

**INSTRUCTIONS TO CANDIDATES:**

1. All questions are compulsory.
  2. Answer in English and begin each question on a new page.
  3. Clearly number your answers as per the question numbers in the paper.
  4. Integrate strategic, financial, governance, and ethical concepts in your responses.
  5. Support your answers with logical analysis, real-world relevance, and appropriate frameworks where necessary.
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**SECTION A – CASE STUDY QUESTIONS**

**(Total: 40 Marks)**

**Answer all questions. Each question carries 20 marks.**

**Question 1 – Strategic Financial Leadership (20 Marks)**

You have been appointed as the Chief Financial Officer (CFO) of Horizon Energy PLC, a large energy company transitioning into renewable technologies. The company is considering a \$500 million investment in offshore wind farms and needs to secure funding while maintaining its credit rating. The board is concerned about long-term shareholder value and risk exposure.

**Required:**

- a) Evaluate the strategic financial considerations involved in this investment decision.
  - b) Discuss the methods of financing available and their impact on the company's capital structure.
  - c) Recommend an approach for managing financial risk during the transition phase.
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**Question 2 – Business Strategy & Ethics (20 Marks)**

NovaMed Inc. is a pharmaceutical company under public scrutiny after a whistleblower revealed unethical clinical testing practices in a developing country. The company faces legal consequences, brand damage, and loss of investor confidence.

**Required:**

- a) Identify the strategic risks faced by NovaMed Inc. in this scenario.
  - b) Discuss the ethical responsibilities of senior management under international business ethics standards.
  - c) Recommend a corporate response strategy that includes legal, reputational, and governance reforms.
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**SECTION B – DESCRIPTIVE ESSAY QUESTIONS**

**(Total: 60 Marks)**

**Answer all questions.**

**Question 3 – Strategic Performance Management (15 Marks)**

Discuss the concept of value creation in modern performance management.

How can strategic KPIs be aligned with long-term organizational goals? Use a performance framework such as the Triple Bottom Line or EVA (Economic Value Added) to illustrate your answer.

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**Question 4 – Risk Management and Internal Control (15 Marks)**

Explain the role of Enterprise Risk Management (ERM) in strategic decision-making.

Describe the COSO framework and how it supports the development of a strong risk culture in multinational organizations.

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**Question 5 – Advanced Corporate Reporting (15 Marks)**

Discuss the importance of Integrated Reporting (<IR>) in enhancing corporate transparency and accountability.

How does it differ from traditional financial reporting, and what are the challenges companies face when adopting <IR>?

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**Question 6 – Strategic Governance (10 Marks)**

Define strategic governance.

Explain how a Board can ensure accountability, sustainability, and long-term value creation while balancing stakeholder interests in a dynamic global environment.

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**End of Paper**