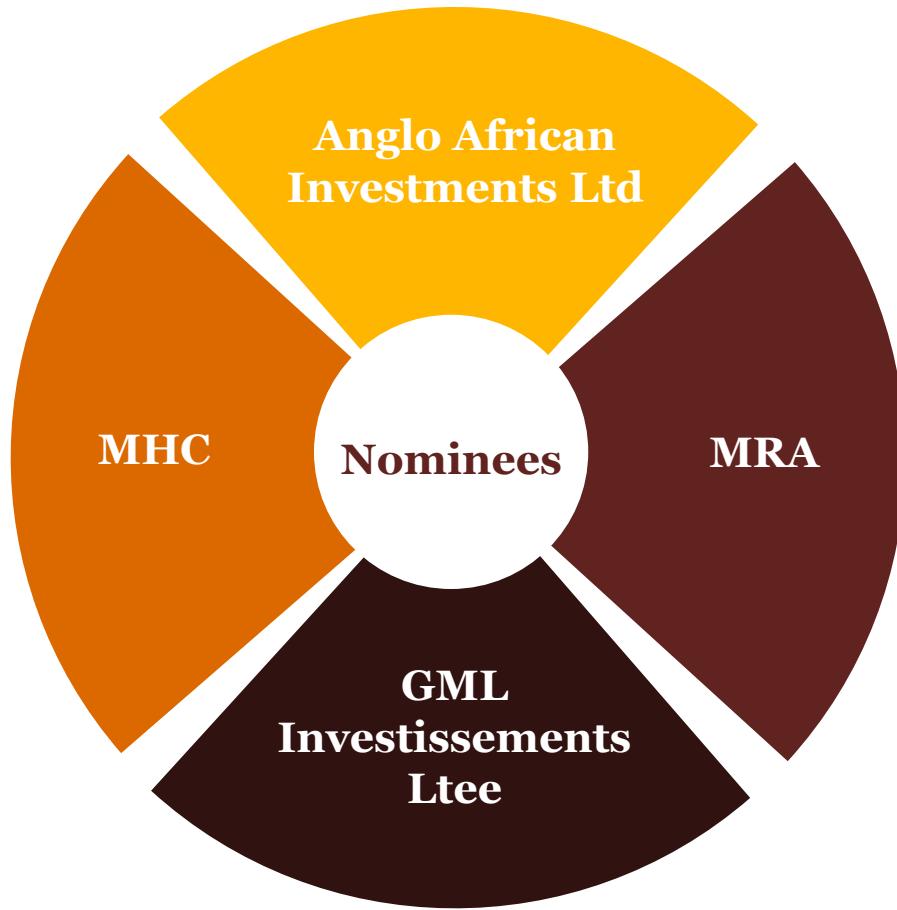
- Tell the story as it is, the good and the bad
- Deviations from set budgets fully explained and addressed
- Measuring Board effectiveness
- Parastatal Board sub committees should have more decision-making autonomy, within set guidelines.



# ***Non-listed PIEs and parastatals***

## Nominees

**2016**  
**18<sup>th</sup> year**





# ***Non-listed PIEs and parastatals***

## Nominees

**2016**  
**18<sup>th</sup> year**



**Winner**

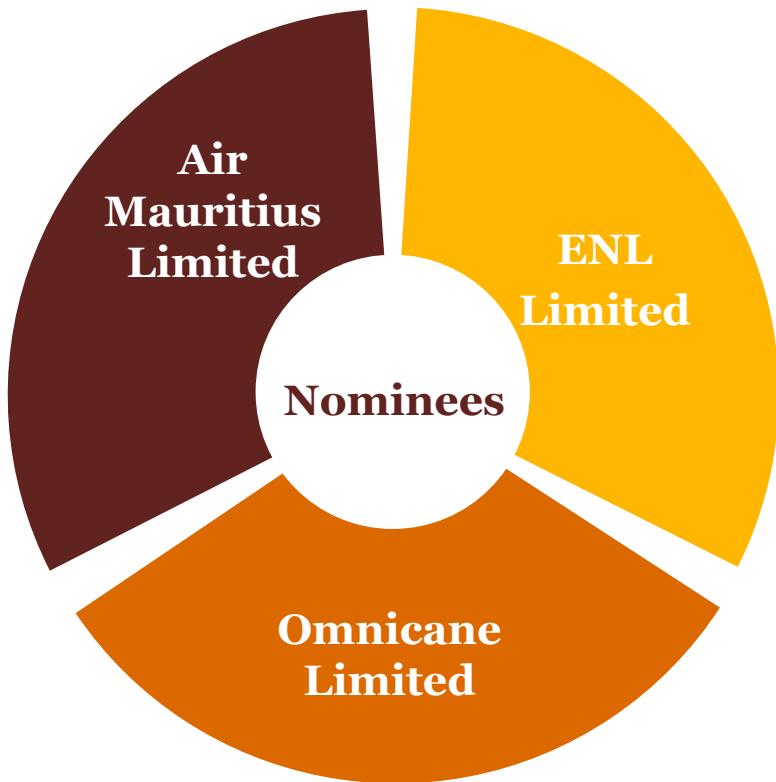
**Anglo African  
Investments Ltd**



# *Listed Companies*

## Nominees

2016  
18<sup>th</sup> year





## *Listed Companies*

Winner

2016  
18<sup>th</sup> year



*Winner*

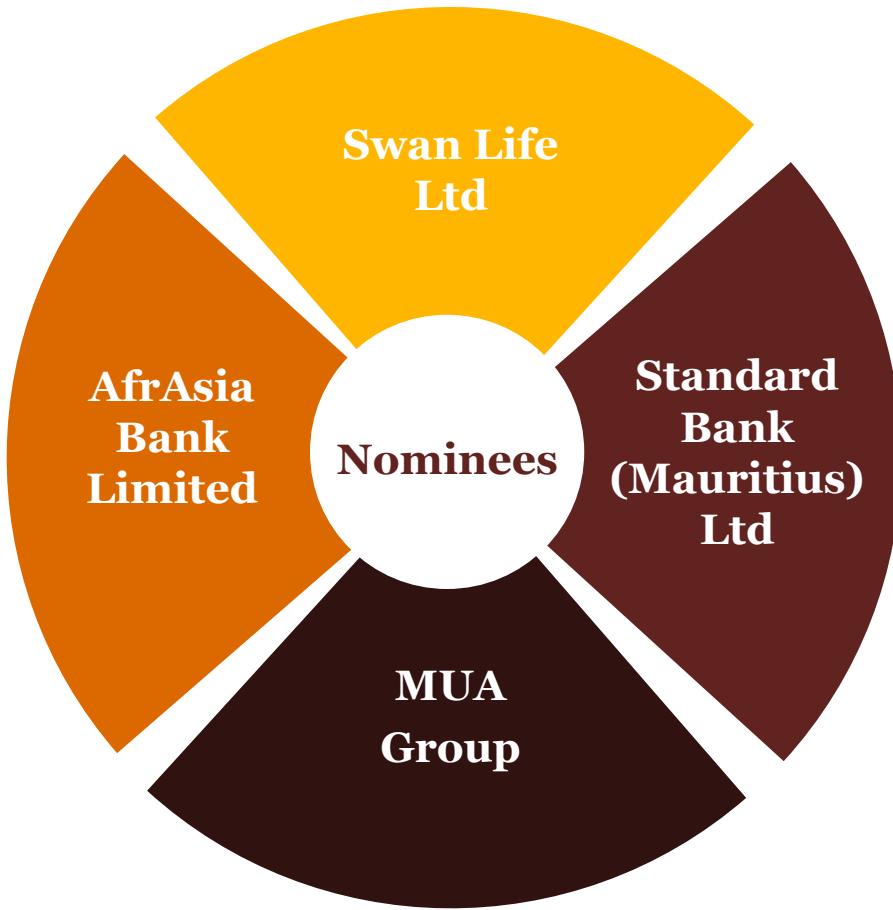
ENL Limited



# *Financial Institutions*

## Nominees

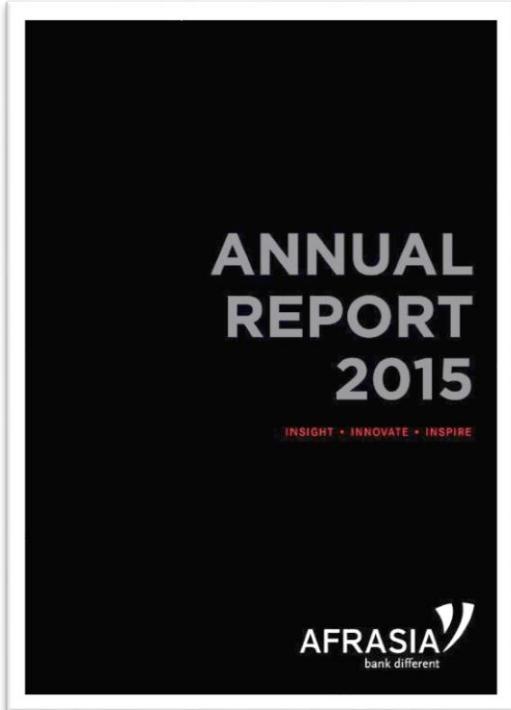
2016  
18<sup>th</sup> year





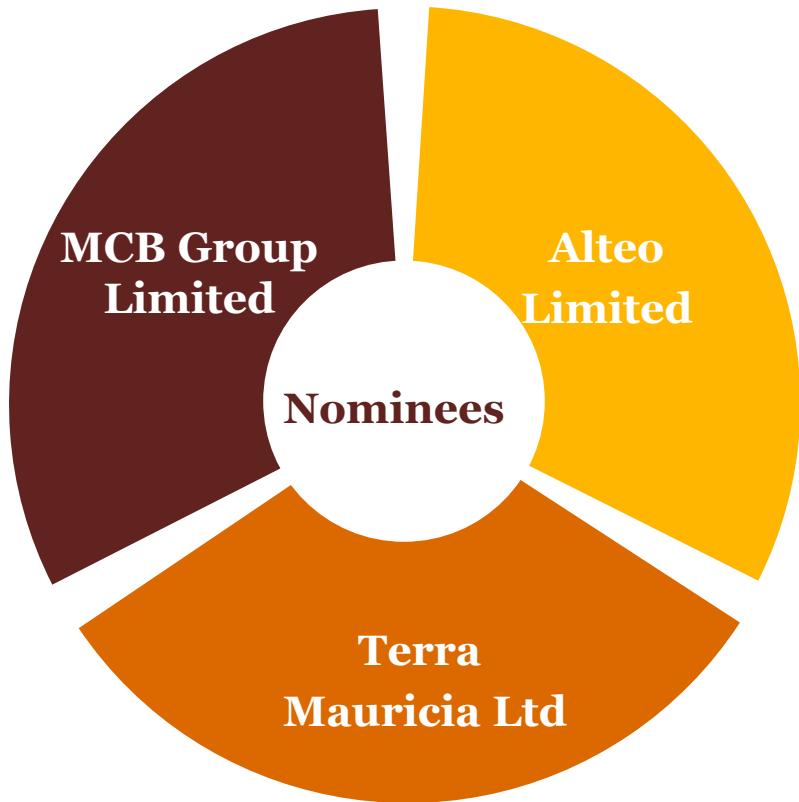
# *Financial Institutions*

2016  
18<sup>th</sup> year



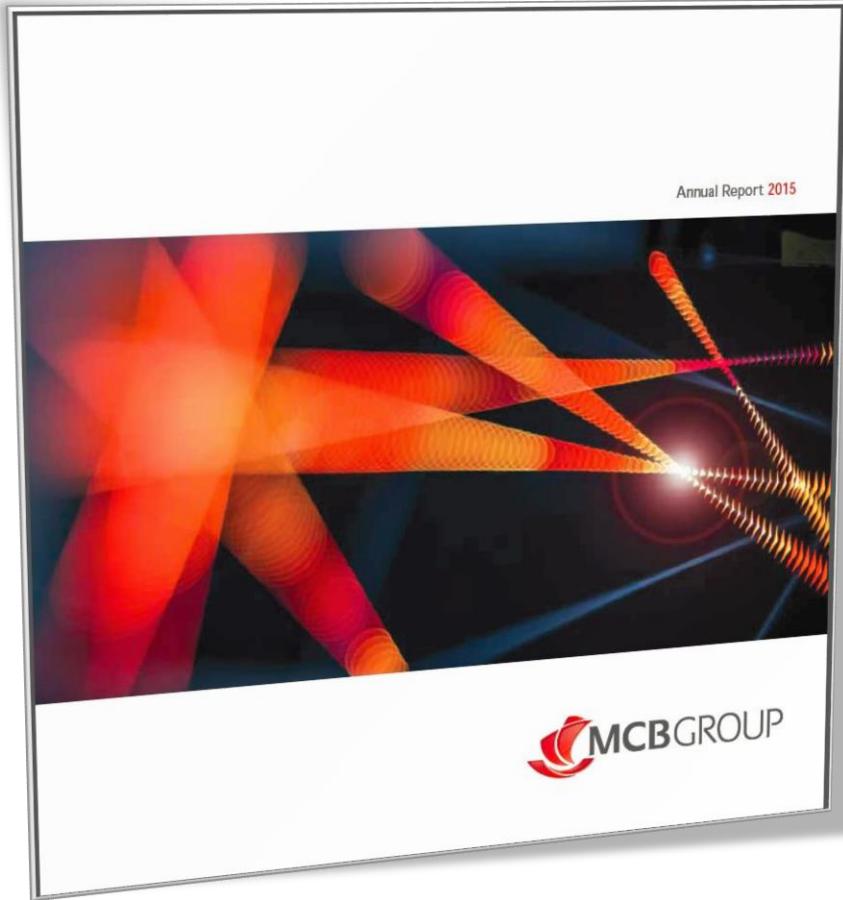
*Winner*

AfrAsia Bank  
Limited





**SEM-10**



*Winner*

MCB Group  
Limited

*[www.pwc.com/mu](http://www.pwc.com/mu)*

*[www.corporatereporting.com](http://www.corporatereporting.com)*

*[www.theiirc.org](http://www.theiirc.org)*