

# *Presenting the Judging Panel Findings*

Corporate Reporting Awards  
5 March 2014

# Welcome

The Awards

The Process and Review

The Judging Panel

About <IR>

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.*

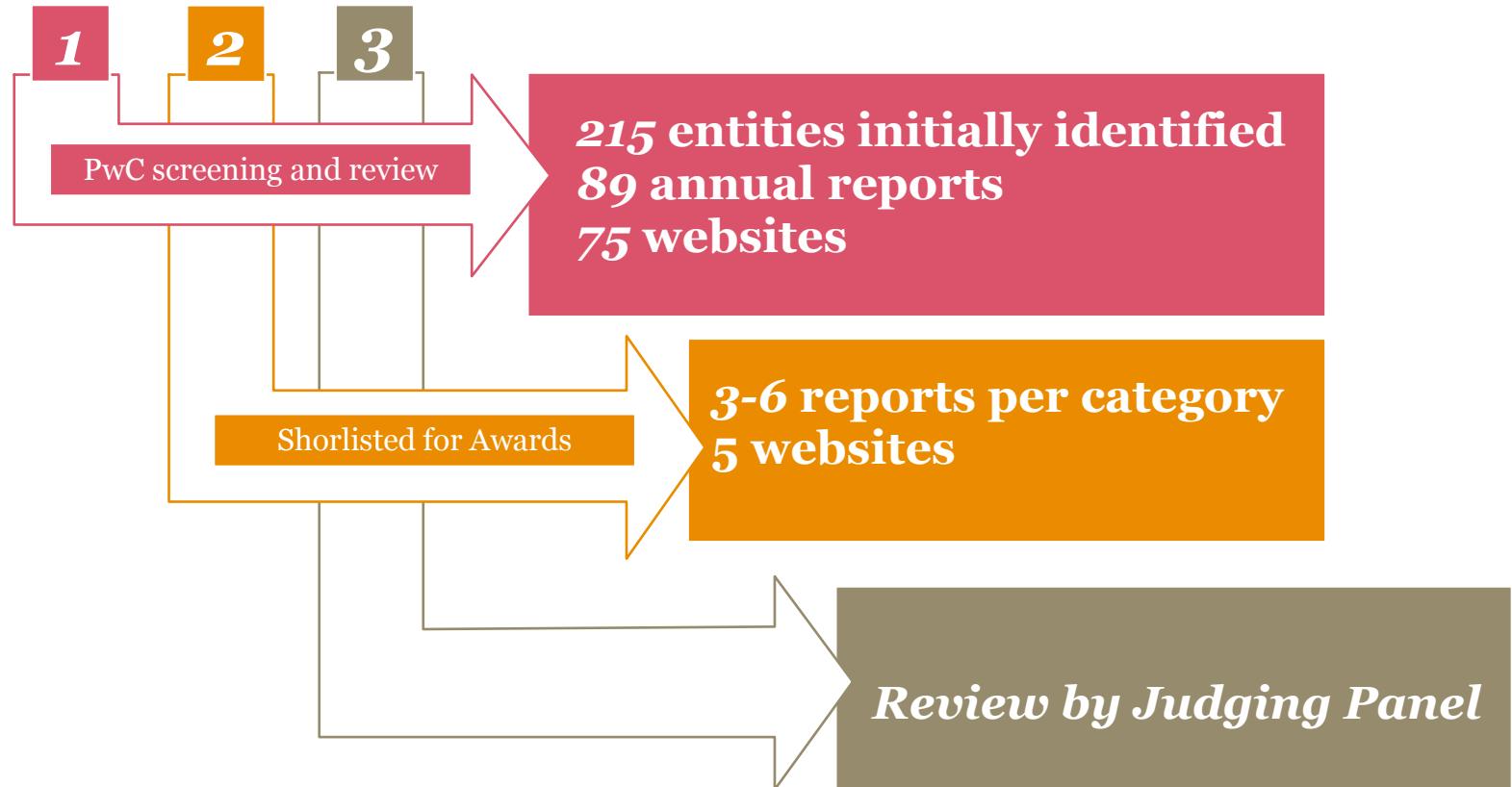
*Where an entity has the attributes of more than one category, it will qualify to participate in the top most category.*

- **SEM7 Companies**
- **Financial Institutions**
- **Public Interest Entities**

Cross-Category Awards

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

# *Process and Review*



## *The Judging Panel*

**Mr Jean-Paul de Chazal**  
Former audit partner

**Dr Raj Daliah**  
NCCG Representative

**Mrs Sharona Rambocus**  
DMH Associates Ltd

**Mr Cyril Wong Sun Thiong**  
Barclays Bank Mauritius Ltd

**Mr Maurice de Marassé Enouf**  
Director

## ***About <IR>***

***An integrated report explains how an organisation creates value over time. Value is not created by or within an organisation alone. It is influenced by its external environment, by its relationships with stakeholders, and is dependent of various resources.***

## ***Integrated Reporting <IR>***

The drive for innovation

Integrated thinking and strategy pushed down into your business

# ***International <IR> Framework***

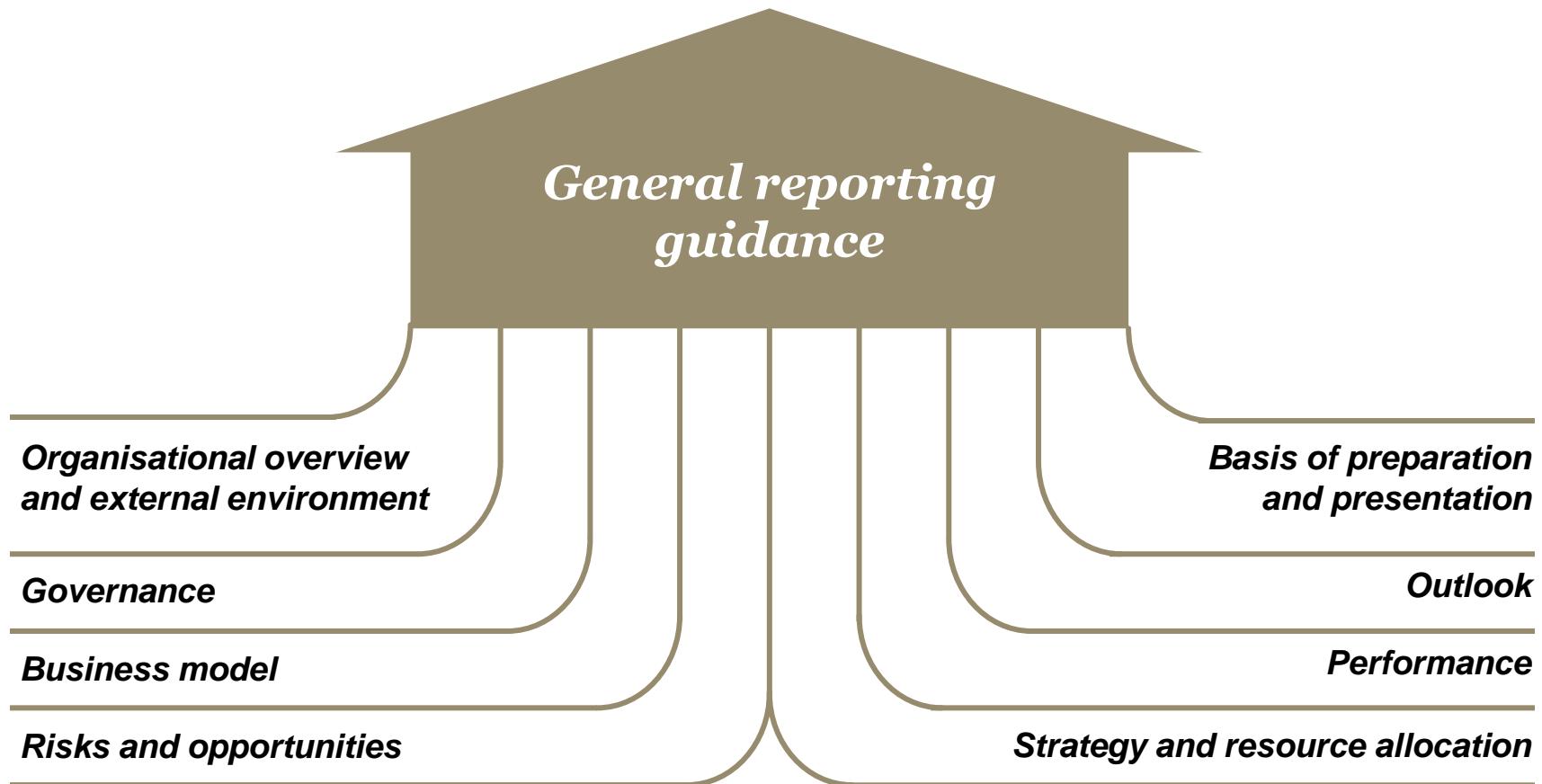
## **Guiding Principles**

- Strategic focus and future orientation
- Connectivity of information
- Stakeholder relationships
- Materiality
- Conciseness
- Reliability and completeness
- Consistency and comparability

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

# ***International <IR> Framework***

## **Content Elements**



---

*Time  
for the  
ceremony*

# *Risk Management Disclosures*

# ***Risk Management Disclosures***

Sponsored by the MIoD

**Assessed using a pre-defined checklist and standard guidelines:**

- Minimum legal requirements including the risk management section of the Code of Corporate Governance
- Global best practices in risk management disclosures
- Quality of presentation and layout

**The Panel's main message**

***Too much focus on operational and financial risks.***

***Talk about your Emerging Risks and other opportunities coming from changes in the environment and market.***

# ***Risk Management Disclosures***

Sponsored by the MIoD

## **Findings**

- More effective use of visual aids
- The majority discussed their risk structure in place and objectives of the Board
- Only a few discussed their strategic risks
- Most do not disclose their risk awareness programmes and how their people are trained
- Sensitivity analysis for banks only
- Banks are still well ahead

# ***Risk Management Disclosures***

Sponsored by the MIoD

## **Recommendations**

- Consider emerging risks
- Disclose how you carried out your risk assessment
- Share what is your risk appetite and risk tolerance
- Identify your top risks
- Map your mitigating measures clearly to your top risks
- Use less jargon
- Share what risk has impacted you during the year and how you dealt with it

---

## *Risk Management Disclosures*

Nominees

*AfrAsia*

*Air Mauritius*

*Bank One*

*MCB*

# ***Risk Management Disclosures***

Winner



***The Mauritius  
Commercial  
Bank Ltd***

# Corporate Governance Disclosures

# **Corporate Governance Disclosures**

Sponsored by the NCCG

- Code of Corporate Governance and beyond:

Directors profiles

Attendance

Internal Audit function

Sustainability reporting

Disclosures which avoid  
'boilerplate' recitals

The Panel's main message

*Over the years, we note a  
good improvement in  
Corporate Governance  
Disclosures*

# ***Corporate Governance Disclosures***

Sponsored by the NCCG

## **Findings**

- Real effort to improve the voluntary disclosures
- Tendency towards ‘constrained’ governance reporting
- Effectiveness of Executive Directors sitting on other Boards of listed entities
- Remuneration Philosophy still unclear
- Some Executive Directors earn less than their Non-Executive peers
- Quarterly results reconciled to annual results
- Shareholders’ question time on the Annual Meeting’s agenda

# ***Corporate Governance Disclosures***

Sponsored by the NCCG

## **Recommendations**

- Clearly identify your directors as executive, non-executive and independent
- Provide specific information on work done by Board sub-committees
- Show how Executive's remuneration has changed over the year and rationale for change
- State how many years the audit partner is signing the audit report and any agreed period for audit partner rotation

# ***Corporate Governance Disclosures***

Nominees

***MCB***

***Rogers***

***Terra***

# ***Corporate Governance Disclosures***

Winner



***The Mauritius  
Commercial  
Bank Ltd***

# *Online Reporting*

# *Online Reporting*

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

Focussed on:

- Ease of navigation
- About YOU
- Information needs
- Up-to-date news
- Graphics and tools

The Panel's main message

*The investor page is still a repository of PDF documents;*

*Give the ability to users to tailor information*

# ***Online Reporting***

## **Findings**

- Difficult to find the investors' corner or relations page
- Lots of financial information but in static form
- Analysts meetings are available but some are out-of-date
- Only MCB and AfrAsia have an Annual Report App
- Only AfrAsia has videos
- Contact persons for financial and general queries
- Greater presence on social media
- Livechat

# ***Online Reporting***

## **Recommendations**

- Review layout of website
- Test viewing experience
- Put yourself in the shoes of an investor
- Reproduce information of interest
- Provide trend in share price
- Use videos

## **Web trends**

- Enhanced user experience
- Desktop and mobile sites
- Tailored information
- Investor tools
- RSS feeds and email alerts
- Presentations and webcasts
- Analyst forecasts
- Investor Relations Apps

---

***Online Reporting***

Nominees

***AfrAsia***

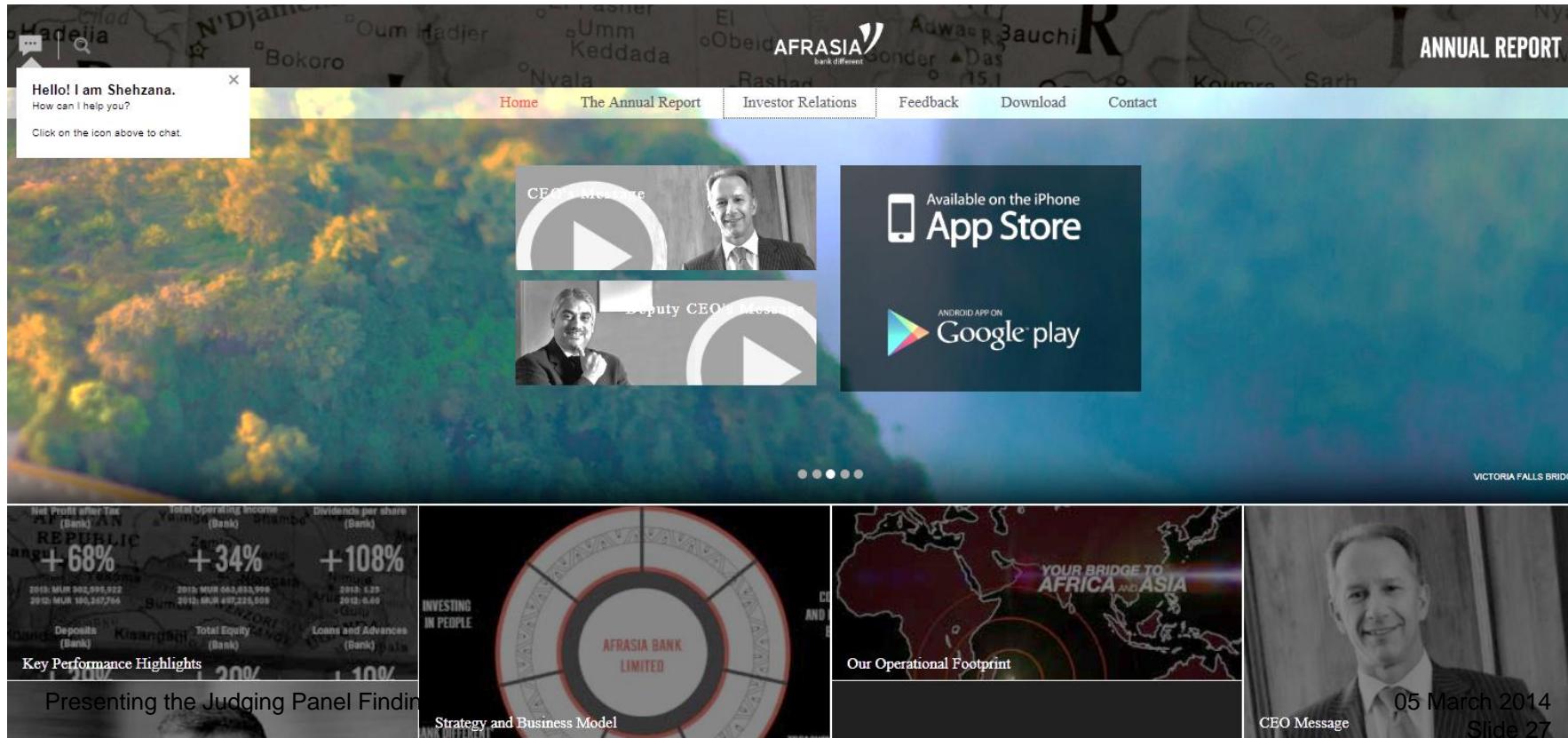
***ENL Group***

***MCB***

# Online Reporting

Winner

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



The screenshot shows the homepage of AfrAsia Bank's annual report. The top navigation bar includes links for Home, The Annual Report, Investor Relations, Feedback, Download, and Contact. A live chat window on the left says "Hello! I am Shehzana. How can I help you? Click on the icon above to chat." The main content area features a large image of a waterfall, with a video player showing a CEO message and another showing a Deputy CEO. To the right, there are links for the App Store and Google Play. Below the main image, there are four cards: "Key Performance Highlights" (with a +68% growth in profit after tax), "Strategy and Business Model" (with a circular diagram), "Our Operational Footprint" (with a world map), and "CEO Message" (with a photo of the CEO and the date 05 March 2014).

ANNUAL REPORT

Hello! I am Shehzana.  
How can I help you?  
Click on the icon above to chat.

Home The Annual Report Investor Relations Feedback Download Contact

CEO Message Available on the iPhone App Store

Deputy CEO Message ANDROID APP ON Google play

Key Performance Highlights

Strategy and Business Model

Our Operational Footprint

CEO Message 05 March 2014

Slide 27

# *The Categories*

# ***The Categories***

## General Comments

***“... there are good reasons to believe that this year’s weak performance, affected by ‘one-off cases, will not recur in the near future and that next year will see a decline in impairment rates.”***

***“... the share of losses from that during the year were partly due to restructuring costs.”***

# ***The Categories***

## General Comments

*“... we enhance our net asset value after carrying out a revaluation exercise.”*

*“... a potential surplus of MUR 1.2 billion was estimated by the valuer but was not accounted for in the financial statements.”*

# Categories

## Findings

- One company called its annual report an integrated report
- A few companies are talking about their strategies and venturing in the future orientation space
- Not enough companies are linking objectives to strategies, strategies to performance and performance to remuneration
- Not enough explanation on how you make money
- Lack of connectivity between strategy and KPIs, between performance or outcomes and remuneration
- KPIs disclosed are mostly financials

# Categories

## Recommendations

- Link your operational segment discussions to IFRS 8 disclosures
- Avoid jargons and technical abbreviations or define them beforehand
- Explain how profits have changed using bridge charts
- Embed future orientation principle into your reporting
- Provide measures that matters and identify your KPIs
- Have your interim statements reviewed and assured

# Categories

## Accounting remarks

- Accounting for “amalgamations”
- Land revaluations at 70% of the revalued amount
- Costs that are excluded from operating profits
- Bond expenses as an asset
- Liquidity tables that exclude future interest payable

---

***Public Interest Entities***

Nominees

***Air Mauritius***

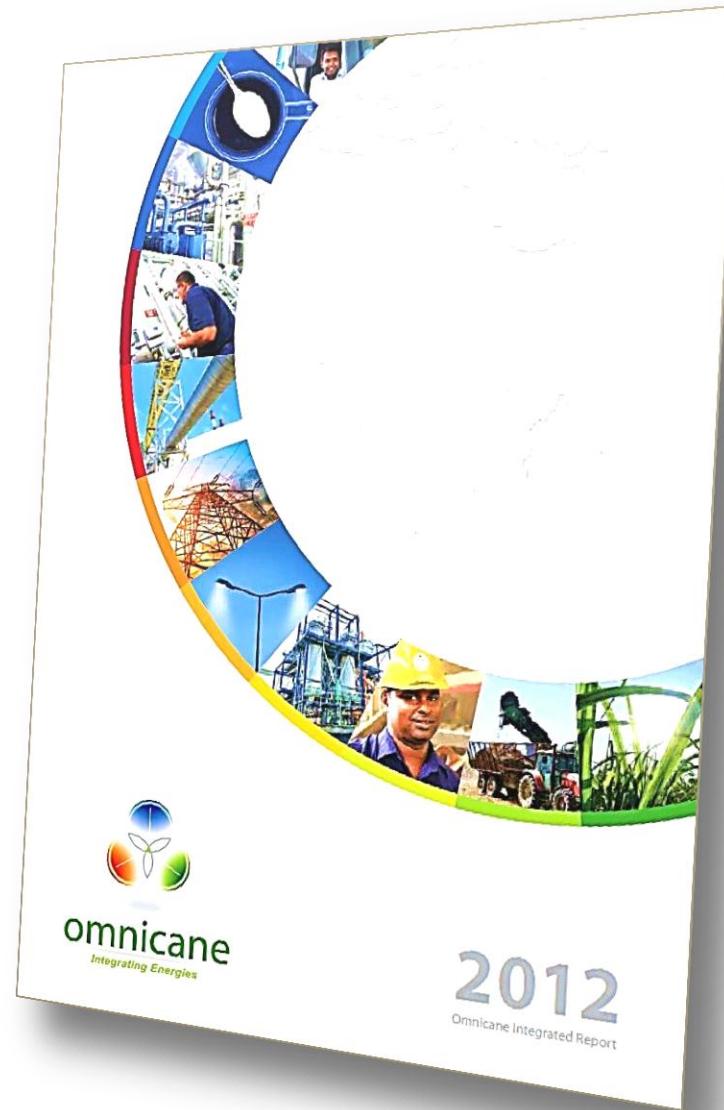
***Omnicane***

***Rogers***

# ***Public Interest Entities***

Winner

***Omnicane  
Limited***



---

## *Financial Institutions*

Nominees

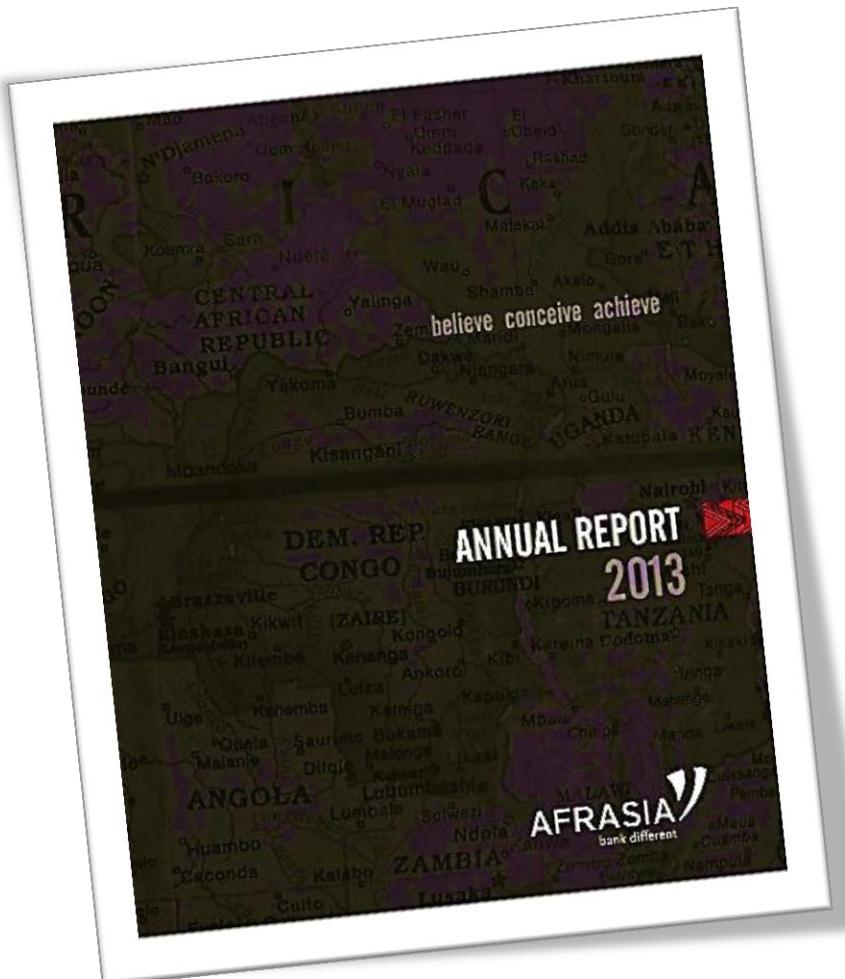
*AfrAsia*

*Bank One*

*Standard Bank*

# *Financial Institutions*

## Winner



# *AfrAsia Bank Limited*

---

**SEM-7**

Nominees

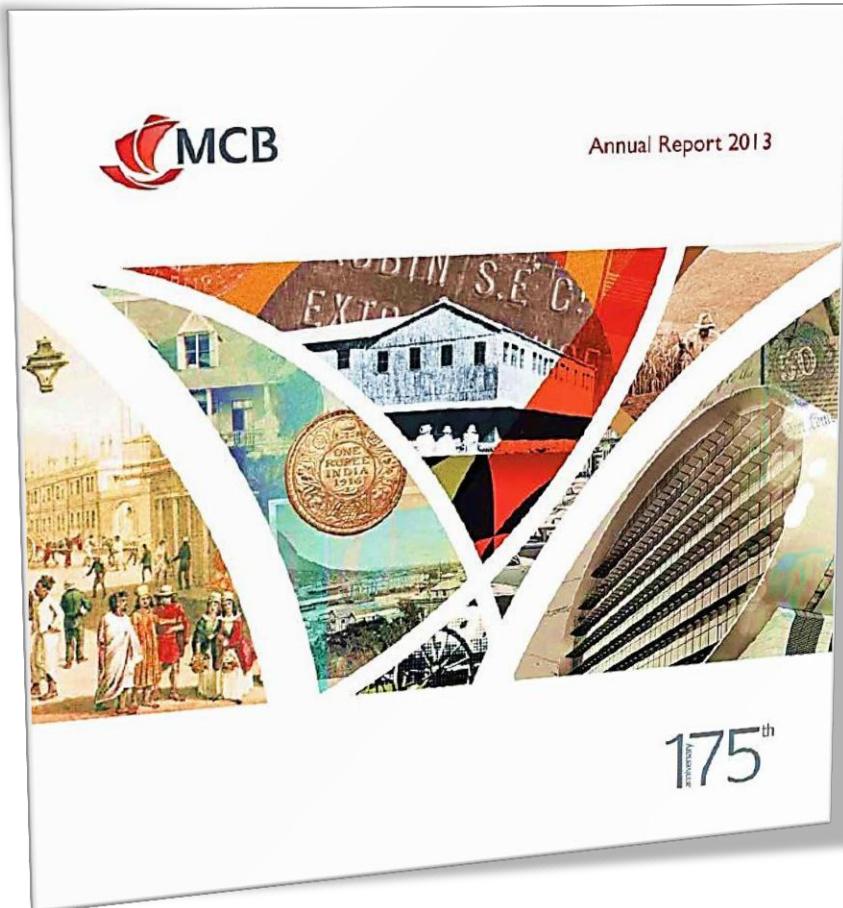
*Alteo*

*MCB*

*Terra*

**SEM-7**

Winner



***The Mauritius  
Commercial  
Bank Ltd***

---

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

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

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