

# News Release

**DATE:** 12 October 2007

**CONTACT:** Derek Nash, PricewaterhouseCoopers LLP  
Tel: 020 7804 3058, E-mail: Derek.nash@uk.pwc.com

**CAPITA GROUP AND GREAT PORTLAND ESTATES WIN TOP HONOURS IN 2007  
PRICEWATERHOUSECOOPERS BUILDING PUBLIC TRUST AWARDS “FOR TELLING  
IT HOW IT IS”**

The Capita Group Plc and Great Portland Estates plc won the overall categories for the FTSE 100 and FTSE 250, respectively, in the 2007 PricewaterhouseCoopers Building Public Trust Awards “For Telling It How It Is” in their communication with key stakeholders. The awards, now in their fifth year, celebrate the commitment by the UK’s leading business and public sector organisations to build transparency and trust into their reporting.

At the ceremony on Thursday 11 October attended by some 300 business leaders, senior civil servants, regulators, standard setters and professional bodies there were five other awards:

- reporting on the real drivers of value as monitored by management (“measures of success”), won by Severn Trent Plc
- tax reporting, won by Vodafone Group Plc
- pensions reporting, won by Cookson Group plc
- reporting of executive remuneration, won by Lonmin Plc
- The Ministry of Defence took the award for “Telling it How It Is” in the public sector (awarded in association with the National Audit Office), for the second year in a row.

In his keynote speech at the ceremony, Kieran Poynter, chairman, PricewaterhouseCoopers LLP, stressed that corporate reporting should be a true, fair and useful picture of how an organisation is being run and its future prospects. It should be a basic building block of corporate reputation. Corporate reporting, he said, could help improve corporate reputation by being an important mechanism to present a balanced and informed picture of a business’s broad contribution to society, adding:

“A new blueprint needs to be developed that is created not by regulators and standard-setters but by the corporate sector itself, understanding and responding to the changing business environment and changing public expectations. If we in the business world don’t own this change agenda, if we don’t make the running, Government and regulators will be pressurised or tempted to do it for us.”

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No company or organisation was immune from the changing environment, he asserted. “If an organisation thinks these issues are the responsibility of the CSR or communications departments, it is likely to have a problem. This is about a mindset where reputational issues are hard-wired into all aspects of business activity, from strategy development to the design of business processes.”

Turning to how corporate reporting might evolve in the future, Poynter called for a framework which was truly user-centric: “it needs to be principles-based, reflecting the information used internally to run the business. It needs to contain non-financial, contextual information, as well as financial information. And, above all, it needs to be accessible to the public and not just the technical elite.”

Kieran Poynter, chairman, PricewaterhouseCoopers LLP added:

“The presentation of that contextual and non-financial information will have to show a balanced picture of how business, private and public, contributes to society. Yes, the focus will be on wealth creation but it should also highlight its total tax contribution. Not just the corporation tax that is paid but all the other taxes which emanate from a company’s existence and how that builds society. It might include the number of people employed, directly and indirectly, but also comment on the knowledge and skills development that accrues to society from their training and employment.

“This balanced picture might identify its impact on the environment and not just its emissions or waste generated. It might embrace its total resource usage and record its amelioration of it. It will justify its license to operate not just by measuring its corporate community involvement or corporate responsibility activities but by demonstrating how they are embedded in the organisation from the boardroom to the shop floor.”

Kieran Poynter, chairman, PricewaterhouseCoopers LLP concluded:

“Over the last 25 years we have learnt that regulations and prescriptive requirements are unlikely to provide the blueprint for the future. And I sense that many politicians, particularly here in the UK, understand the value that can be attributed to a reporting model that is widely framed, where guidance is kept to a minimum and where the shape of the content is reflective of the strategy of the business. We need to justify that faith.”

**ENDS**

Cont’d.../3

## **Notes to Editor:**

### **1. Awards**

- Measures of Success (an inaugural award)
- Executive Remuneration
- Tax
- Pensions (also an inaugural award)
- “For Telling It How It Is” in the FTSE 100
- “For Telling It How It Is” in the FTSE 250
- “For Telling It How It Is” in the Public Sector

### **2. Methodology - corporates**

This year the process changed from self-nomination by companies to a high level examination by PwC of all FTSE 350 companies (as of 1<sup>st</sup> January 2007) that reported during the annual period to 1<sup>st</sup> April 2007. This process used objective criteria that focused on specific regulatory requirements in each award area and also looked for reporting that contained some basic elements of good practice.

A long list was then compiled for each award. Each of these companies was then scored in a more detailed way using criteria that looked further at the basic content criteria, but focused more on the quality of the content reviewed. For example: were key details presented with contextual supporting information?; what were the attributes of the information provided?; were quantitative or benchmark data and targets included?; did this data support qualitative statements made?; how well was the information included linked to other disclosures and the stated strategy of the organisation?; was there a statement of future ambition?

A short list of the three top companies in each area was then presented to nine independent experts, each specialists in the field of corporate reporting, who made up the judging panel.

### **3. Methodology – public sector**

This year the process followed a slightly different approach with the joint PwC/NAO review team applying a twin-track process for selecting the shortlist, using both self-nominations and a wider review to identify the best performers

### **4. The Judging Panel**

John Coombe - Chairman of the judges, Chairman of Hogg Robinson Group plc and NED of HSBC Holdings plc and Home Retail Group plc

Philippa Foster Back OBE - Director of the Institute of Business Ethics. Formerly Group Treasurer at EMI

Nick Anderson - Head of Research at Insight Investment, the asset management arm of HBOS

Professor David Begg - Principal of Tanaka Business School and Professor of Economics at Imperial College

Anita Skipper - joined Morley Fund Management as Head of Corporate Governance in 1993. Currently on the Board of the International Corporate Governance Network and a member of the ABI governance committee

Professor Sir Andrew Likierman - Professor of Management Practice at the London Business School. Also NED of Barclays Bank and the Bank of England

Baroness Denise Kingsmill CBE - became Deputy Chair of the Competition Commission in 1997 and in 2001 headed the UK Government's task force into women's employment

Peter Elwin - Head of Accounting and Valuation research at Cazenove. Member of the UK Accounting Standards Board and the IASB's Analyst Reporting Group

Sir John Bourn KCB - Comptroller and Auditor General of the UK. Also the Chairman of the Professional Oversight Board and a member of the Financial Reporting Council

## **5. About PricewaterhouseCoopers**

The member firms of the PricewaterhouseCoopers network provide industry-focused assurance, tax and advisory services to build public trust and enhance value for its clients and their stakeholders. More than 146,000 people in 150 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

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