COLOMBO STOCK EXCHANGE

Creating Wealth and Value

Communicating Sustainability

Six Recommendations for Listed Companies

Version 02

Contents

We would like to thank GRI for their technical support

GRI™ Empowering Sustainable Decisions

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Foreword

Sustainable investing has continued to gain momentum among financial market participants and ESG factors are increasingly outlined by leading institutional and retail investors from around the world as vital determinants of investment decisions. As this requirement comes into the fore, it is vital that listed entities take measures to effectively measure and communicate ESG performance and impacts to all stakeholders.

The second version of our guidance document to listed companies on communicating sustainability integrates perspectives and standards of the Global Reporting Initiative, which is set to add considerable value to users of the publication.

As a member of the United Nations Sustainable Stock Exchanges (SSE) initiative, the CSE actively engages in its commitment to promote improved ESG disclosure and performance among listed companies. Encouraging quality reporting among our listed entities is imperative in our effort to provide investors with the information they require to make sound investment decisions.

The world is entering a new era as we move towards embracing new levels of transparency. We are encouraged by the growing commitment of Sri Lankan entities towards communicating their sustainability performance. We encourage Sri Lankan listed companies to take considerable strides towards making sustainability reporting an effective and standard practice.

We are appreciative of the contribution of the Global Reporting Initiative towards this guidance document, and its efforts towards fostering reliable, globally accepted sustainability reporting by Sri Lankan listed companies.

Rajeeva Bandaranaike
Chief Executive Officer
Colombo Stock Exchange

Companies are crucial to building a sustainable future, and sustainability reporting is an important tool in their arsenal. Reporting on their impacts promotes transparency, which in turn can help them better anticipate risks, and inform the decision makers of companies and investors alike. The GRI Sustainability Reporting Standards help companies use transparency to create social, environmental and economic benefits for everyone.

Transparency regarding business impacts, whether positive or negative, is not only a business opportunity, more and more it has become a business necessity. Sustainability reporting also helps companies better understand and communicate their impacts on critical issues for their communities like climate change, human rights and labor relations. Companies can become more aware of the risks, and take steps to manage them. And transparency can also help them gain access to new opportunities in global markets.

It is encouraging to see new legislation and regulation being promoted around the world, to encourage companies to reap the benefits of greater transparency. We commend the Colombo Stock Exchange for providing guidance so that companies can make strides towards a more sustainable world.

Mr. Tim Mohin
Chief Executive
GRI

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Introduction

“Environmental, Social and Governance (ESG) factors are increasingly outlined by global investors as vital determinants of investment decisions.”

Introduction

Growing legislative pressure and increasing public concern about the global climate and the carrying capacity of earth, labor conditions and growing inequality, have led to increasing demands for organizations to act in sustainable ways[1]. Many asset managers and asset owners are considering a wide range of sustainability issues on their investment selection and management decisions. According to the World Federation of Exchanges (WFE), the term 'sustainable investment' covers a wide range of concepts and niche asset classes, from carbon trading and clean-tech investment to the use of environmental, social and governance (ESG) information in portfolio construction and voting policies. Key drivers behind this continuing trend in the global capital markets are the growing political and economic prominence of climate change, market-based incentives for the transition to lower-carbon products, labour standards, human rights & product safety.

1 Freundlieb M, Teuteberg F (2013) Corporate social responsibility reporting-a transnational analysis of online corporate social responsibility reports by market–listed companies: contents and their evolution. International Journal of Innovation and Sustainable Development 7: 1–26.

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Purpose of this Guide

Purpose of this Guide

This guide will help companies listed in the Colombo Stock Exchange address topics related to environmental, social and governance (ESG) issues in their communications, as these aspects are among the factors influencing investment decisions by institutional and retail investors. The guide consolidates the current practices of investors and issuers and aims to provide guidance. It consists of useful recommendations related to sustainability reporting for companies.

Listed companies are assisted and guided in a structured way on how to approach the topic of sustainability when they incorporate it into their capital market communication. Reading this guide will also encourage listed companies to focus and limit their ESG-related reporting to the content that is really material as this is what investors and analysts are interested in. The guide seeks to help the issuer navigate the complex process of identifying the content that is most appropriate and relevant to their capital market communication.

Companies should bear in mind that the substance of their disclosures will depend on their industry or sector and on an individual analysis of the materiality of the information to their specific stakeholders. With its focus on capital market communication, this guide is specifically written with the investors and analysts in mind.

It is important to note that the objective of this guide is not to provide a mandatory listing requirement, but specific guidance on the information that companies should consider and disclose under ESG issues.

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What is ESG?

ESG refers to a set of standards for a company's operations that socially conscious investors can use to screen investments. ESG defines which Environmental, Social and Governance factors can be considered alongside financial ones in the investment decision-making process[2]. The table below provides MSCI ESG Research's Key Issue Hierarchy in each category.

Issue	Factors
Environmental	Climate Change Natural Resources Pollution and Waste Environmental Opportunities
Social	Human Capital Product Liability Stakeholder Opposition Social Opportunities
Governance	Corporate Governance Corporate Behaviour

The main argument for incorporating ESG factors into investment strategies is that these factors can help create or erode shareholder value. Beyond this business case rationale, many investors and other stakeholders also argue that incorporating ESG considerations will result in good corporate citizenship and enlightened self-interest.

The United Nations Sustainable Stock Exchanges (SSE) initiative encourages stock exchanges to provide guidance to their issuers on Environmental, Social and Governance (ESG) reporting. As conduits between issuers, investors, regulators and other capital market stakeholders, stock exchanges are ideally placed to support the transition to greater ESG disclosure and to attract new investment flows with a sustainability-focus. The SSE also tracks sustainability related activities of stock exchanges in the SSE Database[3], including how many stock exchanges require ESG reporting as a listing rule, provide ESG-related training or have written guidance on ESG reporting such as this guide. Examples of these guides are the "LSEG's Your Guide to ESG Reporting" and the ESG guidance of the Bombay Stock Exchange "Guidance Document on ESG Disclosures". There is also the "Sustainability Reporting Guidelines by the Philippine Securities and Exchange Commission". Many more can be found in the SSE Database. The United Nations Sustainable Development Goals have also drawn further attention to sustainability and sustainability reporting, causing existing and new report issuers to report on their contribution to these global goals. Using publications such as "In focus: Addressing Investor Needs in Business Reporting on the SDGs contribute to making the reported information relevant for investors".

2 https://www.msci.com/esg-investing#what_is_ESG

3 http://www.sseinitiative.org/data/
Better World of the Business And Sustainable Development

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The United Nations' Sustainable Development Goals (SDGs)

Our planet faces massive economic, environmental and social challenges, such as poverty, inequality, environmental stress, etc. The 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs or Global Goals) were designed to help society and business to focus on solving global sustainability challenges. The SDGs provide a vision of a sustainable future and propose actionable targets for today's major sustainability challenges.

As a key stakeholder, the business sector has a critical role in providing solutions that can contribute to solving sustainable development challenges, while generating new business opportunities. The Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC) published "Business Reporting on the SDGs: An Analysis of the Goals and Targets" and "Integrating the SDGs into Corporate Reporting: A Practical Guide" to assess their current operations by identifying, assessing and measuring how they contribute to – or undermine – each goal. From there the SDGs are useful in two ways: firstly, companies can measure and report their impacts in relation to the SDGs and implement new ideas that improve the business, reducing their footprint and minimizing overall negative impacts. Secondly, organizations can use the SDGs as inspiration and design criteria for new product development and business process innovation, developing products and services that contribute to solving real global challenges while meeting human needs.

The SDGs are anticipated to generate at least US$12 trillion worth of market opportunities by 2030. [4] In its 'Better Business Better World' report, the Business & Sustainable Development Commission identifies the 60 biggest market opportunities related to the achievement of the SDGs, in the areas of food and agriculture, cities, energy and materials, and health and well-being. The report concludes that over 50% of these opportunities are in frontier and emerging economies.[5]

The SDGs are becoming increasingly important also for investors, as they are 'an articulation of the world's most pressing environmental, social and economic issues and, as such, act as a definitive list of the material ESG (environmental, social and governance) perspectives that should be taken into account as part of an investor's fiduciary duty.'[6]. There is a strong business case for investing in opportunities aligned with the SDGs, including helping investors secure stable returns, better represent the values of their clients and offer sustainable financial products that differentiate them in the marketplace[7].

By providing relevant SDG data, companies can help investors make informed decisions and direct capital towards investments with positive real-world impact. Achieving the SDGs can present great business opportunities, but the opposite is also true. Not reaching the Goals can have major negative consequences for companies and their finances and, therefore, for investors' financial returns. This is why investors need to know the (actual and potential) positive and negative effects that a business has on contributing to the SDG targets, including depth, scale, duration and rate; the added contribution the business makes to the SDGs; and the likelihood that any effects will differ from set expectations. In their SDG reporting, straightforward, user-friendly metrics should showcase a company's targets and progress; companies should consider risk factors and impacts on external social and natural environments in a focused manner, particularly risks to people and the environment[8].

4 See the report Better Business, Better World of the Business And Sustainable Development Commission, report. businesscommission.org/, p. 26.

5 Find the report here: http://report.businesscommission.org/, p. 26.

6 See The SDG Investment Case, https://www.unpri.org/download?ac=5909, p. 10.

7 See In Focus: Addressing Investor Needs in Business Reporting on the SDGs, https://www.globalreporting.org/resourcelibrary/addressing-investor-needs-SDGs-reporting.pdf, p.5.6

8 See In Focus: Addressing Investor Needs in Business Reporting on the SDGs, https://www.globalreporting.org/resourcelibrary/addressing-investor-needs-SDGs-reporting.pdf, p. 4.

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Why reporting on ESG is important

ESG may have very strong economic implications, depending on the quality of the way they are managed.

Why reporting on ESG is important

USD 60 trillion AUM, incorporate ESG considerations into their decision making & ownership practices.

1. Attracting Investors Seeking Sustainable Investment Opportunities.

   There is an increasing interest by investors in the Environmental, Social, and Governance (ESG) impacts of businesses. This can be seen by the steady growth of the signatories to the Principles for Responsible Investment (PRI) to over 1900,[9] representing over USD 80 trillion as of April 2018. These signatories are committed to incorporate ESG considerations into their decision making and ownership practices. Further, the 2016 report by GSIA[10] found that, assets valued at over USD 21.9 trillion have incorporated ESG concerns into their investment selection and management globally. This is an increase of 25% from 2014, which shows that commitment is turning to action because companies can have significant ESG risks and impacts that can potentially negatively influence a business' bottom line. For example, businesses are contributing to climate change through their greenhouse gas emissions; in turn, climate change can lead to extreme weather events, influence water availability and other issues that affect the operation of a business.

   For businesses, ESG related reporting leads to a better understanding of its impacts and the exposure of their operation to ESG-related risks. Communicating this information allows investors to better understand the management of ESG risks and impacts of their portfolio and potential investees. This gives companies access to a broader set of investors, as increasingly investors commit and take action to incorporate ESG information in their investment decisions[11] and require companies to be transparent on these issues. Further, it opens the opportunity to be included in the sustainability focused indices, used for passive investment strategies, which increases visibility and makes it easier for investors to identify companies that are transparent on their ESG risks and impacts. Indices such as the MSCI Emerging Market ESG Index have been outperforming traditional benchmarks[12].

2. Getting Ahead of Regulatory Developments.

   Regulatory bodies are highlighting the importance of ESG disclosures to corporations to strengthen market procedures. This can help countries to attract new investments due to the disclosure of sustainability information according to regulatory requirements. So far there are number of regulatory bodies that have introduced frameworks to report on sustainability. For example, 19 of the G20 member states and 9 of 32 national securities commission on the board of the International Organization of Securities Commission (IOSCO) have implemented at least one mandatory reporting initiative or regulation on social environmental matters[13]. The International Organization of Securities Commission (IOSCO) states in its Principle 16 that issuers should provide "full, accurate, and timely disclosure of financial results, risk, and other information which is material to investors' decisions." With regard to this Principle, IOSCO emphasizes that ESG matters, though sometimes characterized as non-financial, may have a material short-term and long-term impact on the business operations of the issuers as well as on risks and returns for investors and their investment and voting decisions[14]. Issuing these type regulations assist companies to produce quality sustainability reports.

3. Enhanced Corporate Reputation.

   Companies can demonstrate their commitments towards ESG issues and the level of adherence to industry ethical standards and national and international frameworks on corporate sustainability and sustainable development. A reporting related stakeholder engagement will enhance corporate reputation by improving stakeholders' perception of a company.

4. Strengthening Financial Performance.

   Reporting on ESG will generate financial value for the company by identifying opportunities for cost savings, revenue generation and risk mitigation. Continuous improvements on accountability and fostering collaboration with stakeholders will help companies to improve their image, which in turn has the potential to positively impact its profitability.

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9 https://www.unpri.org/pri/about-the-pri
10 The Global Sustainable Investment Alliance (GSIA) is an international collaboration of membership-based sustainable investment organisations.
11 Based on the increasing number of PRI signatories and ESG investments as found by GSIA.
12 https://www.msci.com/documents/10199/c341baf6-e515-4015-af5e-c1d864cae53e
13 http://www.sseinitiative.org/wp-content/uploads/2012/03/SSE-2014-ROP.pdf
14 See IOSCO's Statement on Disclosureof ESG Matters by Issuers, https://www.iosco.org/library/pubdocs/pdf/ IOSCOPD619.pdf, p. 1.

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Best Practice Recommendations

“The following best practice recommendations for ESG reporting are designed to support companies in developing more holistic, integrated corporate reporting with the objective of effective capital market communication. CSE encourages all listed companies to consider sustainability reporting with a special emphasis on the following recommendations”.

Best Practice Recommendations

1. Leadership and Drive

   The board of directors of a company can play a leading role by demonstrating the commitment to high quality ESG reporting. The board may define and control key topics and key performance indicators (KPIs) that reflect the company's economic, environmental, social and governance impacts. This means that the senior management needs to set the sustainability agenda and ensure that line organisations understand and embrace the goals that have been set and the targets that have been agreed.

   Therefore, it is recommended for the board of directors to issue a statement that clarifies how the board determined the importance of ESG issues. This statement may include which ESG factors were selected, importance of different stakeholders and how and within what time frame it made these judgments on ESG issues, as they change over time.

   During the initial stages of report preparation, it is useful to determine the appropriate personnel within a company, who are best placed to be involved in disclosing ESG matters. Members from different departments such as finance, investor relations, communications, legal, sustainability and each business unit can team up on working towards a good quality ESG report. Any team working on ESG reporting should have the access to input from across the functional divisions of a company, as different functions within the company may be engaging with different stakeholders and managing material issues. Also it is important to highlight their responsibilities and capabilities that are relevant for ESG reporting.

2. Consider stakeholder interests

   ESG reporting caters for the needs of many stakeholders with differing requirements and expectations in terms of topics, as well as the format and granularity of data. Investors, financial institutions, insurers, customers, governments, communities, and non-governmental organizations increasingly want information and action on relevant environmental and social issues.

   When considering reporting information to investors, it is important to remember that while all investors can benefit from ESG information, different investors can have distinct information needs. Companies can therefore benefit from clarifying themselves on matters such as current top investors, the investors whom the company would desire to have in the future and their interests. Increasingly, long term investors are recognising the importance of ESG factors on the long-term performance of the companies in which they invest. In order to price and manage risk during their analysis of an investment, investors need relevant information and companies need to understand the form that information should take.

3. Identify and prioritize material ESG issues

   An organization is faced with a wide range of topics on which it can report. In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them. Not all material topics are of equal importance, and the emphasis within a report is expected to reflect their relative priority. The degree to which each indicator is relevant will vary greatly among companies, and the materiality of each factor should be determined by the board and management of the company itself taking considerations from priority stakeholders into account.

Two Complementary Approaches to Materiality

For a better understanding of the concept of materiality, companies may refer to the concepts provided by the International Accounting Standards Board and the Global Reporting Initiative. These are two complementary approaches to materiality.

The International Accounting Standards Board (IASB) defines information as "material" if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements.[15] For example, climate-related information should be reported if it is necessary for an understanding of the development, performance and position of the company. This perspective is typically of most interest to investors[16].

GRI defines Material Topics as those that reflect the organization's significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders. For example, ESG information should be reported if it is necessary for an understanding of the external

15 International Accounting Standards Board (2005) IASB Framework.

16 Consultation Document on the update of the non-binding guidelines on non-financial reporting, https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/2019-non-financial-reporting-guidelines-consultation-document_en.pdf, p. 7.

impacts of the company. This perspective is typically of most interest to citizens, consumers, employees, communities and civil society organizations. However, an increasing number of investors also need to know about the climate impacts of investee companies in order to better understand and measure the sustainability and climate impacts of their investment portfolios.[17]

It is important that the organization can explain the process by which it determined the priority of topics.

4. Adopt Relevant Performance Indicators

Once a company has established which ESG topics to report on, it can begin to disclose specific performance indicators to demonstrate progress. These indicators may be generic, industry-specific or company-specific. It is also recommended that companies use widely accepted indicators developed via a credible national or international process. GRI, for example, produces the most widely used set of standards for corporate sustainability reporting with detailed guidance on their application. [18]

In 2018, the World Federation of Exchanges (WFE) published the "WFE ESG Guidance and Metrics to the GRI Standards"[19], a sustainability reporting guidance for their member exchanges that is fully aligned with the GRI Sustainability Reporting Standards. The guidelines have been mapped against the GRI Standards in an easy-to-use linkage document.

17 Consultation Document on the update of the non-binding guidelines on non-financial reporting, https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/2019-non-financial-reporting-guidelines-consultation-document_en.pdf, p. 7.
18 To download the GRI Standards go to https://www.globalreporting.org/standards/
19 https://www.globalreporting.org/SiteCollectionDocuments/2018/Mapping_WFE-ESG-Metrics_GRIStandards.PDF

Revised WFE Recommendations (2018) Version 2			Please use a "respond or explain" rationale when following this recommendation; if a certain response is omitted, use the comment area to explain the reasons why. All responses are intended to be reported annually, unless otherwise indicated. Please identify the timescope for your responses if necessary.		GRI Standards		
ID	Category	Metric	Calculation	Guidance	Corresponding GRI Standard	Corresponding Disclosures	Corresponding Topic -specific GRI Standards to be used with GRI 103: Management Approach 2016
E1	Environmental	GHG Emissions	E1.1) Total amount, in CO_2 equivalents, for Scope 1 (if applicable)	Please use the WRI/WBCSD GHG protocol.		Disclosure 305-1	
			E1.2) Total amount, in CO_2 equivalents, for Scope 2 (if applicable)	Please use the WRI/WBCSD GHG protocol.	GRI 305: Emissions 2016	Disclosure 305-2	
			E1.3) Total amount, in CO_2 equivalents, for Scope 3 (if applicable)	Please use the WRI/WBCSD GHG protocol.	GRI 305: Emissions 2016	Disclosure 305-3	
E2	Environmental	Emissions Intensity	E2.1) Total GHG emissions per output scaling factor	Scaling factors set by reporting company.	GRI 305: Emissions 2016	Disclosure 305 -4	
			E2.2) Total non -GHG emissions per output scaling factor	Examples include: Revenues, sales, production units.	n/a	n/a	
E3	Environmental	Energy Usage	E3.1) Total amount of energy directly consumed	Reported in MWh or GJ.	GRI 302: Energy 2016	Disclosure 302 -1	
			E3.2) Total amount of energy indirectly consumed	Reported in MWh or GJ.	GRI 302: Energy 2016	Disclosure 302 -2	
E4	Environmental	Energy Intensity	Total direct energy usage per output scaling factor	Scaling factors set by reporting company. Examples include: Physical space, FTEs, revenues.	GRI 302: Energy 2016	Disclosure 302 -3	
E5	Environmental	Energy Mix	Percentage: Energy usage by generation type	Examples include: Renewables, hydro, coal, oil, natural gas.	GRI 302: Energy 2016	Disclosure 302 -1	
E6	Environmental	Water Usage	E6.1) Total amount of water consumed	Reported in gallons or square meters (m3).	GRI 303: Water and Effluents 2018	Disclosure 303 -5	
			E6.2) Total amount of water reclaimed	Reported in gallons or square meters (m3).	n/a	n/a	
E7	Environmental	Environmental Operations	E7.1) Does your company follow a formal Environmental Policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103 -2	GRI 301-308 (The 300 series of the GRI Standards include topic-specific Standards used to report information on an organization's material impacts related to environmental topics.)
			E7.2) Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103 -2	GRI 306: Effluents and Waste 2016 GRI 303: Water and Effluents 2018 GRI 302: Energy 2016
			E7.3) Does your company use a recognized energy management system? Yes/No	ISO 50001, for example.	GRI 103: Management Approach 2016*	Disclosure 103 -2	GRI 302: Energy 2016
E8	Environmental	Environmental Oversight	Does your Board/Management Team oversee and/or manage climate-related risks? Yes/No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosures 102 -19, 102 -20, 102-29, 102 -30, 102 -31	
E9	Environmental	Environmental Oversight	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosures 102 -19, 102 -20, 102-29, 102 -30, 102 -31	
E10	Environmental	Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	Reported in USD, if possible.	n/a	n/a	

S1	Social	CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median FTE total compensation	Use total compensation, including all bonus and incentives.	GRI 102: General Disclosures 2016	Disclosure 102-38	
			S1.2) Does your company report this metric in regulatory filings? Yes/No	For example: Dodd-Frank regulations (US)	n/a	n/a	
S2	Social	Gender Pay Ratio	Ratio: Median male compensation to median female compensation	Reported for FTEs only. Use total compensation, including all bonus and incentives.	GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-2	
S3	Social	Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees		GRI 401: Employment 2016	Disclosure 401-1-b	
			S3.2) Percentage: Year-over-year change for part-time employees		n/a	n/a	
			S3.3) Percentage: Year-over-year change for contractors and/or consultants		n/a	n/a	
S4	Social	Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women		GRI 102: General Disclosures 2016	Disclosure 102-8	
			S4.2) Percentage: Entry- and mid-level positions held by men and women		GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1	
			S4.3) Percentage: Senior- and executive-level positions held by men and women		GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1	
S5	Social	Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees		GRI 102: General Disclosures 2016	Disclosure 102-8	
			S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants		n/a	n/a	
S6	Social	Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 406: Non-Discrimination 2016
S7	Social	Injury Rate	Percentage: Frequency of injury events relative to total workforce time	Reference ILO & UNDHR standards, if possible.	GRI 403: Occupational Health and Safety 2018	Disclosure 403-9	
S8	Social	Global Health & Safety	Does your company follow an occupational health and/or global health & safety policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 403: Occupational Health and Safety 2018
S9	Social	Child & Forced Labor	S9.1) Does your company follow a child and/or forced labor policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 408: Child Labor 2016 GRI409: Forced or Compulsory Labor 2016
			S9.2) If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Reference ILO & UNDHR standards, if possible.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 414: Supplier Social Assessment 2016
S10	Social	Human Rights	S10.1) Does your company follow a human rights policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 412: Human Rights Assessment 2016
			S10.2) If yes, does your human rights policy also cover suppliers and vendors? Yes/No	Reference ILO & UNDHR standards, if possible.	GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 414: Supplier Social Assessment 2016
G1	Governance	Board Diversity	G1.1) Percentage: Total board seats occupied by men and women		GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1	
			G1.2) Percentage: Committee chairs occupied by men and women		n/a	n/a	
G2	Governance	Board Independence	G2.1) Does the company prohibit CEO from serving as board chair? Yes/No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosure 102-23	
			G2.2) Percentage: Total board seats occupied by independents		GRI 102: General Disclosures 2016	Disclosure 102-22	
G3	Governance	Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosure 102-35	
G4	Governance	Collective Bargaining	Percentage: Total enterprise headcount covered by collective bargaining agreement(s)		GRI 102: General Disclosures 2016	Disclosure 102-41	
G5	Governance	Supplier Code of Conduct	G5.1) Are your vendors or suppliers required to follow a code of conduct? Yes/ No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosure 102-16	
					GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 308: Supplier Environmental Assessment 2016 GRI 414: Supplier Social Assessment 2016
			G5.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	Percentage can be defined by number or expenditure.	n/a	n/a	

G6	Governance	Ethics & Anti-Corruption	G6.1) Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Cite public content, if available.	GRI 102: General Disclosures 2016	Disclosure 102-16	
					GRI 103: Management Approach 2016*	Disclosure 103-2	GRI 205: Anti-Corruption 2016
			G6.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	Percentage is defined by total (full-time employee) FTE headcount.	n/a	n/a	
G7	Governance	Data Privacy	G7.1) Does your company follow a data privacy policy? Yes/No	Cite public content, if available.	GRI 103: Management Approach 2016*	Disclosure 103-2	n/a
			G7.2) Has your company taken steps to comply with General Data Protection Regulation (GDPR) rules? Yes/No	General Data Protection Regulation (GDPR).	n/a	n/a	
G8	Governance	Sustainability Reporting	G8.1) Does your company publish a sustainability report? Yes/No	Cite public content, if available.	n/a	n/a	
			G8.2) Is sustainability data included in your regulatory filings? Yes/No	Cite public content, if available.	n/a	n/a	
G9	Governance	Disclosure Practices	G9.1) Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	If yes, cite frameworks used.	n/a	n/a	
			G9.2) Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Cite public content, if available.	n/a	n/a	
			G9.3) Does your company set targets and report progress on the UN SDGs? Yes/No	Cite public content, if available.	n/a	n/a	
G10	Governance	External Assurance	Are your sustainability disclosures assured or validated by a third party? Yes/No	Cite third-party assurance partner.	GRI 102: General Disclosures 2016	Disclosure 102-56	
					*GRI 103: Management Approach 2016 is to be used in combination with the topic-specific Standards		

5. Reporting Integrity and Transparency

The absence of a generally accepted accounting standards for measuring and presenting environmental, social and governance metrics creates challenges for investors in interpreting performance. Companies should describe to investors any standards that they have applied in the preparation of key ESG metrics. This should be supplemented with details of key definitions and assumptions used in the calculation of metrics where an external standard does not exist or has not been applied. To facilitate ease of use by investors, it is preferable that a brief 'basis of preparation' explanation or document is made available either within the company's report itself or on its website.

6. Proper Communication

Companies may use various communication channels including integrated reports, standalone sustainability reports, websites or any other publications to disclose relevant, comparable and timely information on ESG matters. The right disclosure channels ensure investors receive relevant, easily accessible, comparable and timely information. It is advantageous for companies to be familiar with the preferred ESG information sources of its key stakeholders, and to update these with timely and accurate news about their performance.

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Appendix: Sustainability Reporting Initiatives

Appendix: Sustainability Recommendations

Global Reporting Initiative (GRI)

GRI is an independent international organization that has pioneered sustainability reporting since 1997. GRI helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social well-being. With thousands of reporters in 110 countries, GRI provides the world's most trusted and widely used standards on sustainability reporting, enabling organizations and their stakeholders to make better decisions based on information that matters. Currently, 60 countries and regions reference GRI in their policies.

GRI's mission is to empower decision-makers everywhere, through its standards and multi-stakeholder network, to take action towards a more sustainable economy and world.

GRI Standards

The GRI Standards are the first global standards for sustainability reporting. The GRI Sustainability Reporting Standards (GRI Standards) are a set of modular reporting standards that can be used by any organization to report about its impacts on the economy, the environment, and society. They represent the global best practice for reporting on a range of economic, environmental and social impacts. The GRI Standards are developed with true multi-stakeholder contributions and rooted in the public interest.

www.globalreporting.org

International Integrated Reporting Council (IIRC)

IIRC is a group of international leaders from the corporate, investment, accounting, securities, regulatory, academic, standard-setting and civil society areas with a mission to create the Integrated Reporting framework. The Framework will provide material information about an organization's strategy, governance, performance and prospects in a concise and comparable format, a fundamental shift in corporate reporting.

www.integratedreporting.org

Sustainability Accounting Standards Board (SASB)

The Sustainability Accounting Standards Board Foundation (SASB) is an independent, non-profit standard-setting organization that develops and maintains robust reporting standards that enable businesses around the world to identify, manage and communicate financially material sustainability information to their investors. SASB standards are evidence based, developed with broad market participation, and are designed to be cost-effective for companies and decision-useful for investors. To download any of the 77 industry-specific standards, or learn more about SASB, please visit the website.

www.sasb.org

UN Global Compact (UNGC)

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 9,500 companies and 3,000 non-business signatories based in over 160 countries, and 70 Local Networks, it is the largest corporate sustainability initiative in the world. For more information, please visit the website.

www.unglobalcompact.org

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