At Mazars, more than ever, we believe that businesses can thrive only by creating shared value for all their stakeholders. Publishing our 2017 Yearbook is a way to take stock of what we have achieved this past year. As a part of our 2016-2017 Annual Report, it also aims at providing a clear and global image of who we are and how we prepare the future. This year, the Annual Report has been redesigned as an entry point into a much larger world, with a lot more content available all year round on our digital platforms. From open innovation to stewardship, from the future of the audit profession to our teams’ perspective on the future, we have chosen to shed light from various angles on the notion of transformation. To cover this topic, which is of key importance to us as a global organisation, we have interviewed internal and external stakeholders in South America, Europe, the Middle East and South-East Asia.
CLAIRE CIZAIRE
Chief Technology and Innovation Officer, Mazars Group
Serving our clients worldwide (Map)

Daring is the price of progress (Editorial)

Open innovation

Stewardship

Embracing the future

The future of audit

China’s new frontier

Our governing bodies

Integrated reporting

Key performance indicators

Publications of the year

Highlights of the year
Mazars is an international, integrated and independent organisation, specialising in audit, accountancy, advisory, tax and legal services.

These figures are valid as of 1st January 2018. For current up-to-date information, please visit www.mazars.com/keydata.
<table>
<thead>
<tr>
<th>SERVICE OUR CLIENTS WORLDWIDE</th>
</tr>
</thead>
</table>

**NORTH AMERICA**
- Bermuda
- Canada
- United States

**LATIN AMERICA & THE CARIBBEAN**
- Argentina
- Brazil
- Cayman Islands
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Dutch West Indies
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Jamaica
- Mexico
- Nicaragua
- Panama
- Peru
- Puerto Rico
- Uruguay
- Venezuela

**AFRICA & MIDDLE EAST**
- Algeria
- Angola
- Bahrain
- Benin
- Botswana
- Cameroon
- Cape Verde
- Congo (Brazzaville)
- Congo (Kinshasa)
- Djibouti
- Egypt
- Ethiopia
- Ghana
- Israel
- Ivory Coast
- Jordan
- Kenya
- Kuwait
- Lebanon
- Lesotho
- Libya
- Madagascar
- Malawi
- Mauritius
- Morocco
- Mozambique
- Namibia
- Nigeria
- Oman
- Palestine
- Qatar
- Rwanda
- Saudi Arabia
- Senegal
- South Africa
- Tanzania
- Tunisia
- Uganda
- United Arab Emirates
- Zimbabwe

**Number of offices**
- Latin America & the Caribbean: 1,186
- North America: 1,022

**Staff (FTE/integrated partnership)**
- Latin America & the Caribbean: 19
- North America: 19

**Integrated countries and territories**
- Non-integrated countries and territories:
  - Mazars correspondents and representative offices

**Areas covered via the Praxity alliance**

**Number of offices (integrated partnership)**
One of the main differences between leadership theories and practices is the degree of control that can be exercised over the transformation of organisations. To make transformation happen, it is necessary to implement a sustainable culture of transformation – rather than merely treating it as a one-off event, however spectacular. It is also key to accept fumbling your way around, “trial and error” and experimenting. These two conditions help create an environment conducive to transformation.

At Mazars, we believe such an environment should be built as a true ecosystem, which brings together the talents, expertise, specificities and ideas of a wide variety of players, all different in size and nature. It is not simply about internalising or outsourcing innovation, in order to guard oneself against the risk of failure – especially in financial terms.

The real objective is to foster dialogue and exchanges, while respecting each player’s identity and for the benefit of all involved. This is why we have elected to make this topic one of the main stories of our Yearbook (“Open Innovation”, p. 6).
Innovation also means being able to reflect and bring a substantial contribution to the evolution of our core business. Audit, upon which Mazars has built its development, is one of those professions which must reinvent itself. The impact of the digital revolution, as well as new expectations from clients, regulators and other stakeholders are driving this imperative need for change. We have made it one of our top priorities; all over the world, we have asked our teams to provide their insights on the future of audit (“Insights from the field”, p. 24).

Transformation obviously implies agility as well, without ever compromising our values and identity. The teams that make up Mazars, as an international audit and advisory organisation, provide striking examples of both adaptation and development. In Egypt, they perpetuate a 75 year-old history, while in Chile, they help Baron Philippe de Rothschild achieve sustainable growth (“Stewardship”, p.10). In China, a year after our combination with ZhongShen ZhongHuan, the integration of new teams and new offices now enables us to achieve full coverage of the country and to play our part in its renewed economic expansion towards its Central and Western provinces (“China’s new frontier”, p. 26).

Thanks to a well-balanced mix of geographic and organic growth, Mazars’ global turnover rose by 12.8% in 2016-2017, to reach €1.5bn. This year’s performance shows a marked acceleration of our growth over the last 12 months and, more significantly, clearly confirms our continuous and fast-paced development trajectory, with a 45% increase over the last four years (“Key Performance Indicators”, p. 31). We believe it also demonstrates the relevance of our unique global, integrated and independent partnership model.

Last but certainly not least, transformation is fed by diversity. All over the world, our 20,000 women and men come from different generations and cultural backgrounds; they have different personal histories; they bring different sets of expertise. Beyond these differences, they have all comprehended the magnitude of the technological (re)volutions that will shape their jobs in the years to come. By embracing the future, today’s generations are building the Mazars of tomorrow (“Embracing the future”, p. 16).

We are certainly not overly optimistic, yet we are convinced that if we continue on our transformation path, we will also be able to continue to create shared value for our clients, our teams, and our business and regulatory ecosystem. This is precisely what this Yearbook aims at showing. Together with our consolidated accounts, which we have published every year since 2005, it makes up our Annual Report, with a view to providing a clear and global image of who we are and of the path we are on to prepare the future. More than ever, we strive to build our reporting within the framework of an open dialogue with all our stakeholders. In 2017, we have devised our Yearbook as the main component of a global strategy which gives digital tools a prominent role. The content featured in our Yearbook is an invitation to read the full stories on our “Creating Shared Value by Mazars” website, linked with our dedicated Twitter account.

Enjoy your reading.
MARC ATALLAH
Co-founder and Head of Data Science at Zettafox, a big data, machine-learning and digital transformation start-up acquired by Mazars
Innovation is disrupting virtually every business model, but how does it really work? The industrial era model, based on secretive, silo-based processes within companies, is now obsolete. When it comes to creating new services, new products or new solutions, the concept of assembling ideas, resources and expertise from a variety of players, of different natures and sizes has gained considerable traction. From Chile to Singapore via Paris and Cairo, we have interviewed those who today drive the open innovation movement: 30 start-up founders as well as representatives of big corporations, accelerators and incubators. Get ready for a new paradigm, based on competition between ecosystems.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Location</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation</td>
<td>World</td>
<td>28/09/2017</td>
</tr>
</tbody>
</table>
Since Henry Chesbrough coined the term "Open Innovation" in his eponymous book 15 years ago\(^1\), the concept has reached catchphrase status. Simply defined, it is about applying the principles of open source – i.e. sharing, exchanges and the wide distribution of information – to innovation processes. It is about sparking innovation, and an innovative spirit, in collaboration with various other players – start-ups, big corporations, incubators, scientific research institutions, public boards, etc. – as an ecosystem. Jacqui Hocking, co-founder of VVS, a Singapore-based start-up specialised in strategic storytelling, sums it up: "Open innovation is just collaboration; it’s about networking; it’s data. If you have open innovation, it means you’re open to different pieces coming together. Open innovation is the link in the relationship between all the components in your ecosystem."

As such, open innovation is in stark opposition to the formerly prevailing idea that corporations should only rely on their own resources to create novelty. Unsurprisingly, the first companies which decided to embrace open innovation already had a strong platform culture. They started reaching out to start-ups, and re-engineering their own organisations, to gain flexibility and – hopefully – keep up with the ever-faster pace of digitally-enabled innovation, in order to stay ahead of the game.

In other words, rather than pitting Goliath against David, open innovation has those two players working together. At first sight, it looks both like common sense and a risky attempt at forming unnatural alliances. The context actually explains this shift: "Time-to-market has been very significantly reduced", says Corinne Jouanny, Group Innovation Officer at Altran. "The phenomenon applies to all industries. Businesses have to transform and form alliances with those that will enable them to go faster, and to break silos and stereotypes. In today’s world, certainties are a thing of the past. Real value lies in disruption."

As a direct consequence, no matter how risky it may be, cooperation becomes a must. The question therefore is: how to best make it work for all involved? How to optimise the chances of success? “In my opinion”, says Cédric Maloux, founder of StartUp Yard, a Prague-based innovation accelerator, “large corporations are still a little selfish. They love start-ups, but mostly for their own benefit. They mainly see start-ups as suppliers, that will help them solve a problem.” Gilles Babinet, the French Digital Champion for the EU, sheds light on the issue at hand: “A company that decides to work with a start-up needs be willing to change its culture and have a medium-term perspective.”

At Mazars, we believe in “Creating Shared Value”, or the interdependence between the competitiveness of a company and the health of the communities to which it is connected. To us, open innovation not only is a trend affecting all industries worldwide; it is also a very modern illustration of our conception of the link between businesses and society, that of a complex ecosystem. We also operate in one of the industries that is the most impacted by the current robotisation wave; to us, innovation is a strategic priority. We have been engaging in open innovation in many ways, from co-developing client-centric, cloud-based solutions in Asia to incubating start-ups in Paris. Building on this web of relationships, and on our ecosystem, we have interviewed 30 leaders that make open innovation happen today.

COMPANIES WILLING TO WORK WITH START-UPS NEED TO BE WILLING TO CHANGE THEIR CULTURE

MAZARS HAS BEEN ENGAGING IN OPEN INNOVATION IN MANY WAYS, FROM PARIS TO SINGAPORE

Read the whole story and the interviews at http://sharedvalue.mazars.com/open
Scan the QR code with your mobile phone to read the rest of the story online.
Stewardship can come in many ways, shapes or forms. However, they all have one thing in common: they aim at ensuring the sustainable development of an organisation. In Chile, our teams help Baron Philippe de Rothschild establish its position as one of the country’s premier wine makers. In Egypt, they strive to continue on a journey that started 75 years ago. In both cases, long-termism is of the essence.

<table>
<thead>
<tr>
<th>Case story</th>
<th>Location</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippe de Rothschild</td>
<td>Chile</td>
<td>May 2017</td>
</tr>
<tr>
<td>Mazars Mostafa Shawki</td>
<td>Egypt</td>
<td>August 2017</td>
</tr>
</tbody>
</table>
PHILIPPE BUJARD
Technical Director,
Baron Philippe de Rothschild Maipo Chile
In 1996, Baron Philippe de Rothschild first ventured to the Andes, before deciding to set up shop in the country three years later. “Chile is one of the New World countries with the most promising wine growing potential”, Emmanuel Riffaud, Head of Baron Philippe de Rothschild Maipo Chile, explains. “From the beginning, we wanted long-term commitment.”

In an expertise-driven industry such as wine, having a long-term perspective means both counting on the local workforce and passing on knowledge. “While we never tried to impose our rules, we always wanted to stay true to our traditions, winemaking methods and quality standards”, Riffaud states. “We invested a lot of time in training our workers and managers, as well as our local partners. All in all, I am convinced this is what helped us succeed in becoming one of Chile’s premier bodegas.”

What are the keys to future growth? “We will never compromise our traditions, but we also need to live up to the spirit of innovation we inherited from our founders”, says Riffaud. “That also means being able to reinvent our processes to adapt to natural conditions and investing in new promising wine lands, in the Southern part of the country, which is rainier and cooler than the Maipo valley. We are banking on the idea that global climate change will probably make Chile’s wine production as a whole, move South in the years to come. In other words, we see it as long-term risk management.”

In 1999, Baron Philippe de Rothschild decided to invest in Chile, with the aim of exploiting one of the world’s most promising wine growing potentials. Almost 20 years on, its successful development is still rooted in the same principles and values of stewardship, loyalty to its tradition and innovation.

In 1999, Baron Philippe de Rothschild decided to invest in Chile, with the aim of exploiting one of the world’s most promising wine growing potentials. Almost 20 years on, its successful development is still rooted in the same principles and values of stewardship, loyalty to its tradition and innovation.
“LONG-TERM COMMITMENT IS ONE OF THE MAIN CHARACTERISTICS OF BARON PHILIPPE DE ROTHSCHILD MAIPO CHILE. THEY WERE ONE OF THE FIRST FRENCH COMPANIES TO INVEST HERE WITH A VISION, AND WITHOUT LOOKING FOR SHORT-TERM RETURN ON THEIR INVESTMENT.”

DAMIEN DE LA PANouse
Managing Partner, Mazars in Chile

“LIVE UP TO THE SPIRIT OF INNOVATION WE INHERITED.”

EMMANUEL RIFFAUD
Head of Baron Philippe de Rothschild Maipo Chile

SEBASTIAN REBOLLEDO
CFO, Baron Philippe de Rothschild Maipo Chile
We do not hesitate to give them responsibilities, and opportunities to take on new challenges.

For the last 75 years, this combination of quality of service, adaptability, willingness to innovate and talent development has proved quite successful, to the point where Mazars Mostafa Shawki is now one of Egypt’s prominent tax practices, and confidently looks at the future, as Ahmed Shawki states: "Technology will transform our jobs, but we have a young generation of bright, IT-savvy people. They will help us move forward."

In business terms, 75 years is a long time. Almost a human life. When Mostafa Shawki founded the firm that still bears his name, Egypt was a very different place. "Accounting and auditing were the exclusive domain of foreigners", says Ahmed Shawki, son of the firm’s founder, and managing partner of Mazars in Egypt. "The country did not have any tax law. Still, we decided to start a tax practice and communicated about it. This is what we have always tried to do: look forward." Another key ingredient in the recipe for corporate longevity is the quality of the services provided. "The first reason for our longevity is the fact that we always strove to maintain excellence in the quality of our work", explains Ahmed Shawki. "We also always tried to be agile, in order to be able to adapt our services." "We have focused on training”, says Hala Rashed Fahim, a partner in Cairo. "Not only are we very selective in the sourcing of our staff, but we also place strong focus on helping them acquire new expertise and grow.

Just as Robert Mazars in France, Mostafa Shawki was in many ways a pioneer, starting one of Egypt’s very first accounting and audit firms, in 1942. 75 years later, Mazars Mostafa Shawki still thrives. While its founder passed away in 1997, the firm has kept serving its clients and the Egyptian business community and society ever since, under the guidance of a new generation of talented and dedicated partners.
They are auditors, advisers, business developers or digital experts. They live and work on all continents. They are passionate about technology and make the most of it everyday. They also love their jobs, but long to be agents of change. They want to travel the world, get to know new places and meet new people. They have goals and dreams. They are the many faces of Mazars. And this is how they look to the future.
It is commonly acknowledged that increased exposure to different cultures, different jobs and different ways of life is one of the perks of working for a large international organisation. Mazars’ Gen-Yers are no exception. Whether they live in Singapore, Germany, Chile or Egypt, work in audit, advisory or tax services, technical or support functions, the 40 or so Mazars professionals (‘Mazarians’ as the firm lingo goes) we interviewed all emphasise mobility. Gabriel Lim, a digitalisation specialist in the Singapore office, would love the opportunity to live
and work in “either Perth or Melbourne, in Australia” or to spend time “in a big German city, ideally Munich”. Many long for the hustle and bustle of the big city, with major metropolises such as London, New York, Tokyo or Paris coming high on the list.

The Mazars women and men (the latter represent 48% of the global Mazars organisation workforce) we talked to embody a striking diversity of ages, personal and cultural backgrounds, education, and professional specialities. What brings them together, beyond
their belief in the firm’s values, culture and future, is a shared idea that their current jobs are about to be transformed by technology. Some think the changes will not really affect the bulk of what they do, as robots and algorithms cannot replace creativity, empathy and personal relationships, while others believe most of what they do today could soon be performed by software. But they all trust their own ability to move on and find new ways of creating value for their clients. And they see technology as an enabler, as something that boosts communication and somehow
makes their jobs easier. For Pierre Zapp, in Germany, “Technology is a mixed blessing as it allows us to react more quickly; it also increases the expectations from the client’s side.” More reactivity, indeed, but also positive consequences for the environment. Nattali Valenzuela, an auditor in Chile, thinks the development of technologies will go a few steps further and that “in the future, instead of attending meetings personally, we may be represented by avatars. It will save time, lower our environmental impact, and make distances become meaningless.” Going further, for Tawfik Sayed Fahmy,
an auditor in Cairo, this definitely sounds like a path to follow. “In an open world, beyond tools such as videoconferencing, the ability to change our organisation to effectively leverage on systems that connect all our offices in the world, letting us express our value as a really global integrated organisation: this is a major component of a modern firm.”
EMBRACING THE FUTURE

JOSÉ DE LA FUENTE CORREA
Manager, Tax Services

TAWFIK SAYED FAHMY
Junior, Audit

SHEREEN NAGY SAMWEL
Secretary

MOHAMED SAYED ABD ELHAMEED
Assistant, Audit
THE FUTURE OF AUDIT: INSIGHTS FROM THE FIELD

While we remain convinced that audit is still of critical importance in society, there is no denying that the profession is at a crossroads. Audit has not significantly changed in the last decades, yet technology, radical changes in how value is created and new societal expectations are provoking a need to change. In order to be able to meet the requirements of all stakeholders while serving the public interest, the audit profession has no choice but to evolve.

Two years ago, we published in our Yearbook our “Audit Manifesto”, in order to state the belief of our partners in the relevance of audit and its value for the business community and society as a whole. Last year, we asked three market experts to share their views about the state of today’s audit and its future evolutions. This year, we asked our own auditors across all grades and countries to provide insights on what they believe these changes should be and how they think their profession needs to adapt to continue adding value.

The audit profession is under scrutiny, and the question of its relevance redoubles each time a financial crisis or a corporate scandal occurs. Auditors, some said, have failed to adapt to new economic and financial threats. In spite of increasingly stringent regulations and thorough oversight, the much-needed trust between audit firms and stakeholders in the companies that they audit needs to be strengthened further. Audit, however, still matters. In fact, in today’s world, audit is more crucial than ever. With globalisation, new expectations from stakeholders and emerging social and societal issues, the need for corporate transparency is at an all-time high. And those who can provide clients, analysts, regulators, markets and society as a whole with a reliable assessment of a company’s real value drivers are auditors.

TECHNOLOGY AS THE MAIN DRIVER OF CHANGE

One thing everyone agrees on, is that technology will play a major role in transforming the audit profession and defining its future. “Technology should not be considered only as a threat. It could also offer new opportunities to improve the efficiency and transparency of the audit work, and a better service to stakeholders”, explains Daniela Ricci, a senior auditor in Mazars’ Milan office. Indeed, “the goal of the audit will remain untouched, but how we get to our conclusion will change drastically”, says Wihann Rabe, a senior manager in audit for Mazars in Cape Town.

Read the whole story, the interviews and the full survey results at http://sharedvalue.mazars.com/future-audit-2017
Scan the QR code with your mobile phone to read the rest of the story online.
Our teams believe that technology will be an enabler. But to which end? “I definitely think we play an incredibly important role within society as a whole. Significant stakeholders rely on our opinions”, states Justin Rodrigues, audit manager in London. These opinions must come from professionals who are able to exercise their judgement and scepticism. “The great thing about technology”, explains Pierre Zapp, audit leader for Mazars in Germany, is that “it will help us concentrate more on tasks where thinking is of primary importance”. Also on the change agenda is the scope of audit assignments. “We can no longer provide a true image of a company’s value and performance through financial indicators only”, says Grégoire Morlaës-Dusautoir, director of outsourcing and accounting at Mazars in Singapore.

“We need to come up with a more holistic view, taking into account social and environmental impacts. As long as that is not done, we will not be able to significantly move forward.”

The changes to come also mean audit firms will have to develop new expertise and rethink their models. And this might happen quickly. “This is where Mazars has a real opportunity”, says Mazars’ Global Head of Audit, David Herbinet. “We are flexible enough to change fast.”

The changes to come also mean audit firms will have to develop new expertise and rethink their models. And this might happen quickly. “This is where Mazars has a real opportunity”, says Mazars’ Global Head of Audit, David Herbinet. “We are flexible enough to change fast.”

In an internal survey conducted in November 2017, our auditors shared their views about the future of the audit profession. Even though societal issues and stakeholders’ expectations are clearly on the radar of auditors, the technological revolution and a shifting regulatory landscape stand out as key change drivers for the profession. Artificial intelligence is understood as the most change-driving technology, expected to create major impacts on the way auditors perform their work in the future. Auditors identify big data as another source of disruption for their profession, as it gives access to a comprehensive volume of information (as opposed to the traditional sampling methods). Three courses of action appear as equally important avenues of progress for audit, with the first one clearly being the auditor’s ability to report issues before they actually happen (as opposed to ex-post reporting).

1. Audit is expected to evolve dramatically in the near future. What would you say are the most important drivers for the changes to come?

2. What do you personally see as the most important avenues of progress for audit? What should be done to better meet the expectations of clients and stakeholders and restore a higher degree of trust in the profession?
CHINA’S NEW FRONTIER

1. ☀ Wuhan / Hubei
   8.18 million inhabitants
   183,783 hectares [urban area]
   30° 34’ 00” N, 114° 16’ 00” E

2. ☀ Hangzhou / Zhejiang
   10.45 million inhabitants
   372,189 hectares [urban area]
   30° 15’ 00” N, 120° 10’ 00” E

3. ☀ Shenzhen / Guangdong
   10.95 million inhabitants
   104,119 hectares [urban area]
   22° 33’ 00” N, 114° 06’ 00” E

Scan the QR code with your mobile phone or visit http://sharedvalue.mazars.com/china-urbanisation to read the full story and the interviews.

©2017 Dominique Emard for Mazars
Urbanisation in China is having a “frontier” moment. While coastal Tier 1 megacities like Shanghai and Beijing are faced with near saturation, soaring real estate prices and quickly inflating labour costs, the nation’s efforts have been redirected towards other cities. Companies and talent are setting their sights on the promising Central and Western areas, sparking the rise and development of the so-called Tier 2 and Tier 3 cities like Wuhan and Hangzhou. Mazars is no exception: one year after our combination with ZhongShen ZhongHuan, we keep expanding in China. The Group now has a truly nation-wide coverage thanks to nearly 3,500 professionals operating out of 28 offices across the whole country.

It has become fashionable in economic circles to speak of the variation of the growth of the world’s second largest economy, China. But the question that should be asked is: “which China?” Because economic conditions differ so widely across provinces, referring to a unified level of Chinese development tends to obscure the underlying regional patterns of growth.

Thanks to a wave of “people-centric” urbanisation that is hitting central China, the country’s second and third tier cities now offer first-class opportunities, acting as new growth engines of the Chinese economy. In a not so distant past, these inland regional hubs were poor, rural outposts. Yet recent social and economic reforms have transformed and reshaped the industrial, commercial, and regulatory landscapes of China’s developing Tier 2 and Tier 3 cities. Today – and presumably more so tomorrow – they are boosted by huge amounts of domestic and foreign investment, new infrastructure through the Belt and Road Initiative (BRI - the former “One Belt One Road” plan) and an influx of new talent seduced by better living conditions than those in coastal megacities.

While urban centres in China are growing, so is Mazars. Following our 2016 merger with local firm ZhongShen ZhongHuan, we now have offices in 28 major Chinese cities, including the country’s new and upcoming central urban areas. With this comprehensive array of professionals and services, we have the full ability to help our clients capitalise on growth opportunities in all of China’s most promising regions – and beyond.

“MAZARS ZHONGSHEN ZHONGHUAN WILL CONTINUE TO OPTIMISE ITS BUSINESS STRUCTURE AND WORK HARDER TO ASSIST OUR CLIENTS AND PROMOTE INNOVATION-DRIVEN DEVELOPMENT.”

WENXIAN SHI
Member of the Mazars Group Executive Board
The Group Executive Board (GEB) is Mazars’ executive body. It is in charge of operational management of the partnership with regards to collectively defined key strategic objectives. It focuses first and foremost on pursuing and accelerating growth, while ensuring the quality and sustainability of our activities.

As at 31st August 2017, the GEB was composed of nine members:

**PHILIPPE CASTAGNAC**
Chairman of the Mazars Group Executive Board (France)

**HERVÉ HÉLIAS**
Chief Executive Officer of the Mazars Group (France)

**ANTONIO BOVER**
Member of the Group Executive Board (Spain)

**RUDI LANG**
Member of the Group Executive Board (United Kingdom)

**CHRISTOPH REGIERER**
Member of the Group Executive Board (Germany)

**WENXIAN SHI**
Member of the Group Executive Board (China)

**TON TUINIER**
Member of the Group Executive Board (Netherlands)

**PHIL VERITY**
Member of the Group Executive Board (United Kingdom)

**VICTOR WAHBA**
Member of the Group Executive Board (United States)
The Group Governance Council (GGC) is the Group’s impartial and independent supervisory body.

As of 1st December 2017, there were eleven members of the GGC:

- **Tim Hudson**
  Chairman (United Kingdom)

- **Fabrice Demarigny**
  (France)

- **Gregor Kunz**
  (Germany)

- **Bharat Dhawan**
  (India)

- **Thierry Blanchetier**
  (France)

- **Kathryn Byrne**
  (United States)

- **Michelle Olckers**
  (South Africa)

- **Liwen Zhang**
  (China)

- **Timothy Byrne**
  (United States)

- **Chris Fuggle**
  (Singapore)

- **Juliette Decoux**
  (France)

- **Denise Fletcher**
  External member (United States)
Mazars continues on its path towards a clearer, more transparent explanation of its value creation model.

An integrated report is a concise communication about how an organisation’s strategy, governance, performance and prospects – in the context of its environment – lead to the creation of value in the short, medium and long term. Integrated Reporting focuses on how an organisation uses and affects the following six capitals: Human, Intellectual, Social & Relationship, Financial, Manufactured and Natural. In 2005, Mazars was the first global audit and advisory firm to publish global consolidated and audited financial statements. In 2014, we embarked on a journey towards Integrated Reporting, allowing us to better explain who we are and how we serve our clients, our communities and the public interest wherever we operate worldwide. We are continuing on this path and pursuing our effort to explain our business model and our value creation process using four different representations: a mapping of our stakeholders, our ‘materiality matrix’, our value chain, and key performance indicators (KPIs) that include, year after year, an increased number of extra-financial indicators, all with the goal of an ever-clearer understanding of the relationship between how we use our resources and how we create value. All of our financial and non-financial information is featured in our Financial Statements, which are part of our 2016-2017 Annual Report, together with this Yearbook.
Fee income growth 2013-2017
In millions of euros.

**Turnover growth**
*Excluding a -1.6% foreign exchange impact.

- **Organic growth**: +5.4%
- **External growth**: +7.0%

Total: **€1,515M** +12.8%*
Almost 90% of our staff and partners work in offices that donated to local charitable causes or corporate social responsibility initiatives.

43% of our staff and partners work in offices that give our workforce the opportunity to engage in pro bono work.
Out of our 86 integrated countries and territories that make up the Mazars’ global partnership, the 3 countries above rank first in terms of number of nationalities in the workforce.

Environmental impact: recycling

Three quarters of our staff and partners work in offices that implement specific processes to systematically sort out their waste and recycle paper.

Diversity

Environmental impact: carbon footprint

Average carbon footprint per person: focus on France.

Calculated for the workforce of four practices (Mazars SA, Mazars SAS, Actuariat, BPO, MCF) operating out of the Mazars main office of Paris La Defense, i.e. a total of 1,870 professionals. These figures include professional travel as well as cost of archive management, archive recycling, and the energy consumption of the building.

Training

*For the 6,931 partners and technical staff (FTE) who work in the audit service line (excluding the ZhongShen ZhongHuan practice in China).
Africa’s decisive transformation is gaining speed, driven by entrepreneurship and innovation. By giving increased access to new ideas, knowledge and technologies, the digital revolution is playing a key role in the emergence of innovation on the continent.

In this podcast, Greg Simpson discusses cyber security with our expert Francisco Sanches, exchanging views about major threats such as emerging risks, FCA guidance on cloud data storage and the cyber security skill gaps, to name a few.

Mazars presents a study which sheds light on the current dynamics in the luxury industry and how companies are using ethics to build value. In response to a world shaken by increasing global economic volatility, the luxury industry is starting to focus on sustainability and ethics. Respect for the environment, recycling, integrity throughout the value chain, and social entrepreneurship are among the strategic priorities for luxury companies.

Since 2010, Gérald Harlin has been Group Chief Financial Officer and a member of Axa’s Executive Committee since July 2008. As of July 1st, 2016, he joined the Group’s Management Committee. In this interview, Harlin talks about Axa’s response to challenges facing the insurance sector.

In partnership with the Economist Intelligence Unit, Mazars has developed a unique programme of thought leadership to examine the current challenges the Financial Services industry is facing.

In this series, we discuss the impact of Brexit on the Real Estate industry from various angles (key insights for the sector, impacts on Real Estate in Germany, France, UK, etc.).

Read our study online at www.mazars.com/africa-innovation

Read our study online at www.mazars.com/luxury-2017

Read the interview online at www.mazars.com/harlin

Read "The marriage of high tech and high finance“ and “Regulatory reform in uncertain times - No rest for the weary” at www.mazars.com/ffs

Read the articles from this series online at www.mazars.com/brexit-re
Cyprus joins the Mazars partnership
- After 8 years as a correspondent firm, Nacouzi & Co joins the Mazars partnership, adding Cyprus to our European and international coverage.

Mazars sets foot in Mozambique
- With the opening of its new office in Mozambique, Mazars expands its already strong presence on the African continent.

Mazars team wins Tax Hackathon
- A team of Mazars tax experts wins the IMF-backed Tax Hackathon, held in Dakar, Senegal.

New smart office opens in Rotterdam
- After Milan, Mazars keeps progressing on smart working with the opening of the new 100% digital, 100% eco-friendly Dutch headquarters in Rotterdam.

Mazars celebrates 25 years in Hungary
- As part of its European development in the 90s, Mazars opened its Budapest office in 1991. We continue to expand our business in Hungary 25 years later.

WeiserMazars becomes Mazars USA
- Five years after successfully joining the Mazars integrated partnership, WeiserMazars renames to ‘Mazars USA’. This rebranding is the culmination of a long-standing plan to closely align Mazars USA’s expertise in the United States with the broader Mazars international partnership.

Tanzania joins our partnership
- Wiscon Associates, a Dar Es Salaam-based audit & advisory firm becomes Africa’s 27th country to join the Mazars partnership.

Mazars sponsors TEDx on education
- On 28th April, Mazars was one of the sponsors of TEDxAix, a disruptive event that gathered 18 speakers from several countries in Aix-en-Provence, France.

Mazars partners with the Africa Banking Forum
- On 15th and 16th May, Mazars was the Scientific Partner of the 9th edition of the Africa Banking Forum (ABF) held in Dakar. This year’s main topic revolved around the benefits of digitalisation to expand access to banking services on the continent.

Mazars holds first Audit Hackathon
- Under the hashtag #hacktheaudit, Mazars convened over 80 participants from different countries to discuss what the audit of the future may look like, in order to truly address the needs of all stakeholders.

Mazars Shake, take two
- For the second year in a row, Mazars gathered in-house advisers and start-uppers to work on common projects aimed at shaping the advisory industry of tomorrow.

New offices around the world
- After opening its first Albanian office in Tirana, in 2015, Mazars sets up shop in Pristina, so as to provide services to its clients in Kosovo. The Group also expands its coverage of Africa, with a brand new office in Kigali, Rwanda.

Mazars’ Berlin professionals enter new office
- Berlin became the last in a string of new German offices, following the 2015 merger between Mazars and RBS.
Mazars Group’s 2017 Yearbook and 2016-2017 Financial Statements are available online at:
http://annualreport.mazars.com

This Yearbook is but an entry point into a much larger world, with a lot more content available all year round on our digital platforms. All our stories are available in full format on our dedicated website:
http://sharedvalue.mazars.com

Follow our “Creating Shared Value by Mazars” feed on Twitter for news on how businesses can interact with their stakeholders in an ethical way:
www.twitter.com/MazarsCSV