

RSF “Best Annual Report 2019”

Overview

The awards will be based on a 3-step evaluation comprising initial screening, detailed evaluation of shortlisted companies, and finally panel of judges / jury decision on winner and runner-up. The **initial screening** would involve identifying those companies listed on the Georgian Stock Exchange (GSE) that meet certain criteria, likely that they have an unqualified / clean audit report. Based on 2018 outcomes we anticipate that of the 40 or so companies around 20 will meet the criteria. These companies would then be contacted and advised that they are **short listed** for the award and that this award would be based on an evaluation of their management report, corporate governance report and ESG reporting. Local universities and / or Georgian speaking members of the jury would undertake the scoring. The **panel of judges / jury** would then decide on a winner and runner-up for each award category and the awards made at a gala dinner in December 2019.

Evaluation

Evaluation will be based on alignment with Article 7 of the law. Evaluation and determination of award winners will be undertaken by international jury using the following criterial (*XX.X% of total evaluation*)

1) Management Reporting - content of the corporate (management) report(33.3% for PIE with 500 or more employees; 50% for PIE with less than 500 employees):

The following will be checked as given in the activity review of the company:

- Development Plan
- Activities of subsidiaries (or business segments)
- Overview of the entity's credit, market, liquidity and cash flow risks and information on these risk management mechanisms
- Information on the objectives and policies of the enterprise regarding financial risks management
- Information on the objectives and policies of the enterprise regarding non-financial risks management

2) Corporate Governance Reporting – content of the corporate management report (33.3% for PIE with 500 or more employees; 50% for PIE with less than 500 employees):

The following will be checked as given in the corporate management report:

- Review of the Corporate Governance Code
- Review of the composition and functioning of the management (governance) body and supervisory board

3) Environmental Social and Governance (ESG) Reporting – content of non-financial report (33.3% for PIE with 500 or more employees; PIE with less than 500 employees – not applicable)

The following will be examined as given in the non-financial report:

- Information required to determine the effectiveness of the enterprises' activities development, results achieved and position of the company on issues related to ESG(environmental protection, social, governance), employment, human rights protection and anti-corruption, etc;

Timetable / Process

1. Reports to be submitted by enterprises - 1 October 2019
2. Reports to be published on reportal.ge by the State Regulatory body – 31 October 2019
3. Initial screening / shortlisting of enterprises with clean / unqualified audit reports – November 2019
4. Evaluation (as above) – November – December 2019
5. Prize giving at Gala-dinner - after 20 December 2019. There will be 4 prize categories:
 - 1) PIE and 500 - banking
 - 2) PIE and 500 - non-banking
 - 3) PIE and non 500 - banking
 - 4) PIE and non 500 – non-banking