Corporate reporting - evolution and integration

A review of corporate reporting trends in the year to 30 June 2016 across the ASX 200 and beyond
Welcome to KPMG’s third survey of ASX 200 Corporate Reporting.

Driven by a combination of legislation, regulation, investor-led corporate governance enhancements, and voluntary actions, corporate reporting reform continues to gain global momentum.

Local status
This survey demonstrates further improvements in Australian corporate reporting in 2016, but at a slower pace than many other countries.

Amongst ASX 200 companies, 60 percent have “cut the clutter” in their financial reports. Many of those companies are also seeking opportunities to remove volume and improve clarity in the rest of their annual report and other corporate reports.

Companies such as National Australia Bank and Lendlease and other organisations, such as VicSuper, Cbus, and Australia Post, have moved further along the ‘Reporting Continuum’. These organisations are now reporting on how they create longer term value. The Lendlease case study (page 22) is a great example of the challenges and benefits of moving toward integrated reporting.

Global drivers
Globally, including in the US, organisations are moving along the Reporting Continuum more quickly. Companies such as Unilever, SAP and Coca-Cola continue to release integrated reports. This year, GE issued its first Integrated Summary Report to better and more succinctly explain through the lens of management how GE creates sustainable value.

These developments are being supported by major investors, such as BlackRock and CalPers, who are strongly encouraging companies to report on how they create long term value. Academic research, as well as corporate feedback, is demonstrating the internal and market benefits of integrated reporting. Leading academic Mary Barth from Stanford University recently found that good integrated reporting is positively associated with both stock liquidity and firm value.

In the UK, companies are required to prepare a Strategic Report as part of their Annual Report. The European Commission has introduced a non-financial reporting directive and in Japan, Brazil and South Africa integrated reporting is being driven by principles of good corporate governance. In New Zealand, the External Reporting Board (XRB) has adopted extended external reporting as a strategic priority for FY16/17.

I hope the results of this survey provide you with ideas and inspiration to consider on your journey to maximising the value of your corporate reporting.

About this Report

"This integrated report demonstrates how NAB is working to create value for stakeholders through our business strategy, operating environment, governance, financial and non-financial activities."

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Key findings

This report follows on from KPMG’s 2015 survey *A new era in Corporate Reporting – Review of recent corporate and de-cluttering trends in the ASX200*. The approach adopted this year is consistent with last year’s approach, except that this year more focus has been given to assessing each organisation’s progress along what we call the *Reporting Continuum*.

We have identified three major stages in the *Reporting Continuum*, although organisations may only take on one or two areas of improvement within each stage in any particular year.

The three stages are:

**Stage 1** – Cutting the clutter in the annual report.

**Stage 2** – More insightful reporting, moving beyond cutting the clutter to focus on value creation in the short, medium and long term.

**Stage 3** – Integrated Reporting, with reference to the IIRC’s International Integrated Reporting <IR> Framework.

These reports are now clearer and more readable.

Some organisations have taken the concept further and de-cluttered their Remuneration Report.

Most also now present their Corporate Governance Statement on their website. Making this change has however left many companies with a gap in their primary report to their shareholders, the annual report.

We believe there is still a need to demonstrate how the Board performed in overseeing management’s delivery on strategy and management of risk.

We have also looked at the reports of a number of large scale Australian organisations who strive to emulate the better practice reporting of leading listed organisations. These non-listed organisations have also made advancements through this year.

It is encouraging to see that the majority of listed organisations have ‘cut the clutter’ in their financial reports to remove immaterial information, restructure and improve presentation.
Organisations that have moved beyond ‘cutting the clutter’ are now directing their attention to demonstrating value creation.

Organisations in this stage (Stage 2) of the Reporting Continuum include: mining houses, banks, property companies, Telstra, nbn and Australia Post. In their annual reports, these organisations present their business models, strategies, risks and performance clearly. In the Operating and Financial Review (OFR), their message has shifted to a focus on longer term value creation. They have gone beyond ASIC’s Regulatory Guide 247: Effective disclosures in an operating and financial review (RG247).

Many have also retained an overview of their governance practices, and a few describe what we call ‘Active Governance’. Active Governance involves outlining the Board’s key areas of focus during the year and actions taken.

In a number of instances, we also see a clear linkage described between strategy, performance and executive incentives in Remuneration Reports.

Many of the organisations progressing through the second stage of the Reporting Continuum are not far away from preparing an integrated report.

Only a small number of organisations have entered Stage 3 of the Reporting Continuum. Even those which have entered Stage 3 agree there is work to be done.

In this publication we use Lendlease’s recent integrated reporting experience as a case study. Lendlease is now in Stage 3. The company produced its first annual report with reference to the <IR> Framework in 2016 through its OFR. By doing so, they were able to remove two reports from the reporting portfolio, present a much clearer value story to their key stakeholders, and eliminate six weeks of report preparation effort.

Areas for improvement remain, but the Lendlease story should inspire others to follow suit next year.

The following pages provide a summary of the findings from our review with a few examples highlighting good practices across each of the above three stages.

An illustration of the ASX200 advancing along the Reporting Continuum
Financial reports - easy to read and understand?

The ‘three R’s’ when de-cluttering

There are three R’s to consider when cutting the clutter in financial reports:

- **Remove** immaterial or irrelevant financial report disclosures that have built up over time
- **Re-order** and re-label accounting policies and detailed notes so that they better reflect the key financial measures and focus on areas of most relevance
- **Re-write** technical wording into plain English, whilst still fully complying with relevant accounting standards and regulatory requirements.

Over the past two years, we have seen a significant take up of organisations re-designing their financial reports and applying the ‘three R’s’. As of the June 2016 reporting season, we noted over 60 percent of the ASX 200 have de-cluttered their financial reports.

The process to de-clutter a financial report is not a complex one, and feedback from executives and directors continues to demonstrate that this is a worthwhile investment. The result is reports that are generally shorter, easier to read, navigate and understand.

Preparers are also commenting that de-cluttered reports are saving time during the busy year end process, as the removal of immaterial information has resulted in less information needing to be prepared and generally shorter reports for senior management and directors to review.

De-cluttering financial reports is not only beneficial for ASX listed organisations. All organisations with internal and external stakeholders who prepare publicly-available financial reports can benefit from the process, including not for profit organisations and government business entities who are looking to better explain financial performance to potential donors, supporters, government stakeholders and the general public.
Pact Group Holdings

Pact Group has used a number of de-cluttering techniques to help readers better understand the information within its annual report. This has resulted in a 16 page (33 percent) year-on-year reduction to the length of the report.

Below highlights some examples of how Pact Group did this:

Section introduction refers to Pact’s strategy, providing connectivity throughout the broader annual report.

Using company specific information rather than boilerplate disclosures.

Use of a table helps readers differentiate between segments and also removes repetition.

Accounting policy included as part of the analysis and interpretation note.

Sydney Airport Limited

Sydney Airport have de-cluttered the financial report, resulting in a 13 page (30 percent) year-on-year reduction to the length of the report.

Below highlights some examples of how Sydney Airport did this:

**2 INTEREST BEARING LIABILITIES (CONT.)**

The maturity profile of interest bearing liabilities is presented in the chart below:

Assets pledged as security
All interest bearing liabilities of SCACH, a wholly owned subsidiary, are of equal rank with respect to all its assets (excluding deferred tax and goodwill) pledged as security.

The security consists of fixed and floating charges over the assets of the Group and a mortgage over the Airport lease.

Recognition and measurement
The Group recognises interest bearing liabilities on the date that they become a party to the contractual provisions of the instrument. These are initially recognised at fair value less any attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

At 31 December 2015 and 2014, the fair values of all fixed interest rate bonds were determined based on observable market inputs, categorised as Level 2.

The Group derecognises an interest bearing liability when its contractual obligations are discharged, cancelled or expired.

CIBs explained
Capital indexed bonds are inflation linked bonds. The principal amount of the bond is indexed against the Consumer Price Index with the revised capital amount due for repayment at maturity.

Effective interest rate method explained
A method of calculating the amortised cost of a financial liability, allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

Remuneration report – does pay equal performance?

Executive remuneration policies and practices have become a focus area for many organisations continuing on their de-cluttering journey.

Although the average length of the Remuneration Report has only decreased by one page, our review showed that some organisations have improved the clarity and readability of their remuneration reports by focusing on:

- describing how key management personnel are remunerated in the short, medium and long term, including highlighting amounts ‘at risk’
- specifically discussing how remuneration is linked to the company performance and value created during the year
- re-ordering the disclosures to show a more practical flow of information, such as including all non-executive director information in a single section at the back of the report.

This has allowed organisations to reduce the size of their remuneration report because duplicate disclosures and excess information have been removed.

This reporting season has seen questions raised over the variety of financial metrics and the inclusion of non-financial metrics in determining executive performance and reward. We suggest that the focus of the debate, and the questions asked, need to change.

It is entirely appropriate that the metrics which clearly and demonstrably measure execution of a particular organisation’s strategy form a key part of the basis on which executives are rewarded. Reporting on these measures and their strategic alignment is critical, as this is a key element of the investment equation. An investor should ask, ‘do I understand the strategy and the drivers of its past and future execution?’ If that involves operational effectiveness, customer service experience or achievement of diversity targets, then so be it – if that is core to the organisation’s stated strategy.

We are not commenting on the levels at which such measures represent over or under-performance, nor on the weighting given to each one in incentive arrangements. However, if they are central to strategy and aligned to creating long term value, then they should be taken into account when assessing performance and remuneration.

This is an area where further dialogue is required to ensure company investors (and proxy advisers) are brought on the corporate reporting journey and involved in scoping what is material for reporting. It would be better if the questions from the market focused on the quality and integrity of the measures reported, and the extent to which they are aligned to strategy, performance and reward.
IOOF Holdings

IOOF has included an Executive Summary and extended the Overview to clearly state the purpose of the Remuneration Report and set the scene for the remuneration outcomes to follow.

“Following on from the work we had undertaken in de-cluttering our financial statements, it was logical to determine if our remuneration report was providing informative, relevant and concise communication. We restructured the report; summarising key remuneration tables and bringing them forward to provide an instant overview of our executive remuneration. We also eliminated significant duplication and jargon, where possible, to make the report cleaner and more concise. Overall, this reduced the size of our report by approximately 21 percent, resulting in a more informative and easy to read remuneration report which focuses on what actually matters.”

David Coulter, Chief Financial Officer, IOOF Holdings

1.1 Summary – Key Management Personnel remuneration

The IOOF Group sets a total remuneration package approach in determining remuneration that comprises both “fixed” and “at risk” components. These components reflect an employee’s contribution to the IOOF Group, their skills and qualifications, market benchmarks and the remuneration environment.

The remuneration arrangements for KMP comprise three key components:

- a base package which is paid at annual increments and is reviewed on an annual basis with consideration given to cost of living increases (CPI), market movements or changes in the scope of the individual’s role and responsibilities;

- a Short Term Incentive (STI) amount which is tied to the successful achievement of a set of performance scorecard objectives (including financial, strategic, customer and people objectives) for the annual performance period. STI awards are considered "fixed" components of an individual's remuneration and can be awarded as written cash or share-based arrangements; and

- a Long Term Incentive (LTI) which is intended to provide incentives to KMP to remain with the IOOF Group to enhance the sustainable performance of the IOOF Group over the long term. LTIs are considered “at risk" components of an individual’s remuneration and are subject to performance hurdles to achieve.

Overview

The Non-Executive Directors of the IOOF Group are also required to be disclosed as part of this report and are listed below:

- Mr A Griffiths
- Ms J Harvey
- Ms E Flynn
- Mr G Venardos
- Dr R Sexton AM

nbn

nbn’s Remuneration Report starts by focusing on the link between the corporate strategy and the remuneration strategy. The following diagram goes further and shows the reader how the overall goal and strategic imperatives of nbn are reflected in the compensation metrics of senior executives and explains the impact on actual remuneration based on performance during the year.

Corporate governance – does it matter?

With the release of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (3rd edition), and the change to ASX Listing Rule 4.10.3 organisations were given the freedom to remove the Corporate Governance Statement from the annual report and replace it with the website URL where the statement is located.

This was a great step to help organisations free up much needed space in the annual report and remove year-on-year standing data, giving them more real estate to focus on the information needs of their shareholders.

The majority of organisations reviewed have now removed the Corporate Governance Statement from the annual report. However for many, the annual report no longer contains any information on how the organisation is governed or the areas of focus of the Board for the year and going forward.

When de-cluttering the Corporate Governance Statement, organisations should consider if the governance section within the annual report contains sufficient discussion on how the governance framework operated in the year and what, if anything, has changed.

Organisations have replaced the Corporate Governance Statement with a Governance Summary.

Organisations have nominal governance information in the annual report.

Organisations have increased their focus on ‘Active governance’, the critical consideration.

Active governance

Leading reporters in this space have recognised the need to continue to inform their readers about governance and started to include an ‘Active Governance’ summary focusing on how the Board has supported value creation during the year, including:

- explaining how the Board actively oversees management’s delivery against strategy, within the risk appetite of the group
- key areas of concern, activities and actions taken by the board during the year
- how the governance structures have adapted to changes in business practices, including changes in the governance structure and frameworks.
Treasury Wine Estates

In 2016 Treasury Wine Estates (TWE) removed its nine page Corporate Governance Statement, which detailed its compliance with the ASX Corporate Governance Principles and Recommendations, from the annual report and replaced it with a three page corporate governance summary focusing on:

- key 2016 governance focus areas of the Board
- Board competency skills matrix
- role of the Board
- Board committees
- governance policies.

The summary is well balanced between providing the reader with an overview of the governance framework in place at TWE and presenting ‘active information’ on the governance activities of the board during the year.

“The Board believes good corporate governance and transparency in corporate reporting is a fundamental part of the group’s culture and business practices, as such we felt it was important to continue to demonstrate to our investors, through the annual report the role of the Board and Board committees during the year in overseeing the implementation of our strategy.”

We are starting to see a shift in the focus of annual reports and other corporate reports. Rather than solely focusing on earnings, organisations are beginning to highlight how they create sustainable value and explain the ‘value’ they have created during the year for their shareholders.

Many organisations wanting to tell a more insightful story have started to adopt integrated reporting principles in current reporting. This includes how they create long term value through their business models and details of the most important resources and relationships they rely upon.

Some organisations are incorporating this information into the existing Operating and Financial Review (OFR), with some of them now starting to go well beyond the requirements of a basic OFR as guided by RG247.

A number of good examples of improved disclosures in the areas of strategy and the alignment between strategic priorities and performance are now available.
Growthpoint

The theme of the Growthpoint annual report, which is described as an integrated report, is sustainable growth. “Sustainable growth means ensuring Growthpoint’s business assets, revenue and expenses are able to be continued. It includes enhancing people and limiting our impact on the environment.”

When reporting back on strategic objectives for the year they concisely show the goal for the current year, the outcomes and the goal for the next financial year. The disclosure presents outcomes in a balanced way, and it was clearly evident where the stated strategic objective was not achieved.

The disclosure clearly signposts where the reader can find additional information, adding to the connectivity across the whole report.

Henderson Group PLC

Henderson use a table to show the connectivity between their strategic priorities, how they performed during the year, the key performance indicators (KPIs) used to measure performance and the principal risks that impact each strategic priority.

Each KPI is then explained in detail on the following pages, including a graph showing current and past performance, how the KPI is linked to strategy and commentary on the current year performance.

Telstra

Telstra clearly explains who Telstra is and shows clear linkage between the overview and other sections of the report i.e. the strategy ‘Improve Customer Advocacy’.

Improving Customer Advocacy has been a key strategic focus for Telstra for some time as it is a key driver of sustainable value. The disclosure is balanced as it explains clearly that although performance in certain business units has improved, ‘Our overall NPS performance this year was disappointing, and shows we have more to do to deliver a great experience for our customers every time they interact with us’. The disclosure goes on to explain what Telstra is doing to rebuild that customer experience and advocacy.

In addition to the annual report, many organisations also produce a number of voluntary and regulatory reports targeted at different stakeholder groups, such as sustainability/ESG reports, investor presentations, annual reviews and reports required by industry-based regulators. This can result in complex reporting portfolios, with reports being prepared by different teams across the organisation and released at different times throughout the year.

Each additional report requires organisations to have additional internal review processes to ensure the integrity of the report and that data being communicated is accurate. Additional reports increase the risk of disconnected and/or inconsistent information going to market, especially if it is being released at a later date. They also cost money to produce.

As a next step to continue their journey along the Reporting Continuum, some organisations are starting to set a corporate reporting strategy, beginning with a stocktake of the reports in the corporate reporting portfolio. This allows them to re-evaluate the real need for each individual report.

Engaging with report users to understand their information needs, and subsequently rationalising the reporting portfolio not only better meets the material information needs of key stakeholders, but can also help drive internal cost efficiencies. It can be done as part of setting an overall corporate reporting strategy taking the organisation further down the path towards integrated reporting.

“Lendlease will be transitioning to an Integrated Reporting Framework with reference to the International Integrated Reporting Council’s framework. Lendlease will now report its annual results in the form of an Integrated annual report, incorporating the previous annual report, Directors’ Report & Financial Statements and the Securityholder Review into one document.”

ASX Announcement 27 July 2016
As organisations move towards this third stage in the Reporting Continuum, the goal is to develop a ‘flagship’ or integrated report which provides investors with a clear and concise overview of all the information needed for decision making, not just the financials. This ‘flagship’ report should show investors how the organisation’s strategy, business model, governance, performance, risks and future prospects, come together to create long term value.

In the current reporting season we have seen a small number of organisations produce a ‘flagship’ report which has been based on the principles of integrated reporting.

In some circumstances this information is included in the annual report, such as the approach taken by Lendlease, and for others it is in a separate Annual Review, which is the approach taken by National Australia Bank (NAB).

**Stakeholder engagement**

As organisations start to move towards focusing their ‘flagship’ report on explaining how they create and preserve value, they will realise the importance of really capturing and then responding to what is material for their key stakeholders.

What leading reporters are preparing now is not a document focused on past financial performance using a prescribed template, but a report that addresses the reasonable and changing information needs of providers of financial capital and other key stakeholders.

In order to transition to integrated reporting, organisations will need a formal and continuous process to determine who their key stakeholders are, and what information is important and material for them when making their various investment decisions.

**The International Integrated Reporting <IR> Framework**

The International Integrated Reporting Council (IIRC) released the International Integrated Reporting <IR> Framework (<IR> Framework) in December 2013 to assist organisations prepare an integrated report.

The <IR> Framework does not need to be applied in totality, and no one in Australia has prepared a perfect integrated report. However the framework has been considered by the likes of NAB, Australia Post and Lendlease when preparing their reports. They have all leveraged the principles to help shape their ‘flagship’ report and move them along the reporting continuum.
National Australia Bank

National Australia Bank (NAB) has gone through a detailed and robust process to engage with their stakeholders and understand their expectations. This engagement process has enabled them to identify seven prioritised topics to be disclosed in the integrated report.

The report also clearly shows how the business activities NAB undertake creates long-term value for their stakeholders.

"By engaging with our stakeholders, we can better understand the expectations of our broader community, identify challenges and opportunities and encourage innovation."

National Australia Bank

The table is used to show clear linkages between financial impacts, business activities, related broader impacts and the associated risks.

Australia Post

The 2016 Australia Post annual report takes Australia Post’s application of the <IR> Framework to another level. The integrated report component of the overall 2016 annual report is 50 pages.

The highlight of the report from an integrated reporting perspective is the manner in which the report is structured around the three fundamental concepts of the <IR> Framework, i.e. the creation of value, through the business model and effectively using the ‘six capitals’. As explicitly encouraged by the principles-based <IR> Framework, Australia Post has used its own terms to explain the key capitals used in its value creation process (e.g. ‘our customer network’ is used ‘to cover manufactured and social capital’).

The report highlights the guidance of Australia Post’s ‘annual report Steering Committee’ in preparing the report. Such steering groups have been a critical success factor in effective integrated reporting around the world, as it is essential that the organisation comes together in embarking on an integrated reporting journey, with the integrated report a quality output of the process.

The <IR> Framework can be broadly characterised as an ‘inside looking out’ approach to corporate reporting (a supply-oriented perspective) and the GRI G4 Guidelines could be characterised as an ‘outside looking in’ approach (a demand-oriented perspective). Australia Post uses both and reconciles their use.

Source: Australia Post, Annual Report 2016, page II.
Australia Post has used the six capitals to weave together its performance highlights. This highlights summary is supported by rich and insightful detail in sections on each capital, and also on the operating segments of the business.

KPIs cover all six capitals and demonstrate some connectivity between all reporting elements.

Lendlease – developing our first Integrated Report

Background
In 2014 the Lendlease Board and management decided to explore integrated reporting as a way of better communicating the Lendlease value story to its investors and other key stakeholders. The Board agreed to work towards a first integrated report by June 2016.

An internal reporting group was already established including executives from Finance, Corporate Affairs, Investor Relations, Strategy, Legal, Risk, Sustainability, Health & Safety, HR and Company Secretariat. This group was charged with driving development of the integrated reporting solution.

Challenges
There were challenges in getting agreement on the extent and pace of change required to Lendlease's current reporting portfolio. For the 2015 annual report, changes were made to ‘cut the clutter’ in the financial report; but the rest of the reporting portfolio largely stayed the same.

The Board continued to ask for progress on the integrated reporting project, and real action started when a sub-set of the reporting group decided to design a pro-forma report with reference to the IIRC’s Integrated Reporting <IR> Framework. A member of the Finance team working virtually full time on this project, with significant support from members of broader finance, Investor Relations and Corporate Affairs, designed a pro-forma integrated report which could then be debated and refined with input from the broader reporting group.

Meanwhile, this smaller team was also undertaking in-depth research into best practice integrated reports prepared overseas, as well as testing, at a conceptual level, a move to integrated reporting with key internal and external stakeholders. This feedback informed the design of the pro-forma. Once the pro-forma was in good shape, the KPMG Better Business Reporting team were asked to review it and recommend further improvements from both an <IR> Framework and ASIC RG247 perspective.

Benefits
The CEO and Executive team all supported development of the report. The Board also took a keen interest and made a number of changes to drafts of the report which shaped the final version. They were fully supportive of the move to integrated reporting, and the focus on telling Lendlease’s value story more effectively.

From a time and cost perspective, developing the integrated report removed two additional reports from Lendlease’s corporate reporting portfolio and saved at least six weeks of management time in preparation and checking of additional reports without omitting any material information required by investors.

The development of the integrated report also challenged the reporting group to articulate their business model, strategy and the five pillars of value that underpin everything Lendlease does, more effectively (see report extracts on page 23). Agreement on these pillars brought a number of independent areas of the group together with a common understanding of how they each work together to deliver sustainable value.
Investor feedback
The initial feedback from investors has been positive. The integrated report explains Lendlease’s value story more effectively, which had been an area of criticism in the past. Investors have also commented on the improved transparency in the current report, especially around the business model.

Lendlease will take on board feedback on this first integrated report for next year, and as noted in the report will work on improving how strategic success is measured and reported.

“Progress on the integrated report really got going once the pro-forma had been developed and discussion was no longer conceptual. There was some push back, but this dissipated as the pro-forma took shape and especially when the pillars of value were agreed. The whole exercise has been valuable in helping clarify and align the group-wide interpretation of our strategy and how we create value. The fact that we have reduced the volume of our reporting and received positive feedback from our investors has been the icing on the cake.”

Simon Benson, Group Financial Controller

How KPMG can help

KPMG is supporting organisations to improve their external reporting in a number of ways:

- Assistance in identifying quick wins using our experience from working with clients who have undertaken de-cluttering activities.
- Facilitating workshops and discussions about application of the 'three R's', supporting organisation's to identify and implement de-cluttering opportunities.
- Helping to prepare, or review pro-forma annual reports to help companies produce more insightful disclosures and recommend further improvements from both an <IR> Framework and RG247 perspective.
- Advising on taking a more strategic approach to corporate reporting, including facilitating, developing or refining reporting and communication strategies, and aligning reporting processes and systems.
- Support in defining and enhancing Corporate Reporting Portfolios, including defining the flagship corporate report (from initial blueprint to final document), and navigation to other reports/website containing greater detail.
- Providing thought leadership and examples of insightful disclosures.

Further information on recent developments in corporate reporting and the implications for CFOs, Directors and Investors can be found in on the KPMG Better Business Reporting website.

kpmg.com/au/betterbusinessreporting
Appendix 1 – Review methodology

The ASX 200 annual reports examined and included within the current year results are from those organisations listed as being within the ASX 200 survey as at 9 August 2016.

Where an organisation has not yet lodged an annual report at the time the review was completed, the preliminary release (Appendix 4E) was reviewed where it contained the full financial statements. This has resulted in 194 of the ASX 200 being included in the review results in relation to ‘cutting the clutter’ in the financial statements, and 156 of the ASX 200 being covered in other areas of this report.

Where available, comparative data has been sourced from the 2015 KPMG publication, *A new era in Corporate Reporting – Review of recent corporate reporting and de-cluttering trends in the ASX200.*