

Webinar on Integrated Thinking



22 April 2021 | 08:30 - 09:30

AGENDA

- Introduction Nick Rockey, Trialogue
- Panellist 1 opening Warren Maroun
- Panellist 2 opening Nicole Martens
- Panellist 3 opening Donald Kau
- Moderated Q&A

HASHTAG FOR THE WEBINAR: #Integratedthinking

ABOUT TRIALOGUE

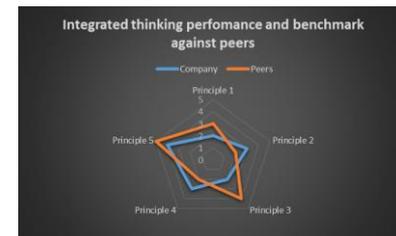
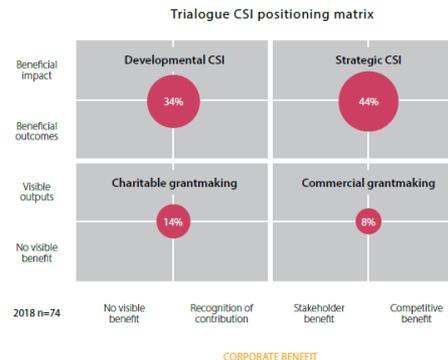
Supporting better business

Our knowledge-sharing platforms:

- ▶ The annual Triologue Business in Society Virtual Conference and monthly CSI webinars
- ▶ *The Triologue Business in Society Handbook*
- ▶ The Triologue Knowledge Hub:
<https://www.trialogueknowledgehub.co.za>

Our advisory services:

- ▶ Reporting and integrated thinking
- ▶ Monitoring and evaluation and CSI advisory



ABOUT THE CGISA INTEGRATED REPORTING AWARDS



About the awards

- Hosted since 1956 and partnered with the JSE as co-hosts for over 20 years
- Aim to improve standards of reporting through providing valuable feedback
- Adjudication overseen by PricewaterhouseCoopers
- Entrants receive feedback from the judges



Entry information

- Entries close on 30 September 2021
- Winners are announced in mid-November
- Nominal fee for entry (R1 900 in 2020)



Award categories

- Top 40
- Mid Cap
- Small Cap
- Fledgling/ AltX
- State-owned Company
- Public Sector
- NPO/NGO
- Unlisted Company
- Regional Company (from other African countries)

WHAT IS INTEGRATED THINKING

How the integrated thinking and strategy group view integrated thinking:

“Integrated thinking is a **multi-capital** management approach that enables organisations to **deliver their purpose** to the **benefit** of their **key stakeholders over time**.

Integrated thinking is about **creating and protecting value**. **Linking** purpose and values to **strategy, risks, opportunities, objectives, plans, metrics and incentives** throughout the organisation enables **better decision-making**.

Integrated thinking requires effective **governance, culture, accountability and transparency**. It recognises the importance of addressing value destruction, **boundary** conditions, **changing conditions**/context and **feedback loops**.”

INTEGRATED REPORTING <IR>, Integrated Thinking & Strategy, State of play report

POLL QUESTION 1



In terms of stage of adoption of integrated thinking by SA companies, which of the following statements do you believe apply? *Tick one*

- Integrated thinking is largely absent
- Aspects applied for some business areas, but not holistically
- Integrated thinking is generally and holistically applied
- Don't know / can't say

SOME OBSERVATIONS



- ▶ Imperative for business to adopt an integrated thinking approach is gaining momentum – macro trends and pressure for a business response
- ▶ Influence of investors, regulators and other stakeholders – reputation a key consideration
- ▶ Terminology is confusing with multiple terms alluding to integrated thinking
- ▶ Multiple codes and standards – all serving a specific purpose but encapsulated within the theme of responsible and sustainable business
- ▶ Integrated reporting assumes integrated thinking – this doesn't always apply
- ▶ Integrated thinking is not a quick fix – it takes time to embed structures and the goalposts are constantly shifting
- ▶ Integrated thinking needs leadership direction

POLL QUESTION 2

▶ To what extent do boards and CEOs adequately engage in the IAR process and in the adoption of relevant standards? *Tick one*

- Boards and CEOs are fully and proactively engaged in these processes
- Engagement is delegated – with feedback actively debated
- Passive engagement – board and CEO required to approve / sign-off
- Minimal involvement and limited oversight from board and CEO
- Don't know / can't say

INTEGRATED THINKING PRINCIPLES

1

Integrated awareness and positioning

The organisation demonstrates clear awareness and understanding of the connectivity and interdependence of matters material to its ability to create value over time.

2

Integrated leadership commitment and capability

Leadership provides the mandate for integrated thinking and makes a deliberate and coordinated effort to connect and integrate matters material to organisational sustainability.

3

Integrated structures

Organisational structures and systems are conducive to integrated decision-making and reporting.

4

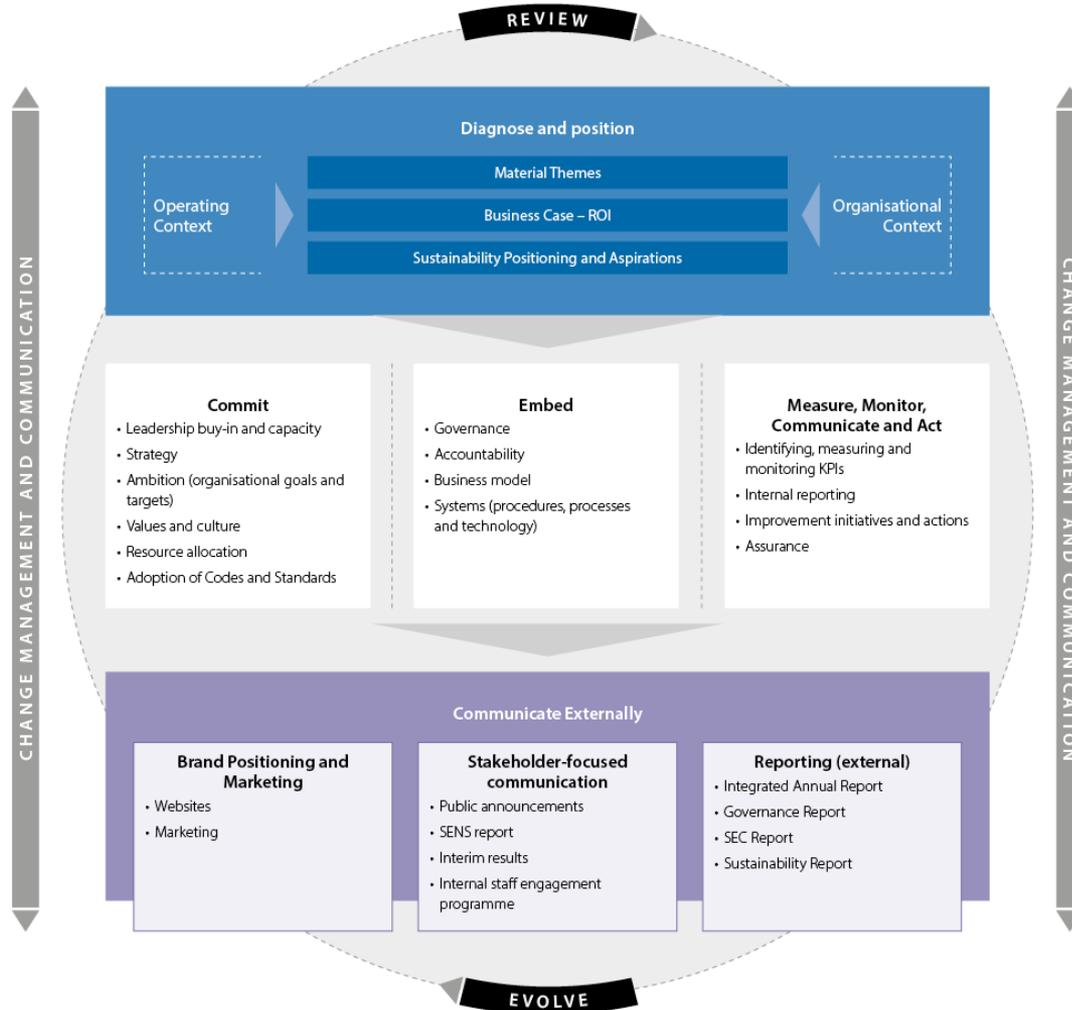
Integrated organisational performance management

Performance management of targets and KPIs is balanced and integrated to express the holistic and comprehensive performance of the organisation over the short, medium and long term.

5

Integrated external communication

Communication to external stakeholders offer an accurate, holistic, balanced and integrated view of the organisation's performance and ability to create value over the short, medium and long term.



POLL QUESTION 3

▶ In cases where integrated thinking is not holistically adopted, the reasons for this are? *Can tick more than one*

- There is an absence of regulatory or compliance pressure
- Barriers due to complexity, long timeframes and resource needs
- Insufficient guidance on integrated thinking and adoption methods
- The business case for integrated thinking is not clear
- Insufficient leadership prioritisation given to this topic

PANELLISTS



Warren Maroun

Judge of the CGISA
Integrated Reporting
Awards; Professor: Wits
School of Accountancy



Nicole Martens

Head of Africa & Middle
East for the PRI



Donald Kau

Head: PR and
Communications: V&A
Waterfront

Q&A