



S&P Global  
Sustainable 1



# 2023 S&P CORPORATE SUSTAINABILITY ASSESSMENT

REPORTING PERIOD: JAN 01, 2022 – DEC 31, 2022



Dubai Aerospace Enterprise



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Company Name: Dubai Aerospace Enterprise (DAE) Ltd.

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Registration Data:

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Main contact person:

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(Person to be contacted in the case of questions)

Function/position:

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Department:

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Address:

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Town/city:

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Zip:

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Country:

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Phone:

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E-mail:

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Web:

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## CSA 2023 Non-Listed

### 0 Company Information

#### 0.1 Denominator - Revenues

Please provide the following information for your organization. This information will be used throughout the questionnaire to normalize other reported data, as well as for our research purposes. **Please provide information for all parts of this question.**

Supporting evidence:

##### Reporting Currency

Please select your company's reporting currency. For consistency purposes, this currency will be used throughout the questionnaire, and will be automatically selected for questions asking for monetary data. If you would like to change the default currency, you can do so by changing the currency selection below. Unless otherwise specified, all monetary values should be reported in their absolute values.

- EUR - Euro
- USD - US Dollar
- AED - UAE Dirham
- AUD - Australian Dollar
- BMD - Bermudian Dollar
- BRL - Brazilian Real
- CAD - Canadian Dollar
- CHF - Swiss Francs
- CLP - Chilean Peso
- CNY - Yuan Renminbi
- COP - Colombian Peso
- CZK - Czech Koruna
- DKK - Danish Krone
- EGP - Egyptian Pound
- GBP - Pound Sterling
- HKD - Hong Kong Dollar
- HUF - Forint
- IDR - Rupiah
- ILS - New Israeli Sheqel
- INR - Indian Rupee
- JPY - Yen
- KRW - Won
- LKR - Sri Lanka Rupee
- MXN - Mexican Peso
- MYR - Malaysian Ringgit
- NOK - Norwegian Krone
- NZD - New Zealand Dollar
- PEN - Sol

- PHP - Philippine Peso
- PLN - Zloty
- QAR - Qatari Rial
- RUB - Russian Ruble
- SEK - Swedish Krona
- SGD - Singapore Dollar
- THB - Baht
- TRY - Turkish Lira
- TWD - New Taiwan Dollar
- ZAR - Rand
- PKR - Pakistani Rupee
- ARS - Argentine Peso
- KES - Kenyan Shilling
- MAD - Moroccan Dirham
- NAD - Namibian Dollar
- SAR - Saudi Riyal
- KWD - Kuwaiti Dinar
- KYD - Cayman Islands Dollar
- VND - Vietnam Dong
- AFN - Afghan Afghani
- ALL - Albanian Lek
- AMD - Armenian Dram
- ANG - Netherlands Antillean Guilder
- AOA - Angolan Kwanza
- AWG - Aruban Florin
- AZN - Azerbaijani Manat
- BAM - Bosnian Convertible Marks
- BBD - Barbados Dollar
- BDT - Bangladeshi Taka
- BGN - Bulgarian Lev
- BHD - Bahraini Dinar
- BIF - Burundi Franc
- BND - Brunei Dollar
- BOB - Bolivian Boliviano
- BSD - Bahamian Dollar
- BTN - Bhutan Ngultrum
- BWP - Botswanan Pula
- BYN - Belarusian Ruble
- BZD - Belize Dollar

- CDF - Congolese Franc
- CRC - Costa Rican Colon
- CUP - Cuban Peso
- CVE - Cape Verde Escudo
- DJF - Djibouti Franc
- DOP - Dominican Peso
- DZD - Algerian Dinar
- ERN - Eritrean Nakfa
- ETB - Ethiopian Birr
- FJD - Fiji Dollar
- FKP - Falkland Islands Pound
- GEL - Georgian Lari
- GHS - Ghanaian Cedi
- GMD - Gambian Dalasi
- GNF - Guinea Franc
- GTQ - Guatemalan Quetzal
- GWP - Guinea-Bissau Peso
- HNL - Honduran Lempira
- HRK - Croatian Kuna
- HTG - Haitian Gourde
- IQD - Iraqi Dinar
- IRR - Iranian Rial
- ISK - Icelandic Krona
- JMD - Jamaican Dollar
- JOD - Jordanian Dinar
- KGS - Kyrgyzstani Som
- KHR - Cambodian Riel
- KMF - Comoro Franc
- KPW - North Korean Won
- KZT - Kazakhstan Tenge
- LAK - Lao Kip
- LBP - Lebanese Pound
- LRD - Liberian Dollar
- LSL - Lesotho Loti
- LYD - Libyan Dinar
- MDL - Moldovan Leu
- MGA - Malagasy Ariary
- MKD - Macedonian Denar
- MMK - Myanmar Kyat

- MNT - Mongolian Tugrik
- MOP - Macau Pataca
- MRU - Mauritanian Ouguiya
- MUR - Mauritius Rupee
- MVR - Maldive Rufiyaa
- MWK - Malawian Kwacha
- MZN - Mozambican Metical
- NGN - Nigerian Naira
- NIO - Nicaraguan Cordoba Oro
- NPR - Nepalese Rupee
- OMR - Omani Rial
- PAB - Panamanian Balboa
- PGK - Papua New Guinea Kina
- PYG - Paraguay Guarani
- RON - Romanian Leu
- RSD - Serbian Dinar
- RWF - Rwanda Franc
- SBD - Solomon Islands Dollar
- SCR - Seychelles Rupee
- SDG - Sudanese Pound
- SHP - Saint Helena Pound
- SLL - Sierra Leone Leone
- SOS - Somali Shilling
- SRD - Suriname Dollar
- SYP - Syrian Pound
- SZL - Eswatini Lilangeni
- TJS - Tajik Somoni
- TMT - Turkmenistan Manat
- TND - Tunisian Dinar
- TOP - Tongan Pa'Anga
- TTD - Trinidad And Tobago Dollar
- TZS - Tanzanian Shilling
- UAH - Ukraine Hryvnia
- UGX - Uganda Shilling
- UYU - Peso Uruguayo
- UZS - Uzbekistani Som
- VES - Venezuelan Bolivar Soberano
- VUV - Vanuatu Vatu
- WST - Samoan Tala

- XAF - CFA Franc BEAC
- XCD - East Caribbean Dollar
- XOF - CFA Franc BCEAO
- XPF - CFP Franc
- YER - Yemeni Rial
- ZMW - Zambian Kwacha
- ZWL - New Zimbabwe Dollar

**Normalization Factors**

**Revenues** will be used as the normalization factor for the data reported in the environmental dimension ("Emissions", "Waste", "Water" and "Resource Efficiency and Circularity" criteria). If available, constant currency (foreign exchange adjusted) revenues are preferred, as they eliminate the effect of fluctuations in foreign exchange rates and are thus a better indicator of business performance. However, reported revenues are acceptable as well. **Please also provide information for all other requested fields.**

**Fiscal year-end date**

Please specify your fiscal year-end date in the following format:  
dd.mm.yyyy (e.g. 31.12.2022)

Company Data	Financial Year 2019	Financial Year 2020	Financial Year 2021	Financial Year 2022
<b>Revenues</b> Please indicate if figures are reported or constant currency: <input type="radio"/> Constant Currency <input type="radio"/> Reported Revenues				
<b>Revenues in US Dollars</b> Please convert your revenues in US dollars at the exchange rate of your fiscal year-end date.				
<b>Total Employees</b>				

**Info Text:**

Question Rationale The information asked in this question is required by us to normalize quantitative data provided in other questions and criteria (e.g. Emissions). Company data reported here may also be used to normalize other reported data in the questionnaire or may be used by us for research purposes. Key Definitions - Revenues: Please provide the revenues in your reporting currency, and indicate which currency you have used in the comment box. Please provide constant currency (foreign exchange adjusted) revenues if possible, as they eliminate the effect of fluctuations in foreign exchange rates and are thus a better indicator of business performance. However, reported revenues are also accepted - Revenues in US Dollars: Please convert the revenues reported in each year using the exchange rate at the end of that corresponding fiscal year. In other words, if your company has a fiscal year that ends on the 31st of December, the revenues provided for FY2019 should be converted using the exchange rate on 31.12.2019. The revenues provided for FY2020 should be converted using the exchange rate on 31.12.2020. - Total Employees: the number of people employed on a full time and part-time basis by the company, calculated as: Total Employees = Full Time Employees + 0.5 \* Part Time Employees. If you calculate your total number of employees differently, please describe your method in the comment box. Data Requirements - Please provide information for all parts of this question



and ensure that the figures provided are consistent over four years as well as consistent with the figures (e.g. emissions) provided in the other questions. - Reporting currency: currency selected will be used throughout the questionnaire for consistency purposes, and will automatically be selected for questions asking for monetary data. - Unless otherwise specified, all monetary values should be reported in their absolute values. - If available for your industry, please select the appropriate normalization factor to be used for normalizing data reported in the "Emissions" Supporting evidence: No document is required to support your response. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information.

## 1 Governance & Economic Dimension

### 1.1 Transparency & Reporting

To confidently use sustainability-related data and reports produced by companies, stakeholders must be able to rely on accurate information that has been collected, elaborated and presented in a transparent manner. This criterion aims to assess how companies set and communicate the reporting boundaries associated to their sustainability-disclosure, whether they certify the quality and accuracy of the disclosed data through third-party verification and assurance processes, and whether they define the eligibility and/or alignment of their business activities to relevant sustainable finance taxonomies.

#### 1.1.1 Sustainability Reporting Boundaries

**This question requires publicly available information.**

Does your company publicly report on the scope or reporting boundaries of your sustainability disclosure?

- Yes, we publicly disclose the reporting boundaries or scope of reporting used for our sustainability disclosure. Please choose the option that best describes your reporting boundaries and provide public supporting evidence:
  - All activities consolidated for financial reporting purposes are covered
  - The following percentage of our revenues is covered by our sustainability disclosure:
    - 75-100%
    - 50-75%
    - 25-50%
    - 0-25%
  - All activities under operational control and/ or majority-owned are covered
  - None of the above applies, but we provide the criteria used for sustainability data disclosure (e.g. list of included or excluded entities, geographies or divisions)
- Please specify what indicators are covered by your sustainability disclosure:
  - Environmental indicators are covered
  - Social indicators are covered
- We don't have a dedicated section of our disclosure that describes our reporting boundaries, but we disclose the coverage of some specific environmental or social indicators. Please select the options that apply:
  - Some environmental indicators have coverage details

- Some social indicators have coverage details
- We don't publicly state the reporting boundaries of our sustainability disclosure, nor coverage of single environment or social indicators
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Setting clear sustainability reporting boundaries is necessary for stakeholders and investors to understand how the sustainability disclosure of a company reflects its organizational and management reality. The greater the scope of the information is disclosed, the more it is representative of a company's business activities as a whole, providing a more accurate picture of the environmental and social impacts of the company. Because of this, stakeholders and established standards and frameworks are expecting companies to increasingly align their sustainability disclosure with the boundaries set for financial disclosure. Key Definitions Financially consolidated activities: refer to all subordinate entities, subsidiaries, etc. that the company has consolidated in its financial statement. Financial accounting standards require reporting companies to consolidate all entities that they control. Operational control: an organization has operational control over an operation if the former has the authority to introduce and implement its processes and operating policies. Majority-owned activities: subordinate entities or subsidiaries in which the reporting company (e.g. parent company) owns more than 50% of outstanding shares. Disclosure Requirements - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, corporate citizenship/corporate social responsibility report, financial report) or corporate website. - Please ensure that the information needed to mark any of the options is clearly disclosed in the attached documents Specific requirements for the single-choice selection: - If your company has disclosed the reporting boundaries or scope of reporting used for your sustainability disclosure, and more than one option can be selected among those in the single-choice section, please consider that a high (75-100%) revenue coverage of a company's sustainability disclosure or an alignment between the financial consolidation and sustainability disclosure are considered best practices and should be used as options. - If the majority of your revenue is derived from minority (non-consolidated) interests, please use the revenue field to indicate the coverage of your sustainability disclosure. Please also provide a brief description of your minority interests in the comment box of the question, explaining how they have been included in your sustainability disclosure and within the CSA. - If you have used the revenue field, but the revenue coverage is not explicitly stated in the reporting boundaries section of your sustainability disclosure, please provide the necessary public documents to corroborate the coverage range provided and indicate the necessary calculations in the comment box. For groups and holding companies, this percentage coverage must be calculated against the total revenue reported in the consolidated financial statement.

**1.1.2 Sustainability Reporting Assurance**

**This question requires publicly available information.**

Have you received any external assurance in relation to your company's sustainability reporting? If yes, then attach supporting evidence indicating where the assurance statement is available in the public domain.

- Yes, we have received an assurance statement by an external assurance specialist (e.g., accountants, certification bodies, specialist consultancies)?
  - The assurance statement is based on a recognized international or national standard (e.g. AA1000AS, ISAE 3000).
  - The assurance statement contains a "declaration of independence" which specifies that the assurance provider has no conflict of interest in relation to providing the assurance of environmental and / social data for the company which has been assured
  - The scope of the assurance statement clearly indicates that it covers **environmental KPIs**. *If only some KPIs are assured, then it is clearly indicated which data/KPIs disclosed in the report have been assured.*

- The scope of the assurance statement clearly indicates that it covers **social KPIs**. *If only some KPIs are assured, then it is clearly indicated which data/KPIs disclosed in the report have been assured.*
- The assurance statement contains a conclusion, i.e. either "reasonable assurance" or "limited assurance"
- No, we do not have any external assurance on our sustainability reporting.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale As with financial data, assurance of environmental and social data ensures that it is more reliable and increases the likelihood that investors will use these data in their analysis and investment decisions. Transparency about the assurance process and the data assured also increases stakeholders' trust in published information. The purpose of this question is to assess the extent to which companies are disclosing the details related to their environmental and social assurance. Key Definitions Assurance specialists: Include accountants, certification bodies, and specialist consultancies. It does not include an independent advisory board, stakeholder panel, or high-level individual (e.g. Environmental Minister). The declaration of independence: An explicit statement of independence from the auditor confirming that there is no other commercial link to the company's operations or business that could result in a conflict of interest. Recognized international or national standard: refers to assurance standards and not reporting standards (such as GRI guidelines). Examples of these assurance standards are AA1000AS and ISAE 3000, but regional or local standards are also acceptable if they are clearly specified and are comparable to international standards. Examples include: - Standard DR03422 (Australia /New Zealand) - Assurance Engagements of Sustainability Reports (Germany) - Environmental Report Assurance Services Guidelines by the JICPA (Japan) - FAR auditing standard RevR6 (Sweden) - Standard 3810 Assurance Engagements related to Sustainability Reports (the Netherlands) - AT-C Section 105 and 210 (United States/ Canada) Scope of assurance: If the scope of assurance covers some (but not all) environmental indicators, these need to be clearly marked in the relevant sections of the report. If the assurance statement covers all data items in the report, this also needs to be explicitly stated. Conclusion/Level of assurance: This refers to the conclusion of the assurance process which is according to the level of assurance i.e. limited/moderate or reasonable assurance. The level of assurance indicates the extent and depth of the work the assurance provider undertakes in relation to sustainability disclosures. Most assurance providers offer two levels: 'reasonable' assurance (i.e. high but still involving some risk of inappropriate conclusion) or 'limited' assurance (i.e. moderate) (GRI, 2013). Supporting evidence: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted. Please Note: In addition to the keyword search, look for assurance statement in the Index/Content page of the CSR/Annual Report along with the last few pages of the reports for any scanned assurance statements. Such scanned pages do not get highlighted in the keyword search.

**1.1.3 Sustainability Taxonomies**

**This question requires publicly available information.**

Does your company report its revenues, capital expenditure and operating expenditure in line with a sustainable activity reporting framework? Please indicate where this information is available in your public reporting or corporate website.

- Yes, we have mapped our activities against a sustainability taxonomy or framework, and it is available publicly in company reporting:

**Geography of Framework**

- Our company is within the scope of a sustainability taxonomy framework within the following geography:
  - European Union
  - China

- ASEAN
- South Africa
- Colombia
- Other taxonomy, please specify  
[REDACTED]
- Our company is not within the scope of a sustainability taxonomy but we have voluntarily mapped alignment, please specify below:  
[REDACTED]

**Aggregate Mapping**

- Yes, we have conducted an overall aggregate mapping of our eligibility and alignment to the above taxonomy, please submit details below:

Aggregate of Eligibility & Alignment	Revenue	Capital Expenditure	Operational Expenditure			
<b>Total figures for your company</b> Please provide totals in monetary units		100.0%		100.0%		100.0%
<b>Total of which is Taxonomy-Eligible</b> Please provide percentage of the total figure for your company that is taxonomy eligible.						
<b>Total of which is Taxonomy-Aligned</b> Please provide the percentage of the total figure for your company that is taxonomy aligned.						

Aggregate of Eligibility & Alignment	Revenue	Capital Expenditure	Operational Expenditure			
<b>Total of which is not Taxonomy Eligible</b> Please review the calculated totals that are not taxonomy eligible						

- No, we have not conducted an overall aggregate mapping of our eligibility and alignment to the above taxonomy.

**Activity-Level Breakdown of Mapping**

- Yes, we have publicly mapped our eligibility and alignment at activity-level and it is available here:
- No, we have not publicly mapped our eligibility and alignment at an activity-level
- No, our company is within the scope of taxonomy regulation within our jurisdiction but we have not publicly reported against it.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale The purpose of this question is to identify companies that have business activities that can be considered eligible for or aligned to a designated sustainable finance taxonomy. In recent years, there has been a development of sustainable finance taxonomies which aim to categorize business activities as “green”. The leading framework, the EU Taxonomy, is now legally in force within the European Union; in the years to 2025, an increasing number of European companies will be within the scope of this legislation. There are a range of other jurisdictions that are either developing or implemented a taxonomy for the classification of green activities. These may be legally or voluntarily applied. The S&P Global Inc. Corporate Sustainability Assessment (CSA) aims to be standard agnostic and therefore the question allows participants to designate the taxonomy they have mapped their operations. It recognizes that companies may do this as they are legally obligated, or they have voluntarily mapped their operations to obtain a competitive advantage or attract investment. Key Definitions Sustainability Taxonomy: A framework that provides clear definitions of business activities that can be considered environmentally or socially beneficial. The framework may be legally enforced by relevant financial regulators within the jurisdiction in which the company operates, or a voluntary framework the company has decided to disclose towards. Taxonomy-Eligible: A business activity that a sustainability taxonomy considers relevant to its framework. Taxonomy-Aligned: A business activity that is taxonomy-eligible and passes relevant tests provided by the framework. An example within the EU Taxonomy is an eligible activity passing Substantial Contributions, Do No Significant Harm (DNSH), and Minimum Social Safeguards (MSS) to become an aligned activity. Aggregate Mapping: A total of all the taxonomy-eligible and taxonomy-aligned activities combined. Activity-Level Mapping: A breakdown of individual activities and their eligibility as well as alignment to the relevant sustainability taxonomy. Data Requirements Geography of Framework: Please indicate the geography, economy, or trading bloc of which your company falls within the scope of its sustainable finance taxonomy. If the company disclosed towards a taxonomy not within the list, please choose “Other taxonomy” and add it to the text field. If the company voluntarily aligns to a taxonomy that it is not legal within the scope of, please choose “Our company is not within the legal scope”. Please note, the list is forward-looking and although your jurisdiction may be present, it does not mean your company is required to report against it unless legally obligated or voluntarily chosen to. If you are not legally required and have not reported against it, please choose Not Applicable. Aggregate mapping: For company revenue, capital expenditure, and operating expenses, please provide the following information within the green boxes: Total figures: Totals within the designated currency unit Total of which is taxonomy-eligible: Total percentage of activities that are eligible to the relevant taxonomy. This can also be described as “proportion” of turnover,

capital expenditure or operational expenditure that is dedicated to that activity. Total of which is taxonomy-aligned: Percentage of total figures that are aligned to the relevant taxonomy. Please note, this is percentage of total revenue, capital expenditure or operating expenses, not the percentage of the eligible figures. Please note that the aligned percentage-value cannot be higher than the eligible percentage-value for each item (revenue, capital expenditure or operating expenses). There is a series of calculated data points that will return figures depending on what the participant company submits. Activity-level breakdown: If the company has performed an activity-level breakdown of eligibility and alignment to the relevant taxonomy, please indicate where this is in company reporting. Supporting Evidence: The question is public and requires evidence to be identified within the company reporting or website. References OECD (2020) Developing Sustainable Finance Definitions and Taxonomies OECD (2023) Annex A. Overview of transition finance approaches | OECD Guidance on Transition Finance: Ensuring Credibility of Corporate Climate Transition Plans | OECD iLibrary (oecd-ilibrary.org) Center for Clean Air Policy (2022) Towards a common pathway across sustainable finance taxonomies: Policy brief for decision-makers South Africa Sustainable Finance Initiative (2023) South Africa Sustainable Finance Initiative Green Taxonomy of Colombia (2023) Colombia Taxonomy China Green Bond Endorsed Project Catalogue (2015) ##### (greenfinance.org.cn) Association of South-East Asian Nations (ASEAN) (2021) ASEAN Sustainable Finance Taxonomy Japan (2021) Basic Guidelines on Climate Transition Finance

#### 1.1.4 MSA Transparency & Reporting

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

##### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 1.2 Corporate Governance

Corporate governance systems ensure that a company is managed in the interests of shareholders (including minority shareholders). On the one hand this includes checks and balances that enable the Board of Directors to have appropriate control and oversight responsibilities. Empirical evidence suggests that over a period of 5 years, the difference in return on equity between well-governed and badly-governed companies can be as much as 56% (source: GMI 2007). On the other hand management incentives have to be set in such a way that management interests are aligned with shareholders' interests. Our questions focus on board structure, composition of the board and related committees, board effectiveness and measures to ensure alignment with shareholders' long-term interests, which include transparency and the structure of executive remuneration as well as share ownership requirements.

### 1.2.1 Board Independence

Does your company have a publicly available independence statement for the board of directors?

- Yes, we have a publicly available independence statement. Please indicate below what the statement includes and provide a reference:  
**Listed companies** are required to provide links to public reports or corporate websites.  
**Non-Listed companies** may provide internal documents and/or links public reports or corporate websites.
- We comply with the following corporate governance code or stock exchange rules
- Australia - Australian Stock Exchange (ASX)
  - Austria - Austrian Code of Corporate Governance
  - Azerbaijan - Azerbaijani Economic Development Ministry
  - Bahrain - Kingdom of Bahrain Ministry of Industry and Commerce
  - Belgium - Brussels Stock Exchange
  - Bosnia and Herzegovina - Republic of Srpska Securities Commission
  - Brazil - Novo Mercado Listing Regulation (New Market Listing Regulation)
  - Canada - National Instrument 58-101 – Disclosure of Corporate Governance Practices
  - Chile - the Chilean Law N° 18.046 independent director definition
  - Colombia - Code of Best Practices
  - Croatia - Zagreb Stock Exchange
  - Cyprus - Cyprus Stock Exchange
  - Denmark - Recommendations on Corporate Governance
  - Egypt - Egyptian Corporate Governance Code
  - European Union - Recommendations of the European commission
  - Finland - Helsinki Stock Exchange
  - France - Paris Stock Exchange - Afep-Medef Code
  - Germany - The German Corporate Governance Code
  - Greece - Hellenic Corporate Governance Code For Listed Companies
  - Hong Kong - Hong Kong Exchange (HKEX)
  - Hungary - Budapest Stock Exchange
  - Iceland - Iceland Chamber of Commerce
  - India - National Stock Exchange (NSE) and SEBI(LODR)
  - Ireland - Corporate Governance Code for Credit Institutions and Insurance Undertakings 2013
  - Italy - Corporate Governance Code (Italy)
  - Italy - Italian Consolidated Financial Act
  - Japan - Tokyo Stock Exchange (TSE)
  - Kenya - The Capital Markets Authority
  - Lebanon - Lebanese Transparency Association (LTA)
  - Luxembourg - Luxembourg Stock Exchange
  - Mexico - Mexican Securities Market Law
  - Netherlands - Amsterdam Exchange (AEX) - Dutch Corporate Governance Code
  - New Zealand - New Zealand Corporate Governance Forum Guidelines
  - Nigeria - Financial Reporting Council of Nigeria
  - Norway - Oslo Børs

- Oman - Sultanate of Oman Capital Market Authority
- Philippines - Securities and Exchange Commission Philippines
- Qatar - Qatar Financial Market Authority
- Romania - Bucharest Stock Exchange
- Russian Federation - Moscow Exchange - Russian Code of Corporate Governance
- Saudi Arabia - Saudi Stock Exchange
- Singapore - Monetary Authority of Singapore (MAS)
- Slovenia- Ljubljana Stock Exchange
- South Africa - Johannesburg Stock Exchange (JSE)
- Spain - Bolsa de Madrid
- Sweden - Stockholm Stock Exchange (SSE)
- Thailand - The Stock Exchange of Thailand (SET)
- Taiwan - Taiwan Stock Exchange
- UK - London Stock Exchange (LSE)
- USA - New York Stock Exchange (NYSE) and National Association of Securities Dealers Automated Quotations (NASDAQ)
- Vietnam - The State Securities Commission of Vietnam (SSC)
- The stock exchange we follow is not on the list or we have our own stricter independence requirements. The requirements cover the following:
  - The director must not have been employed by the company in an executive capacity within the last year.
  - The director must not accept or have a “Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year”, other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed.
  - The director must not be a “Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer.”
  - The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company’s senior management.
  - The director must not be affiliated with a significant customer or supplier of the company.
  - The director must have no personal services contract(s) with the company or a member of the company’s senior management.
  - The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.
  - The director must not have been a partner or employee of the company’s outside auditor during the past year.
  - The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.

#### Target Share

- We have a target share of independent directors on the board. Please specify:
- No, we do not have an independence statement that meets the disclosure requirements of this question for listed/non-listed companies.



- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** An independent director is a member of the company's board of directors that is brought in from outside the organization. Independent directors can bring new insights and balance that improve the performance of a company through their objective view of the company's health and operations. At times, they can also bring specific expertise from their experience as well as provide additional accountability. We assess the extent to which companies have made explicit statements about their definitions of and requirements with respect to board members' independence. **Key Definitions** Independent directors: are non-executive directors that are independent by meeting at least 4 of the 9 criteria (of which at least 2 of the 3 first criteria) listed below: 1. The director must not have been employed by the company in an executive capacity within the last year. 2. The director must not accept or have a "Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year", other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed. 3. The director must not be a "Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer." 4. The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management. 5. The director must not be affiliated with a significant customer or supplier of the company. 6. The director must have no personal services contract(s) with the company or be a member of the company's senior management. 7. The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company. 8. The director must not have been a partner or employee of the company's outside auditor during the past year. 9. The director must not have any other conflict of interest that the board itself determines to not be considered independent. **Data Requirements** - Please provide your publicly available independence statement, public reporting on the definition of independence used (i.e., if it is in line with local or international standards corresponding to the definition used by us), and public reporting on the target share of independent directors on the board. - Please select the stock exchange that you comply with. We do allow you to select an established national or stock exchange Corporate Governance Code as long as this also meets our definition of independence. - If you are a member of a stock exchange that is not listed or you have stricter requirements, please select what parts of the Board Independence statement your company satisfies. We expect the statement to meet at least 4 out of 9 criteria of which at least 2 of the first 3. If this is not the case, please indicate so. **Specific data requirements for non-listed companies:** Family-owned companies - All family members who are on the Board of Directors and employed by the company are to be considered as executive directors. - Family members that are only on the board and that do not have any executive role can be considered as independent directors if they meet at least 4 out of 9 criteria of which at least 2 of the first 3 criteria for independence. State-owned companies - A government representative can be considered as "independent" if he/ she meets at least 4 out of 9 criteria of which at least 2 of the first 3 criteria for independence. **Disclosure Requirements** Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

**1.2.2 Board Type**

Does your company publicly report on its board type? Please indicate the number of executive and non-executive directors on the board of directors/supervisory board of your company and specify where this information is available. Additional clarification on one-tier and two-tier systems is available in the information text.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

Yes, we publicly report on our board type.

Please select whether your company has a one-tier or two-tier board and provide a reference:

**ONE-TIER SYSTEM (companies with a board of directors)**

	Number of members
Executive directors	
Independent directors	
Other non-executive directors	
<b>Total board size</b>	

**TWO-TIER SYSTEM (companies with a supervisory board)**

		Number of members
SUPERVISORY BOARD	Independent directors	
	Other non-executive directors	
	Employee representatives (if not applicable, please leave the field empty)	
MANAGEMENT BOARD/ EXECUTIVE MANAGEMENT	Senior executives	
	<b>Total size of both boards</b>	

No, we do not report on our board type.

Not applicable. Please provide explanations in the comment box below.

Not known

#### Info Text:

**Question Rationale** An effective board of directors, properly constituted, is the linchpin of good corporate governance. Boards are responsible for managerial performance, meeting the corporation's stated objectives, complying with applicable laws and regulations, and protecting shareholder rights and interests. To assess the quality of a board's structure, we focus on its composition, its proportion of independent members, and its overall size, as empirical studies show that oversized boards are counter-productive to performance. **Key Definitions** **Types of Boards:** Companies can choose between one- and two-tier systems when answering the question. The descriptions below will help you identify which of these structures your company has in place. **One-tier systems:** have a single board consisting of executive, non-executive, and independent directors. It is possible that such boards only consist of independent directors or a combination of executive and independent directors. Most countries use a one-tier system. **Two-tier systems:** have an executive board and a supervisory board, which is composed of non-executive or independent members and – in certain countries – employee representatives. Countries that commonly use two-tier systems include Austria, Denmark, Finland, France, Germany, Hungary, and The Netherlands. Sweden and Norway are exceptions and should be classified as one-tier despite the presence of employee representatives on the board. For French companies that have a one-tier board system with employee representatives, in accordance with the French code of corporate governance, employee representatives should be considered non-executive directors and be included in the total board size. **Types of Directors:** We outline definitions of possible types of directors below. These definitions should be used to classify board members. Please note we only consider board members that are CURRENTLY (at the time the assessment is performed) on the board, i.e. if a board member has resigned (for example in March 2020) and the assessment is performed in May 2020, that board member would not be considered. **Executive directors:** are employees, and are usually senior managers of the company in an executive function (e.g. CEO, CFO, etc.). **Independent directors:** are non-executive directors that are independent by meeting the requirements set out in the Board Independence question. **Other non-executive directors:** are directors that are not executives but also do not qualify as independent as defined above. They are members of the board not already accounted for in the executive and independent categories. They might be employed by

the organization at a non-executive level. Data Requirements This question is automatically filled out with information from S&P Capital IQ. If any correction is required, please follow these requirements: - Ensure that the type of board, the breakdown between the different types of directors, and the total board size are filled out. - If the definition of independence at the company differs from our definition given in the Board Independence question, please adjust the number of independent directors in line with our definition and provide a comment in the comment box. Specific data requirements for non-listed companies: Family-owned companies - All family members who are on the Board of Directors and employed by the company are to be considered as executive directors. - Family members that are only on the board and that do not have any executive role can be considered as independent directors if they meet at least 4 out of 9 criteria of which at least 2 of the first 3 criteria for independence. State-owned companies - A government representative can be considered as "independent" if he/ she meets at least 4 out of 9 criteria of which at least 2 of the first 3 criteria for independence. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

### 1.2.3 Non-Executive Chairperson/ Lead Director

Is the board of directors/supervisory board headed by a non-executive and independent chairperson and/or an independent lead director? Please indicate where this information is available.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

- Chairperson is non-executive and independent
- Role of CEO and chairperson is split and former CEO/chairperson (presently in a non-executive position) is now chairperson
- Role of CEO and chairperson is split and chairperson is non-executive but not independent
- Role of CEO and chairperson is split and former CEO/chairperson is now chairperson, but independent lead director is appointed. Please indicate the name of the lead director:
- Role of chairperson and CEO is joint, but independent lead director is appointed. Please indicate the name of the lead director:
- Role of chairperson and CEO is joint or chairperson is an executive director
- We do not report this information
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

Question Rationale International consensus favors the separation of the roles of chairperson and CEO. If the board of directors opts to appoint one person fulfilling both roles, it has to build in the necessary checks and balances to avoid potential abuse of power. Companies headed by a joint chairperson/CEO are expected to explain their reasoning for this structure, have appointed a "lead independent director" and should provide a statement about the lead director's responsibilities. Key Definitions Independent lead director: this role exists to provide leadership to the board in cases where the joint roles of Chairperson and CEO could potentially be in conflict. Fundamentally, the role exists to ensure that the board operates independently of management and that directors have independent leadership at the board level. If the company has chosen either of the two options indicating that it has an independent lead director, the name of this director should be provided in the comment box. Independent directors: are non-executive directors that are independent by meeting at least 4 of the 9 criteria (of which at least 2 of the 3 first criteria) listed below: - The director must not have been employed

by the company in an executive capacity within the last year. - The director must not accept or have a “Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year”, other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed. - The director must not be a “Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer.” - The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management. - The director must not be affiliated with a significant customer or supplier of the company. - The director must have no personal services contract(s) with the company or be a member of the company's senior management. - The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company. - The director must not have been a partner or employee of the company's outside auditor during the past year. - The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-Listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

#### 1.2.4 Board Diversity Policy

Does your company have a formal board diversity policy that clearly requires diversity factors such as gender, race, ethnicity, country of origin, nationality or cultural background in the board nomination process? Please indicate where this information is available.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

- Yes, our policy specifically includes the following:
  - Gender
  - Race or Ethnicity
  - Nationality, country of origin or cultural background
- No, we do not have a board diversity policy that meets the disclosure requirements of this question for listed/non-listed companies
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

Question Rationale Corporate boards are tasked with monitoring companies' management teams on behalf of those companies' shareholders and other stakeholders. Boards are the direct representatives of these stakeholders and form one of the most important components of corporate governance. It is therefore important that the board members selected have the right experience and skills, are sufficiently independent, and act in the best interests of all stakeholders. Diversity adds value to the board through differences in perspectives and experience. Diverse boards will be able to assess problems from a broader point of view and are more likely to take into account the best interests of all stakeholders. Furthermore, studies have shown a positive correlation between gender diversity on boards and companies' financial performance. It can also be important for board members to have a broad and complementary range of skills, although boards' needs can differ across individual companies and industries depending on the existing and required skills of board members and the pool of qualified board members available when electing new board members. Key Definitions Local corporate governance codes: Certain local corporate governance codes include guidance on diversity criteria. This can be accepted in this question if both of the following criteria apply: - The company states that it adheres to the local corporate governance code without exception OR clearly states what those

exceptions are and that they do not include the diversity factors specifically ticked in the question, and - The local corporate governance code clearly indicates that the specific criteria ticked in the response are considered for the board nomination process. Race: In the absence of any internationally agreed definition, race is most often statistically characterized in terms of phenotype and appearance (e.g. skin colors), or with regard to ancestry. This should not be understood as an attempt to trace the definition of race to biological, anthropological, or genetic factors but rather to (somewhat artificially) distinguish it from the concept of ethnicity. (OECD, 2018) Ethnicity: Describes a shared culture: the practices, values, and beliefs that characterize those belonging to a community. This multidimensional concept acts as an umbrella term encompassing language, religious traditions, and others (United Nations, 2017). A number of related concepts, including ancestry, citizenship, and nationality, may overlap with ethnicity. However, ethnicity is not the same as nationality or citizenship, nor it is a measure of biology or genes. (OECD, 2018) Nationality: While geographic diversity has received less attention than gender or racial diversity on boards, it is clear that geographic diversity adjusts the lens through which risks and strategies are examined. In order to manage global risks and opportunities and improve board effectiveness, geographic diversity in the boardroom in a global marketplace needs to increase. Here, nationality captures a person's country of origin or citizenship Data Requirements A board diversity policy needs to contain specific requirements for diversity factors being taken into account during the board nomination process. Statements related to non-discrimination between sexes, nationalities, etc. or statements confirming that a company complies with local laws around non-discrimination are not sufficient. For two-tier board structures, the policy needs to apply to the supervisory board, not only the management board. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

### 1.2.5 Board Gender Diversity

Please indicate the number of women on your company's board of directors/supervisory board and specify where this information is available. If your company has a one-tier board structure, this figure includes: female executive directors, non-executive directors and independent directors. If your company has a two-tier board structure, this figure ONLY includes female independent directors and non-executive directors (this means that senior executives and employee representatives should not be included).

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

Number of female directors:

██████████

We do not report this information

Not applicable. Please provide explanations in the comment box below.

Not known

#### Info Text:

**Question Rationale** We assess whether the board reflects the diversity of the workforce and marketplace, thereby ensuring that a variety of viewpoints are heard and factored into corporate decision-making. A commitment to diversity at all levels can help companies attract employees, create goodwill with consumers, and better compete in diverse markets globally, which in turn benefits long-term shareholder value. Gender diversity has been an important topic of discussion in recent years, and various academic studies have shown a correlation between gender diversity and corporate performance, for example, in corporate governance (Adams and Ferreira, 2009) or company innovation (Deszö and Ross, 2012). Data Requirements For two-tier boards: Employee representatives and senior executives should not be included in the total number of women for two-tier boards as they are not considered in the calculation of the total size of the supervisory board. For one-tier boards: Employee representatives should not be included in the total number of women on the board for one-tier boards. If there are no women on the board of directors or supervisory board, please write 0 in the

answer to this question. For this question, we are looking for the number of women on your company's board of directors/supervisory board. - If your company has a one-tier board structure, this figure includes female executive directors, non-executive directors, and independent directors. - If your company has a two-tier board structure, this figure ONLY includes female independent directors and non-executive directors (meaning senior executives and employee representatives should not be included). Hence, the management board should not be considered in this question. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. References The study "Corporate Governance, Board Diversity, and Firm Value" (October 2001) examined Fortune 1000 firms and found a significantly positive relationship between the fraction of women or minorities on the board and firm value.

1.2.6 Board Effectiveness

How does your company ensure the effectiveness of your board of directors/supervisory board and the alignment with the (long-term) interests of shareholders?

Listed companies are required to provide links to public reports or corporate websites.

Non-Listed companies may provide internal documents and/or links public reports or corporate websites.

○	Indicators/measures
<p><b>Board Meeting Attendance</b> Number of meetings attended in percentage last business/fiscal year.</p>	<p><input type="checkbox"/> Average board meeting attendance:                      [Redacted]                      % of meetings of board of directors/supervisory board.</p> <p><input type="checkbox"/> Minimum of attendance for all members required, at least (in %)                      [Redacted]</p>
<p><b>Board Mandates</b> Number of other mandates of the board of directors/supervisory board members. <b>This only applies to non-executive and independent directors, not executive directors or employee representatives.</b></p>	<p><input type="checkbox"/> Number of non-executive/ independent directors with 4 or less other mandates:                      [Redacted]                      Please provide the names of these directors:                      [Redacted]</p> <p><input type="checkbox"/> Number of other mandates for non-executive/ independent directors restricted to:                      [Redacted]</p>
<p><b>Board Performance Review</b> Performance assessment of board of directors/supervisory board members.</p>	<p><input type="checkbox"/> Regular self-assessment of board performance. Please specify or provide documents:                      [Redacted]</p> <p><input type="checkbox"/> Regular independent assessment of board performance. Please specify or provide supporting documents:                      [Redacted]</p>

	Indicators/measures
<b>Board Election Process</b>	<input type="checkbox"/> Board members are elected and re-elected on an annual basis <input type="checkbox"/> Board members are elected individually (as opposed to elected by slate)

- We do not report this information
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** An effective board of directors is vital for good corporate governance. Several studies have found that companies with specific procedures and practices designed to ensure the accountability of their board and a close alignment with shareholders’ interests perform better than those that do not. We use the parameters in this question as a proxy for the overall effectiveness of the board. In addition to meeting attendance, the number of external directorships board members hold, and performance assessment, we ask for information on how board members are elected. The frequency of elections and structure of the process can affect the accountability of board members: when board members are elected individually and on an annual basis, shareholders are able to vote them off if they are concerned with their performance. If shareholders can frequently express their confidence in or concerns about board members, the board as a whole becomes more accountable. **Key Definitions** This question only applies to board members who represent shareholders (or multiple stakeholders including shareholders). For two-tier board structures, this question should only include the supervisory board and not the management board. **Meeting attendance:** this section refers to two measures: on one hand, the actual average attendance rate for the past year, and on the other hand, if there is any corporate guideline for meeting attendance, i.e. if there is a minimum proportion of board meetings that each board member is required to attend. Both rates should be calculated on the basis of the total number of board meetings held annually. **Other mandates:** refers to the number of other external directorships in publicly listed companies held by members of the board of directors/supervisory board (examples include executive board positions such as CEO, or member of the board of directors at another company). Board memberships in private limited companies, educational institutes (schools, colleges, or universities), and non-profit organizations are not considered in our definition of other mandates. Only the number of mandates for independent and non-executive directors should be considered, not mandates for executive directors or employee representatives. In this section, the actual number of directors with four or fewer other mandates is considered together with any corporate guidelines on restrictions on the number of other mandates. **Board performance assessments:** We consider two types of assessments: (1) self-assessments of the board's performance, meaning that the board members themselves are allowed to systematically evaluate their performance; (2) independent assessments of the board’s performance, meaning that an independent third party evaluates the board's performance. Such assessments are considered "regular" if the company clearly shows that there are guidelines to perform them at specific intervals (such as annually or every second year). Assessments are also considered regular if the company is carrying them out for the first time but with the explicit intention of conducting them regularly. It is considered best practice to carry out both types of assessments on a regular basis, although not necessarily annually. **Annual election of board members:** refers to a procedure whereby each board member has to be re-elected at each annual general meeting for shareholders (as opposed to electing a member for multiple years). **Individual election of board members** refers to a procedure whereby each member is elected on an individual basis (as opposed to members being elected by slate). **Disclosure Requirements** Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. **References** Corporate Accountability Report "Does Corporate Governance Matter to Investment Returns?" by Jay W. Eisenhofer,

Gregg S. Leving, ISSN 1542-9563 McKinsey Strategy & Corporate Finance "Toward a Value-Creating Board" by Conor Kehoe, Frithjof Lund, and Nina Spielmann

### 1.2.7 Board Average Tenure

Please indicate the average tenure of board members on your company's board of directors/supervisory board in years. If your company has a one-tier board structure, this figure includes all members (executive directors, non-executive directors and independent directors). If your company has a two-tier board structure, this figure ONLY includes independent directors and non-executive directors (e.g. exclude employee representatives). Please indicate where this information is available.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

Average tenure of board members in years:

██████████

We do not report this information

Not applicable. Please provide explanations in the comment box below.

Not known

#### Info Text:

Question Rationale Corporate boards are tasked with monitoring companies' management teams on behalf of those companies' shareholders and other stakeholders. Boards are the direct representatives of these stakeholders and form one of the most important components of corporate governance. It is therefore important that the board members selected have the right experience and skills, are sufficiently independent, and act in the best interests of all stakeholders. Board tenure reflects retention and continuity on one hand, and refreshment of skills and perspectives, and independence on the other. Research strongly supports the assertion that optimal board tenure is in the 7 to 12-year range, and that firm value declines as average tenure deviates therefrom. Data Requirements In this question, we expect disclosure on average board tenure and/or individual tenure of each member of the board of directors. Tenure: the number of years a member has served on the board of directors. Please consider the calendar year as the base year. For example: if a director was appointed in March 2014, their tenure would be counted as 2022-2014 = 8 years. Mergers and Acquisitions: If the company is a spin-off or merger, tenure from the previous company is counted. If a company is less than 10 years old, the company should mark the question as "Not Applicable". For two-tier boards: Employee representatives and senior executives should not be included in the calculation for two-tier boards, as they are not considered in the calculation of the total size of the supervisory board. The management board members should not be included when calculating the average tenure. For one-tier boards: All board members should be reported, including executive, independent and non-executive members. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. References Sterling Huang. Board Tenure and Firm Performance. INSEAD Business School. May 2013. Canavan, et al. Board tenure: How long is too long? Directors & Boards. 2004.

### 1.2.8 Board Industry Experience

Please indicate the number of board members with relevant work experience in your company's sector according to GICS Level 1 sector classification (excluding executive members and employee representatives) and list the directors' names.

**Listed companies** are required to provide links to public reports or corporate websites.



**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

<input type="radio"/> Number of independent or non-executive members with industry experience (e.g., excludes executives):	
Please list the independent or non-executive directors included in the above count:	

- We do not report this information
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Corporate boards are tasked with monitoring companies’ management teams on behalf of those companies’ shareholders and other stakeholders. Boards are the direct representatives of these stakeholders and form one of the most important components of corporate governance. It is therefore important that the board members selected have the right experience and skills, are sufficiently independent, and act in the best interests of all stakeholders. This question focuses on industry and audit experience, two of the most important skill sets for setting strategies and effectively monitoring and evaluating management’s performance. Key Definitions Board Industry Experience: The member must have practical work experience in the industry (based on GICS 1 classification below). This experience can be acquired either by way of functions in management, academia, consulting, or research. 'Practical work experience' in the industry refers to experience attained in employee or executive roles. Having been on another company’s board in the same industry does not qualify as relevant experience. GICS Level 1 sectors: - Energy - Materials - Industrials - Consumer Discretionary - Consumer Staples - Healthcare - Financials - Information Technology - Communication Services - Utilities - Real Estate Executives and Employee Representatives: Board members who are executives or elected as employee representatives are not included. Data Requirements In this question, we expect disclosure on the number of independent or non-executive members of the board of directors with industry experience and/or disclosure on the industry experience of each individual board member. Two-tier board structures: this question should only include the supervisory board and not the management board. Disclosure Requirements Listed companies and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. For companies in the FBN, TCD and IDD industries: if your company has very diversified operations or significant investments into businesses in industries other than the one used for the purpose of this assessment, board experience from another relevant industry can be accepted if an explanation is provided, clearly indicating the other GICS sector and how it relates to the company.

**1.2.9 CEO Compensation - Success Metrics**

Does your company have predefined financial returns and/or relative financial metrics relevant for Chief Executive Officer’s variable compensation? Please indicate where this information is available:

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links public reports or corporate websites.

- Yes, our company has pre-defined financial returns and/or relative financial metrics relevant for Chief Executive Officer’s variable compensation? Please provide supporting evidence.
  - Financial Returns** (e.g. return on assets, return on equity, return on invested capital, etc.). Please list all metrics used for this category:
  - Relative Financial Metrics** (e.g. comparison to peers using metrics such as total shareholder return, Tobin’s Q, growth, etc.). Please list all metrics used for this category:

- No, we do not have pre-defined corporate indicators for our CEO's variable compensation or we do not report on them following the disclosure requirements of this question.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** The use of financial metrics to evaluate management performance has become ubiquitous as the benefits of aligning incentives with company performance have been established. Our research shows that the use of revenue, operating profit, and EPS are common practices. Differentiation is now only observed in a few aspects, including the use of return metrics (capital efficiency) and relative metrics which compare the company to peers. In this question, we aim to find out which corporate performance indicators are used to determine CEO variable compensation. Please include only metrics applied to the CEO. **Key Definitions** **Success metrics for variable CEO compensation:** As part of this question, any corporate performance indicator that is used to determine the CEO's variable compensation should be indicated. Please only include metrics that apply to the CEO's compensation, not metrics that are selectively used for other senior executives or specialist senior managers at a lower level (such as CFO or COO). **Financial metrics:** Financial Returns refer to capital efficiency (capital is the source of funds, debt, equity, etc.). Therefore, Financial Returns always use an Income Statement profit metric (e.g. EBIT, income, operating income) divided by a Balance Sheet metric (e.g., Assets (entire balance sheet), Equity, Total Capital (debt plus equity), Invested Capital). We do not accept revenue growth, net profit after taxes, earnings per share, and dividends per share. **Acceptable financial metrics include** Return on Assets, Return on Equity, Return on Invested Capital. **Data Requirements** Please only include metrics that apply to the CEO's compensation, not metrics that are selectively used for other senior executives or specialist senior managers at a lower level (such as CFO or COO). **Disclosure Requirements** Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

**1.2.10 CEO Compensation - Long-Term Performance Alignment**

Does your company have the following compensation structures in place to align with long-term performance? Please indicate where this information is available:

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links public reports or corporate websites.

- Yes, our company has guidelines on deferred bonus, time vesting, and performance period for the CEO's variable compensation.

**Deferral of Bonus for Short-term CEO Compensation**

Is a portion of the CEO's short-term incentive deferred in the form of shares or stock options?

Please indicate the percentage of the short-term bonus deferred in the form of shares or stock options:

**Performance Period for Variable CEO Compensation**

What is the longest performance period applied to evaluate variable compensation(based on predefined targets, either relative or absolute), covered in your executive compensation plan? Is there a clawback policy in place? Please note that compensation that only is time vested is not considered as performance based compensation in this part of the question.

Please indicate the longest performance period covered by your executive compensation plan:

- We have a clawback provision in place. Please specify:

**Time Vesting for Variable CEO Compensation**

Please indicate the longest time vesting period for variable CEO compensation:

- No, we do not have a performance-based variable compensation system or we do not report on this following the disclosure requirements of this question.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** Both financial and non-financial metrics are becoming increasingly important in determining variable compensation for executive management and more specifically the CEO. In this question, we assess time vesting and performance periods that are used for determining the CEO's variable compensation. A longer vesting period ensures that the interests of management and the long-term interest of shareholders are better aligned. Additionally, we assess if the short-term bonus is deferred in shares or stock options. The economic alignment of management with the long-term performance of the company is an essential component of executive compensation. This alignment can be achieved in several ways, including deferral of short-term compensation, time vesting, and long-term performance periods. Alignment with long-term performance is particularly important during periods of short CEO tenure, as the risk of short-termism increases. For example, in 2009, CEOs of S&P 500 companies held their position for an average of just 7.2 yrs. This has subsequently increased to 10.8 years in 2015 as the economy recovered and turnover declined, but the risk of a reversion remains. (Matteo Tonello, The Conference Board, Inc., 2016). A longer vesting period ensures that the interests of management and the long-term interest of shareholders are better aligned.

**Key Definitions** **Deferred shares:** refer to the percentage of the short-term bonus paid out in deferred shares instead of cash. The company can choose to pay out the annual short-term bonus in deferred shares to the CEO and other executive directors which is seen as a best practice. **Deferred bonus compensation** is an arrangement in which a portion of an employee's income is paid out at a later date after which the income was earned during a set performance period. **Performance period:** This refers to a performance-based pay-out structure of variable compensation for the current period x which is dependent on achieving targets in the following periods (x+1, x+2, x+3, etc.). Please note that option- and stock-based compensation for which the number of options or stocks rewarded is not dependent on future performance do not count as performance vesting but are considered as time vesting. Example: "The actual number of shares that may become earned and payable under the awards will generally range from 0% to 200% of the target number of units based on achievement of the specified goals over a two-year period." **A clawback provision:** a policy that allows a company to recover performance-based compensation for some period of time after compensation awards are granted. Clawback provisions may apply to short and/or long-term awards. The circumstances and conduct that would trigger clawback provisions include, but are not limited to, restatement of financial results, errors in financial information reported, misconduct by the employee directly, or misconduct by any other employee that results in incorrect financial reporting. **Time vesting:** refers to time-based pay-out structures of variable compensation for the current period x over the coming years (x+1, x+2, x+3, etc.). The amount of future payout is independent of the coming year's performance. If all long-term incentives are based on future performance, the same figure should be given for the longest performance period and the longest time vesting period. We accept the total number: the sum of the vesting period and the required holding period. **Exceptions to the Standard Methodology for Non-Listed companies:** The definition of shares includes non-tradable stock and phantom/synthetic shares that replicate the company's share practice performance. **Phantom / synthetic shares:** A phantom stock is an employee benefit plan that gives selected employees (senior management) many of the benefits of stock ownership without actually giving them any company stock. This is sometimes referred to as shadow stock. Phantom stock, also known as synthetic equity, has no inherent requirements or restrictions regarding its use, allowing the organization to use it however it chooses. **Data Requirements** In this question, we assess the time vesting and performance periods as well as whether the company has a clawback provision in place. In addition, we assess if the short-term bonus is deferred in shares or stock options. The question applies to CEO compensation only. **Disclosure Requirements** Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned

companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public.

1.2.11 Management Ownership

Additional credit may be granted for publicly available evidence.

Do your company's CEO and other executive committee members hold company shares? Please note that the shares included in the calculation should not be hedged or the personal financial risk of holding the shares otherwise removed.

- Yes, company CEO and other executive officers hold company shares

Position	Name(s)	Multiple of base salary
<p><b>Chief Executive Officer</b> Please provide supporting evidence:</p> <p><input type="checkbox"/> For <b>Listed companies:</b> The information is publicly available. Please provide link to public reports or corporate website.</p> <p>For <b>Non-Listed companies:</b> The information is available in internal documents, public reports or corporate website.</p>		
<p><b>Average across other executive committee members owning shares</b> Please provide supporting evidence:</p> <p><input type="checkbox"/> For <b>Listed companies:</b> The information is publicly available. Please provide link to public reports or corporate website.</p> <p>For <b>Non-Listed companies:</b> The information is available in internal documents, public reports or corporate website.</p>		

- No, company CEO and other executive officers do not hold company shares
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale As corporate governance systems aim to ensure that a company is managed in the interests of its shareholders, in this question we assess whether the company’s CEO and other executive officers have stock ownership. Academic research suggests that stock ownership by senior management is positively correlated to financial performance. Key Definitions Shares: Shares are units of equity ownership in a corporation. In this question, we don’t only accept publicly traded shares but also other forms of participation in equity ownership. Economic interest in shares held: the shares included in the calculation should not be hedged or the personal financial risk of holding the shares otherwise removed. Data Requirements The question assesses the stock ownership level of the CEO and of the other member of the executive committee

compared to their respective base salary. Chief Executive Officer: Base salary and shareholdings of the Chief Executive Officer or shareholding expressed multiple of the CEO base salary. Other Executive committee members: Base salary and shareholdings of at least two members of the executive committee or average shareholdings of the executive committee expressed as multiple of base salary. Please note that the metrics need to be reported for each named executive individually (a consolidated figure is not sufficient). Additional credit will be granted for public reporting of the following parts of the question: - CEO's shares as a multiple of base salary - Average across other executive committee members owning shares as a multiple of base salary Disclosure requirements for partially public question: For listed companies, if no public documentation is provided, internal documentation should be provided that includes the base salary and shareholdings reported as well as the calculations. For non-listed companies, internal documents are generally accepted. Calculations: CEO multiple calculation:  $\text{Share price at the end of the FY} \times \text{number of shares held by the CEO} / \text{base salary of CEO}$  Other executives' multiple calculation:  $(\text{share price at the end of the FY} \times \text{number of shares held by the executive 1} / \text{base salary of executive}) + (\text{share price at the end of the FY} \times \text{number of shares held by the executive 2} / \text{base salary of executive}) + (\dots) / \text{number of executives with shareholdings reported}$  For US-based companies, please use the share price at the time of the shareholder meeting, and the salary and number of shares held at that time for the purpose of calculations. References Academic research (e.g. Bhagat and Bolton 2008) shows that stock ownership of senior management is positively related to future operating profit. Other research includes: - Core & Larcker (2000). Performances consequences of mandatory increases in executive stock ownership. - Gugler, Mueller, & Yurtoglu (2008). The Effects of Ownership Concentration and Identity on Investment Performance: An International Comparison

### 1.2.12 Management Ownership Requirements

Does your company have specific stock ownership requirements for the CEO and other members of your executive committee? Please indicate where this information is available:

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

- Yes, there are specific requirements in place. Please indicate at which levels this exist and indicate the share ownership requirements as a multiple of the annual base salary.
- The CEO has to build up a share ownership of  times the annual base salary
  - Other members of the executive committee besides the CEO have to build up a share ownership of  times the annual base salary
- No, there are no share ownership requirements or we do not report on this following the disclosure requirements of this question.
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

Question Rationale As corporate governance systems aim to ensure that a company is managed in the interests of its shareholders, in this question we assess whether there are stock ownership guidelines in place for the company's CEO and other executives. Academic research (e.g. Bhagat and Bolton 2008) suggests that stock ownership by senior management is positively correlated to future operating profit. Data Requirements The question assesses if there are explicit requirements indicating that the CEO and/or other executive managers are required to build up share ownership equivalent to a specific multiple of their annual base salary. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report

on their corporate governance in the public domain as their key stakeholder is the general public. Exceptions to the Standard Methodology for Non-Listed companies: The definition of shares includes non-tradable stock and phantom/synthetic shares that replicate the company's share practice performance. Phantom / synthetic shares: A phantom stock is an employee benefit plan that gives selected employees (senior management) many of the benefits of stock ownership without actually giving them any company stock. This is sometimes referred to as shadow stock. Phantom stock, also known as synthetic equity, has no inherent requirements or restrictions regarding its use, allowing the organization to use it however it chooses. References Academic research (e.g. Bhagat and Bolton 2008) shows that stock ownership of senior management is positively related to future operating profit. Others: - Core & Larcker (2000). Performances consequences of mandatory increases in executive stock ownership. - Gugler, Mueller, & Yurtoglu (2008). The Effects of Ownership Concentration and Identity on Investment Performance: An International Comparison

### 1.2.13 Government Ownership

Please indicate whether individual governmental institutions own more than 5% of the total voting rights of your company and if yes, whether golden shares exist for them. Government ownership of 5% or less of the voting rights need not be reported. Please also indicate where this information is available. For additional information, please see the information button.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

Yes, individual governmental institutions have more than 5% of the voting rights.

Please provide the total percentage of government ownership (sum of % of individual governmental institutions owning more than 5% of voting rights)

[REDACTED]

Please provide details for the government ownership (e.g. calculation, members, organizations etc. if available):

[REDACTED]

#### Golden Shares for Governmental Institutions

Does your company have golden shares for governmental institutions?

Yes, our company has golden shares for governmental institutions.

No, our company doesn't have any golden shares for governmental institutions.

No governmental institutions own more than 5% of the total voting rights. Please provide available evidence of the company share ownership structure.

No, we do not report on government ownership information following the disclosure requirements of this question.

Not applicable. Please provide explanations in the comment box below.

Not Known

#### Info Text:

Question Rationale As corporate governance systems aim to ensure that a company is managed in the interests of its shareholders, in this question we assess if a government has voting rights of more than 5% and has golden shares in the company. Academic research (e.g. Goldeng et. al., 2008 or Chen et. al., 2017) suggests that companies without government ownership perform better than companies with government ownership.

Key Definitions Government Ownership: For the definition of government institutions and ownership, we adopt the Organization for Economic Co-operation and Development (OECD) definition (2005): "Enterprises where the state has significant control through full, majority, or significant minority ownership. In this definition, we include state-owned enterprises (SOEs) which are owned by the central or federal government, as well as SOEs owned by regional and local governments." This definition includes Government pension funds, state asset management funds, development banks (federal and local), and sovereign wealth funds. Golden Shares for Governments: A type of share that gives its shareholder veto power over changes to the company's charter. A golden share holds special voting rights, giving its holder the ability to block another shareholder from taking more than a ratio of ordinary shares. Data Requirements Government ownership requirements:

Holding companies that own stakes higher than 5% in other companies, and in turn are majority owned by a government or governmental institutions should be reported in this question. For example, a holding company (Company A) is 70% government owned. Company A owns 40% of the voting rights in Company B. Company B should report 40% government ownership in this question. In this question, we expect information on: - Total percentage of government ownership (sum of % of individual governmental institutions owning more than 5% of voting rights) or disclosure of all individual governmental institutions owning more than 5% of voting rights - Golden shares for governmental institutions (only if the corresponding option is marked). Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. References - Goldeng, Grünfeld, & Benito (2008), The Performance Differential between Private and State Owned Enterprises: The Roles of Ownership, Management and Market Structure. - Chen, Ghoul, Guedhami, & Wang (2017), Do state and foreign ownership affect investment efficiency? Evidence from privatizations.

#### 1.2.14 Family Ownership

Please indicate whether one or several founding individuals or family members, personally or through other companies or organizations, individually have more than 5% of the voting rights of your company. Please also indicate where this information is available. For additional information, please see the information button.

**Listed companies** are required to provide links to public reports or corporate websites.

**Non-Listed companies** may provide internal documents and/or links to public reports or corporate websites.

Yes, founding individuals or family members individually own more than 5% of the voting rights.

Total % of voting rights of the company:

Please provide details for the individual/family ownership (e.g. calculation, members, organizations etc. if available):

No, founding individuals or family members individually do not have more than 5% of the voting rights.

Not applicable. Please provide explanations in the comment box below.

We do not report on family ownership following the disclosure requirements of this question.

Not Known

#### Info Text:

Question Rationale As corporate governance systems aim to ensure that a company is managed in the interests of its shareholders, in this question we assess if one or several individuals of the founding family are ultimate owners and have more than 5% of the voting rights. Academic research (e.g. Eugster & Isakov, 2016 or Corstjens, Peyer & Van der Heyden, 2006) suggests that family ownership is positively correlated to future operating profit. Key Definitions Significant family ownership: At least one of the founding individuals/family members, personally or through other companies or organizations, must own more than 5% of the voting rights of your company. If no individual owns more than 5%, we do not consider it significant family ownership. Founding family: The founding family can be one or several individuals or family members. They might have not necessarily set up the company independently. In case a family acquires an existing company and transforms it into a new company, this second family can be considered the 'founding family'(e.g. if a company has been acquired, re-named, and re-branded). Data Requirements We are looking for founding family ownership, in order to assess whether descendants of the founding families are current owners with significant voting rights. Total % of voting rights of founding family members, personally or through companies/organizations to be reported: - if one of the family members owns more than 5%, the respondent shall report the total of all family members' holdings, e.g. add the person(s) with individual ownership of over 5% of the voting rights plus those who individually own less than 5% of voting rights. Please report the total even if there is no pooling agreement in place. - if the family owns more than 5% of the company through a holding

company, the family must own at least 50% of the holding company that in turn holds shares of the company. - if none of the family members individually own more than 5% of the company's voting rights, please mark "No, (founding) family members individually do not have more than 5% of the voting rights." - If any of the founding members or their families still hold more than 5%, this should be reported. - if the company was not founded by a family, please mark 'Not Applicable'. Specific data requirements for non-listed companies - For family-owned companies, the distribution of voting rights can also be evaluated if there are no publicly traded shares, as there exist other types of shares/ instruments that correspond to voting rights. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their corporate governance in the public domain as their key stakeholder is the general public. References - Credit Suisse (2017), The CS Family 1000 - Eugster & Isakov (2016), Founding family ownership, stock market performance and agency problems. - Corstjens, Peyer & Van der Heyden (2006), Performance of Family Firms: Evidence from US and European firms and investors.

### 1.2.15 CEO-to-Employee Pay Ratio

Additional credit may be granted for publicly available evidence.

Please provide the annual compensation for the Chief Executive Officer and the median of the annual compensation of all other employees as well as the ratio between the two. If you are unable to provide the median, please provide figures for total mean compensation and the ratio using the mean. The currency provided should remain consistent for all figures.

CEO Compensation	Total CEO Compensation	
Employee Compensation	Median Employee Compensation	Mean Employee Compensation
Please indicate the total annual compensation of the Chief Executive Officer (or any equivalent position): <i>Total compensation includes fixed and variable compensation as well as all other parts of compensation which are required to be included in total remuneration reporting according to national accounting standards</i>		
Please indicate either median or mean annual compensation of all employees, except the Chief Executive Officer (or any equivalent position):		
<b>The ratio between the total annual compensation of the Chief Executive Officer and the mean or median employee compensation:</b> <i>CEO compensation divided by the mean or median employee compensation</i>		
The currency used in the table:		

### Public Reporting



- For **Listed companies**: The information is publicly available. Please provide link to public reports or corporate website.  
For **Non-Listed companies**: The information is available in internal documents, public reports or corporate website.
- We do not track the ratio of the median or mean employee compensation or the total annual compensation of the Chief Executive Officer
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** In the aftermath of the global financial crisis, many countries have implemented or are planning to implement reforms regarding the transparency of executive compensation. Transparency is vital to restore trust among shareholders, employees, customers and other stakeholders, and hence to improve corporate reputation. Companies that are taking a proactive approach to align their reporting with this global trend and improve disclosure about executive compensation will be in a better position to fend off criticisms than those that are not. In addition to complying with new regulations, transparent reporting on CEO compensation and the mean or median compensation of other employees provides a basis for understanding the "pay gap" and addresses concerns from investors and stakeholders about whether or not executive compensation is justified. In this question, we assess whether companies (including non-US-based companies) are able to disclose this information. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub.L. 111-203, H.R. 4173) is a federal statute in the United States that was signed into law by President Barack Obama on July 21, 2010. The Dodd-Frank Act clearly states that, in terms of CEO compensation disclosure, a company will be obliged to disclose to the shareholders: the median of the annual total compensation of all employees of the issuer, except the chief executive officer (or any equivalent position), the annual total compensation of the chief executive officer, or any equivalent position, and the ratio of the amount of the median of the annual total with the total CEO compensation. **Key Definitions** Salary: It is defined here as the total annual compensation including all bonuses but excluding pension benefits and fringe benefits. Total annual compensation: It is defined here as the total compensation including all bonuses but excluding pension benefits and fringe benefits. Median of the total annual compensation of all employees: It is defined according to the general mathematical definition of median: the median of a sequence is the middle number when sorting all numbers from low to high. This is different from the mean of the total annual compensation of all employees since the mean of a sequence of numbers is calculated by adding up all the numbers in a sequence and dividing this total by the number of entries in the sequence. In this question, either the median or the mean may be provided; it is not necessary to provide both. The ratio should be calculated as the Total CEO Compensation divided by the Median OR Mean employee compensation (i.e. the reported figure should be the multiple of the employee compensation). **Data Requirements** While we expect the figure to cover the entirety of a company's global operations, for this question, companies may make cost-of-living adjustments to the compensation of employees residing in a jurisdiction different from that of the CEO, provided that these adjustments are applied to all such employees included in the calculation, and that these adjustments are explained in the company comment section, and the raw, unadjusted data is also provided in the company comment section. **Disclosure requirements for partially public question.** For Listed companies: Additional credit will be granted for relevant publicly available evidence covering one of the following aspects of this question: - Annual compensation of Chief Executive Officer and median (mean) annual compensation of all employees except the Chief Executive Officer (or any equivalent position). - Ratio between the total annual compensation of the Chief Executive Officer and the median (mean) employee compensation. For Non-Listed companies: internal documents covering the above-mentioned information are generally accepted. **References** The Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub.L. 111-203, H.R. 4173), [www.gpo.gov/fdsys/pkg/BILLS-111hr4173enr/pdf/BILLS-111hr4173enr.pdf](http://www.gpo.gov/fdsys/pkg/BILLS-111hr4173enr/pdf/BILLS-111hr4173enr.pdf) (p. 529)

**1.2.16 MSA Corporate Governance**

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on

reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 1.3 Materiality

This criterion aims to assess the company's ability to identify sustainability factors that are relevant for long-term value creation, considering the interrelation between external impact on society or the environment on the one hand and internal impact on enterprise value on the other hand. It therefore considers the dual nature of materiality, also referred to as double materiality. Investors are increasingly interested in both sides of this equation. The same holds for regulations across the world, who are requiring reporting on this broader and integrated understanding of materiality.

A sustainability issue is seen as material if it presents a significant impact on society or the environment and might have a significant impact on a company's value drivers, competitive position, and long-term shareholder value creation. Material ESG issues can significantly affect an entity's business operations, cash flows, legal or regulatory liabilities, and access to capital. They can also significantly improve or undermine an entity's reputation and relationships with key stakeholders, society and the environment. Over time external impacts on society and environment translate into internal impact on a company itself, including its financial value drivers.

### 1.3.1 Materiality Analysis

**This question requires publicly available information.**

Do you publicly disclose details of your materiality determination process and how you conduct materiality analysis? Please provide supporting public evidence for each of the aspects below.

- Yes, we publicly disclose this information. Please indicate the information you report on and indicate where this is available in your public reporting.
  - Materiality analysis conducted/reviewed:
    - At-least annually
    - Once every 2 or more years
    - Not known
  - Involvement of external stakeholders in identifying the material issues
  - Material Issues are prioritized in a materiality matrix or any other form
  - Materiality assessment integrated in company's ERM process
  - Assessment conducted is based on the principle of double materiality
  - Materiality assessment process verified by a third-party assurance provider
  - Materiality assessment results signed off by:

- Board of Directors
- Senior Management
- No, we do not publicly disclose our materiality analysis process
- Not applicable. Please provide an explanation in the comment box below

**Info Text:**

Question Rationale The purpose of this question is to assess the extent to which companies are disclosing the details related to their materiality process. We are looking for the following evidence in the public domain:

1. Frequency of conducting or reviewing materiality analysis
  2. Involvement of external stakeholders in identifying the material issues
  3. Prioritization of material issues in a materiality matrix or any other form
  4. Integration of materiality assessment in the company's enterprise risk management
  5. Assessment conducted is based on the principle of double materiality
  6. Materiality assessment process is verified by a third-party assurance provider
  7. Materiality assessment results are signed off by either board of directors or senior management
- Key Definitions**
- Materiality:** Any factor that can have a present or future impact on value creation and therefore the financial performance of the company over time. These could be economic, environmental, or social in nature.
- Double Materiality:** According to the principle of Double Materiality, a sustainability issue is seen as material if it presents a significant impact on society or the environment and a significant impact on a company's value drivers, competitive position, and long-term shareholder value creation. Material sustainability issues can significantly affect an entity's business operations, cash flows, legal or regulatory liabilities, and access to capital. They can also significantly improve or undermine an entity's reputation and relationships with key stakeholders, society, and the environment.
- Materiality Assessment:** A materiality assessment is an approach to identify critical economic, environmental, and social issues which have a significant impact on the company's business performance.
- Materiality Assessment Frequency:** We expect companies to conduct/ review materiality assessment and to report the results in at least one of the two most recent Annual or Sustainability reports.
- Data Requirements**
- Copy of or link to the Company website, annual report, sustainability report, or other public communication**
1. **Materiality analysis conducted/reviewed:** Our expectations - Public disclosure on the frequency of materiality analysis conducted or reviewed. The information should be available in at least one of the two most recent Annual or Sustainability reports
  - Not acceptable:** - Reference to previous public reports for materiality analysis which are more than 2 years old
  2. **Involvement of external stakeholders:** Our expectations: - Whether external stakeholders are involved in the materiality analysis process should be clearly available in the company's public documents/website. - Information should be available in the section where materiality analysis has been discussed
  - Not acceptable:** - Only stating that stakeholders are involved without any reference to the type i.e. external or internal stakeholders - General stakeholder engagement information without any reference to how it is integrated with the materiality assessment process is not acceptable
  3. **Prioritization of material issues:** Our expectations: - Material issues should be publicly disclosed and prioritized either in a matrix format or any other format which clearly depicts the prioritization of the issues
  - Not acceptable:** - Disclosure of material issues without any clear indication of prioritization
  4. **Integration of materiality assessment results in enterprise risk management (ERM):** Our expectations: - Public disclosure on the integration of materiality assessment results within the overall risk management process - Description of how identified material issues are linked with the company's significant risks
  - Not acceptable:** - General disclosure on ESG-related risks without specifying the linkage with materiality assessment results - ERM results used as inputs to materiality process
  5. **Assessment conducted is based on the principle of double materiality:** Our expectations: - Indication of the principle of double materiality in company public reports/website - A materiality matrix depicting the impact of material issues on society, the environment, and people
  - Not acceptable:** - General disclosure on impact valuation analysis without reference to its link with identified material issues
  6. **Materiality assessment process verified by third-party assurance provider:** Our expectations: - Public disclosure on assurance report clearly specifying audit of materiality assessment covered in its scope - A statement specifying external assurance of the materiality assessment process
  - Not acceptable:** - Disclosure of the involvement of an external consultant in the materiality assessment process - Assurance statement without a clear indication of materiality assessment under its scope
  7. **Materiality assessment metrics signed off by the Board of directors or Senior Management:** Our expectations: Review, sign-off, approved, and oversight of materiality assessment process by: - the board of directors, a sub-committee of the board of directors, or a single named director OR - an executive manager/ executive committee - The materiality assessment results are signed by the respective board/ executive representative(s) - A general statement specifying sign-off/approval of materiality assessment result is also sufficient
  - Not acceptable:** - Executive manager/sustainability manager involvement

in the materiality assessment process Disclosure Requirements - The document(s) you attached will be used to verify your response. - The supporting documents need to be available in the public domain. - Any response that cannot be verified in the attached public document(s) or web link will not be accepted. References The double-materiality concept Application and Issues - GRI EU Guidelines on non-financial Reporting directive - 2.2 (2019) Corporate Sustainability Reporting Directive (CDRD) Double Materiality Guidelines - EFRAG S&P Global ESG Scores: Materiality Methodology - S&P (link available as of April 2023) The Two Dimensions of ESG Materiality - S&P Statement-of-Intent-to-Work-Together-Towards-Comprehensive-Corporate-Reporting.pdf (sasb.org) – CDP, CDSB, GRI, IIRC and SASB

### 1.3.2 Material Issues for Enterprise Value Creation

**This question requires publicly available information.**

Does your company publicly report analysis to identify the most important material issues (economic, environmental, or social) for your company's performance? Please indicate the three material issues that have the greatest impact on your business and its generation of long-term value. Do you also publicly report on how these issues impact your business and serve as significant determinants of long-term value creation.

- Yes, our company publicly reports on materiality analysis conducted to identify key issues for long-term value creation.

	Material Issue 1	Material Issue 2	Material Issue 3
<p><b>Material Risk or Opportunity</b> Please specify the material risk or opportunity impacting your business:</p>	<p>Please select the category your material issue belongs to:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Corporate Governance</li> <li><input type="radio"/> Cyber Security</li> <li><input type="radio"/> Ethics and Compliance</li> <li><input type="radio"/> Innovation Management</li> <li><input type="radio"/> Policy Influence</li> <li><input type="radio"/> Risk &amp; Crisis Management</li> <li><input type="radio"/> Supply Chain Management</li> <li><input type="radio"/> Tax Strategy</li> <li><input type="radio"/> Air Emissions</li> <li><input type="radio"/> Biodiversity &amp; Land Use</li> <li><input type="radio"/> Climate Transition &amp; Physical Risks</li> <li><input type="radio"/> Environmental Management System</li> <li><input type="radio"/> Resource Efficiency &amp; Circularity</li> <li><input type="radio"/> Waste</li> <li><input type="radio"/> Water</li> <li><input type="radio"/> Community Impact &amp; Development</li> <li><input type="radio"/> Customer Relationship Management</li> <li><input type="radio"/> Employee Wellbeing, Health &amp; Safety</li> <li><input type="radio"/> Employment Practices</li> <li><input type="radio"/> Human Capital Development &amp; Talent</li> <li><input type="radio"/> Human Rights</li> <li><input type="radio"/> Privacy Protection</li> <li><input type="radio"/> Product / Service Quality &amp; Safety</li> <li><input type="radio"/> Responsible Marketing &amp; Labelling</li> </ul>	<p>Please select the category your material issue belongs to:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Corporate Governance</li> <li><input type="radio"/> Cyber Security</li> <li><input type="radio"/> Ethics and Compliance</li> <li><input type="radio"/> Innovation Management</li> <li><input type="radio"/> Policy Influence</li> <li><input type="radio"/> Risk &amp; Crisis Management</li> <li><input type="radio"/> Supply Chain Management</li> <li><input type="radio"/> Tax Strategy</li> <li><input type="radio"/> Air Emissions</li> <li><input type="radio"/> Biodiversity &amp; Land Use</li> <li><input type="radio"/> Climate Transition &amp; Physical Risks</li> <li><input type="radio"/> Environmental Management System</li> <li><input type="radio"/> Resource Efficiency &amp; Circularity</li> <li><input type="radio"/> Customer Relationship Management</li> <li><input type="radio"/> Employee Wellbeing, Health &amp; Safety</li> <li><input type="radio"/> Employment Practices</li> <li><input type="radio"/> Human Capital Development &amp; Talent</li> <li><input type="radio"/> Human Rights</li> <li><input type="radio"/> Privacy Protection</li> <li><input type="radio"/> Product / Service Quality &amp; Safety</li> <li><input type="radio"/> Responsible Marketing &amp; Labelling</li> <li><input type="radio"/> Sustainable Products &amp; Services</li> <li><input type="radio"/> Waste</li> <li><input type="radio"/> Water</li> </ul>	<p>Please select the category your material issue belongs to:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Corporate Governance</li> <li><input type="radio"/> Cyber Security</li> <li><input type="radio"/> Ethics and Compliance</li> <li><input type="radio"/> Innovation Management</li> <li><input type="radio"/> Policy Influence</li> <li><input type="radio"/> Risk &amp; Crisis Management</li> <li><input type="radio"/> Supply Chain Management</li> <li><input type="radio"/> Tax Strategy</li> <li><input type="radio"/> Air Emissions</li> <li><input type="radio"/> Biodiversity &amp; Land Use</li> <li><input type="radio"/> Climate Transition &amp; Physical Risks</li> <li><input type="radio"/> Environmental Management System</li> <li><input type="radio"/> Resource Efficiency &amp; Circularity</li> <li><input type="radio"/> Waste</li> <li><input type="radio"/> Water</li> <li><input type="radio"/> Community Impact &amp; Development</li> <li><input type="radio"/> Customer Relationship Management</li> <li><input type="radio"/> Employee Wellbeing, Health &amp; Safety</li> <li><input type="radio"/> Employment Practices</li> <li><input type="radio"/> Human Capital Development &amp; Talent</li> <li><input type="radio"/> Human Rights</li> <li><input type="radio"/> Privacy Protection</li> <li><input type="radio"/> Product / Service Quality &amp; Safety</li> <li><input type="radio"/> Responsible Marketing &amp; Labelling</li> </ul>

	Material Issue 1	Material Issue 2	Material Issue 3
	<input type="radio"/> Sustainable Products & Services	<input type="radio"/> Community Impact & Development	<input type="radio"/> Sustainable Products & Services
<b>Business Case</b> Please provide a brief rationale for why this issue is material to your business:	<input type="checkbox"/> We report our business case for this material issue: [REDACTED]	<input type="checkbox"/> We report our business case for this material issue: [REDACTED]	<input type="checkbox"/> We report our business case for this material issue: [REDACTED]
<b>Business Impact</b> Please select the type of impact this material issue has on your business (cost/revenue/risk):	<input type="radio"/> Cost <input type="radio"/> Revenue <input type="radio"/> Risk	<input type="radio"/> Cost <input type="radio"/> Revenue <input type="radio"/> Risk	<input type="radio"/> Cost <input type="radio"/> Revenue <input type="radio"/> Risk
<b>Business strategies</b> Please specify your primary business strategies, initiatives or products that address this issue:	<input type="checkbox"/> Yes, we describe our strategy for addressing the impact on the business: [REDACTED]	<input type="checkbox"/> Yes, we describe our strategy for addressing the impact on the business: [REDACTED]	<input type="checkbox"/> Yes, we describe our strategy for addressing the impact on the business: [REDACTED]

- No, we have not defined any material issues for our company.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Leading companies are increasingly focusing on the most material topics that drive their long-term value creation. These issues can cover economic, environmental, and social issues, and they are key drivers for a company's long-term business performance. The question assesses whether companies have conducted a materiality analysis of the most important issues driving long-term value creation and whether they are able to convincingly link these issues to their business performance. Companies are asked to make a business case and therefore should focus on those economic, environmental, or social issues that are most important or impactful for the business performance of the company. Companies should indicate which of the three value drivers are impacted by these issues (revenues, costs, or risk), and what strategies, products, or initiatives the company has that are linked to these issues. In order to ensure that the company is managing its performance in relation to these issues over the long term, the question asks which long-term targets/metrics the company uses to measure its performance over time and whether the company has linked its executive compensation to these issues.

Key Definitions Material Issue: A material issue is a sustainability factor that can have a present or future impact on the company's value drivers, competitive position, and therefore on long-term shareholder value creation. Materiality Assessment: A materiality assessment is an approach to identify critical economic, environmental, and social issues which have a significant impact on the company's business performance. Materiality Assessment Frequency: We expect companies to conduct a materiality assessment at least every 5 years and to report the results in at least one of the two most recent Annual or Sustainability reports.

Data Requirements 1. Material Issue Our expectations: - Companies have conducted a materiality analysis and identified the most important issues driving long-term performance. - Companies clearly define the three most material economic, environmental, or social issues driving long-term value creation. Not acceptable: - Purely financial metrics/issues (net profit, cash flow, earnings per share, product sales). - Operational business metrics/issues (e.g. market expansion, efficient use of capital, operational excellence). - General issues without a description of the specific sub-issues that might impact the company's performance (e.g. macroeconomic conditions, long-term shareholder value). Please note that companies that do not provide an acceptable material issue do not receive points for any of the sub-questions related to that material issue. 2. Business Case Our expectations: The business case should contain the following information: - A clear link between the material issue and the business case. - Clear explanation of why the issue is material to the company's performance in terms of cost/revenue/risk (e.g. cost savings, revenue generation, operational risks with direct impact on financial performance). Not acceptable: - The business case is not linked to the material issue. - The Business case does not link the material issue to the company's performance in terms of

costs, revenues, or risks. - The business case is describing the material issue and its importance for society / the environment but does not provide information on why the issue is relevant to the company’s performance (e.g. impact of global warming on society). 3. Business Strategies Our expectations: - The company provides a clear explanation of the strategies, initiatives, or products or services through which it addresses the material issue. Not acceptable: - Strategies, initiatives, or products or services that do not directly address the material issue. - Strategies that are not clearly described (e.g. human resources-oriented management). - Description of the current situation without providing the strategies or products to address this situation. - Provision of a target instead of a strategy, initiative, or product (e.g. zero fatalities or injuries). Disclosure Requirements - The document(s) you attached will be used to verify your response. - The supporting documents need to be available in the public domain. - Any response that cannot be verified in the attached public document(s) or web link will not be accepted.

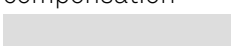
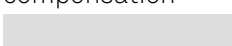
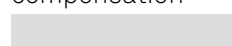
**1.3.3 Materiality Metrics for Enterprise Value Creation**

**This question requires publicly available information.**

Do you have targets or metrics linked to the top three material issues and disclose progress towards these? Do you link executive compensation with the targets or metrics involved? Please specify where the information is available in public reporting.

Yes, we do have targets or metrics linked to the top three material issues and report them publicly

	Material Issue 1	Material Issue 2	Material Issue 3
<b>Material Issue</b> Please specify your material issue: (The issues should be same as marked in the question Material Issues)			
<b>Target/Metric</b> Do you have a target or metric to measure your progress on this issue in a systematic way? Please specify where this target or metric is available in public reporting:	<input type="checkbox"/> Target set linked to material issue: [Redacted]	<input type="checkbox"/> Target set linked to material issue: [Redacted]	<input type="checkbox"/> Target set linked to material issue: [Redacted]
<b>Target Year</b> Please specify the year for the target			
<b>Progress</b> Do you disclose the progress on targets/ metrics. Please specify where this target or metric is available in public reporting:	<input type="checkbox"/> Progress on target specified: [Redacted]	<input type="checkbox"/> Progress on target specified: [Redacted]	<input type="checkbox"/> Progress on target specified: [Redacted]

	Material Issue 1	Material Issue 2	Material Issue 3
<b>Executive Compensation</b> Is this metric or target used to determine the compensation of executive committee member(s)? If yes, please specify how this metric is used and provide a relevant public reference showing how these metrics are applied to executive compensation.	<input type="checkbox"/> Target/metric linked to executive compensation 	<input type="checkbox"/> Target/metric linked to executive compensation 	<input type="checkbox"/> Target/metric linked to executive compensation 

- No, we do not disclose targets/metrics linked to top 3 material issues.
- Not applicable. Please provide an explanation in the comment box below.

#### Info Text:

Question Rationale The purpose of this question is to assess the extent to which companies are disclosing their progress toward established targets or metrics linked to material issues. In order to ensure that the company is managing its performance in relation to the top material issues identified over the long term, the question asks which targets/metrics the company uses to measure its performance over time and whether the company has linked its executive compensation to these issues. Data Requirements 1. Material Issue: Our expectations: - Companies have conducted a materiality analysis and identified the most important issues driving long-term performance. - Companies clearly define the three most material economic, environmental, or social issues driving long-term value creation. - The material issues should be the same as identified in question 1.3.2 Not acceptable: - Purely financial metrics/issues (net profit, cash flow, earnings per share, product sales). - Operational business metrics/issues (e.g. market expansion, efficient use of capital, operational excellence). - General issues without a description of the specific sub-issues that might impact the company's performance (e.g. macroeconomic conditions, long-term shareholder value). Please note that companies that do not provide an acceptable material issue do not receive points for any of the sub-questions related to that material issue. 2. Target/Metric: Our expectations: - The metric or target is linked to the material issue and should be available publicly - Both long-term (at least 3 or more years) and short-term targets are acceptable - The metric or target and how it is being used are clearly described. Target set in the past year is acceptable if: - If the company's target is by necessity, ongoing, (such as zero fatalities) please indicate the current year as the target year and explain in the company comment section. - The current reporting year (e.g. 2021) corresponds to the target's finishing year. - If the company publishes its report biannually or the company's reporting does not match with CSA assessment cycle. Not acceptable: - Targets/metrics are not linked to the material issue. - Vague targets or targets whose progress cannot be measured (e.g. ensure a good working environment, reduce workplace accidents). - Targets set in the past year and are not valid anymore 3. Target Year: Our expectations: - The target year should be available in the public domain Indicating the current reporting year as the target year is acceptable if: - If the company's target is by necessity, ongoing, (such as zero fatalities) please indicate the current year as the target year and explain in the company comment section. Indicating past reporting years as target year is acceptable if: - If the company's long-term target is by necessity, ongoing, (such as zero fatalities) please indicate the current year as the target year and explain in the company comment section. - The current reporting year (e.g. 2021) corresponds to the target's finishing year. - If the company publishes its report biannually or the company's reporting does not match with CSA assessment cycle. 4. Executive Compensation: Our expectations: - The metric or target used for determining executive compensation is clearly defined and linked to the material issue. It should also be available publicly. - Executive compensation is linked to the performance on the material issue, metric, or target (e.g. as part of an executive scorecard). - There is a clear indication that the performance on the provided material issue, target, or metric is linked to the compensation of the executive management, not only of the respective line managers. Not acceptable: - The executive compensation is linked to the company's general CSR policy or the company's environmental performance. - The metric/target is used for determining management performance but there is no explanation of how performance is linked to executive compensation. - The metric/target indirectly contributes to the company's general financial performance metrics (e.g. executive compensation is linked to EBIT, as improved operational eco-efficiency reduces operational costs and therefore increases EBIT). - For



additional information, please check our webcast on this topic. Disclosure Requirements - The document(s) you attached will be used to verify your response. - The supporting documents need to be available in the public domain. - Any response that cannot be verified in the attached public document(s) or web link will not be accepted.

#### 1.3.4 Material Issues for External Stakeholders

**Additional credit may be granted for publicly available evidence.**

Has your company conducted a materiality analysis to identify and value the positive/negative impact on external stakeholders associated with your company's business operations, products/services and/or its supply chain? Please indicate two material issues that illustrate the most significant social or, environmental impact on external stakeholder groups (e.g. environment, society, customers, etc.). Note that philanthropic initiatives or project-based Environmental and Social Impact Assessments (ESIA, EIA) are not accepted in this question.

- Yes, our company conducted an assessment of positive and/or negative impacts on external stakeholders resulting from our business operations, products & services and/or supply chain.  
Please provide supporting evidence:

	Impact 1	Impact 2
<p><b>Material Issue for External Stakeholders</b> Please specify the material issue that generates a positive/negative impact on external stakeholders.</p>	<p>Please select the category your external impact belongs to:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Corporate Governance</li> <li><input type="radio"/> Cyber Security</li> <li><input type="radio"/> Ethics &amp; Compliance</li> <li><input type="radio"/> Innovation Management</li> <li><input type="radio"/> Policy Influence</li> <li><input type="radio"/> Risk &amp; Crisis Management</li> <li><input type="radio"/> Supply Chain Management</li> <li><input type="radio"/> Tax Strategy</li> <li><input type="radio"/> Air Emissions</li> <li><input type="radio"/> Biodiversity &amp; Land Use</li> <li><input type="radio"/> Climate Transition &amp; Physical Risks</li> <li><input type="radio"/> Environmental Management System</li> <li><input type="radio"/> Resource Efficiency and Circularity</li> <li><input type="radio"/> Waste</li> <li><input type="radio"/> Water</li> <li><input type="radio"/> Community Impact &amp; Development</li> <li><input type="radio"/> Customer Relationship Management</li> <li><input type="radio"/> Employee Wellbeing, Health &amp; Safety</li> <li><input type="radio"/> Employment Practices</li> <li><input type="radio"/> Human Capital Development &amp; Talent</li> <li><input type="radio"/> Human Rights</li> <li><input type="radio"/> Privacy Protection</li> <li><input type="radio"/> Product / Service Quality &amp; Safety</li> <li><input type="radio"/> Responsible Marketing &amp; Labelling</li> <li><input type="radio"/> Sustainable Products &amp; Services</li> </ul>	<p>Please select the category your external impact belongs to:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Corporate Governance</li> <li><input type="radio"/> Cyber Security</li> <li><input type="radio"/> Ethics &amp; Compliance</li> <li><input type="radio"/> Innovation Management</li> <li><input type="radio"/> Policy Influence</li> <li><input type="radio"/> Risk &amp; Crisis Management</li> <li><input type="radio"/> Supply Chain Management</li> <li><input type="radio"/> Tax Strategy</li> <li><input type="radio"/> Air Emissions</li> <li><input type="radio"/> Biodiversity &amp; Land Use</li> <li><input type="radio"/> Climate Transition &amp; Physical Risks</li> <li><input type="radio"/> Environmental Management System</li> <li><input type="radio"/> Resource Efficiency &amp; Circularity</li> <li><input type="radio"/> Waste</li> <li><input type="radio"/> Water</li> <li><input type="radio"/> Community Impact &amp; Development</li> <li><input type="radio"/> Customer Relationship Management</li> <li><input type="radio"/> Employee Wellbeing, Health &amp; Safety</li> <li><input type="radio"/> Employment Practices</li> <li><input type="radio"/> Human Capital Development &amp; Talent</li> <li><input type="radio"/> Human Rights</li> <li><input type="radio"/> Privacy Protection</li> <li><input type="radio"/> Product / Service Quality &amp; Safety</li> <li><input type="radio"/> Responsible Marketing &amp; Labelling</li> <li><input type="radio"/> Sustainable Products &amp; Services</li> </ul>

	Impact 1	Impact 2
<p><b>Cause of the Impact</b> Please specify which part of your business is responsible for the external impact and the coverage of the business activity that has been considered in the assessment.</p>	<p>Business value chain:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Operations</li> <li><input type="checkbox"/> Products/Services</li> <li><input type="checkbox"/> Supply chain</li> </ul> <p>Business activity coverage:</p> <ul style="list-style-type: none"> <li><input type="radio"/> &gt;50% of business activity</li> <li><input type="radio"/> &lt;50% of business activity</li> <li><input type="radio"/> Not known</li> </ul>	<p>Business value chain:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Operations</li> <li><input type="checkbox"/> Products/Services</li> <li><input type="checkbox"/> Supply chain</li> </ul> <p>Business activity coverage:</p> <ul style="list-style-type: none"> <li><input type="radio"/> &gt;50% of business activity</li> <li><input type="radio"/> &lt;50% of business activity</li> <li><input type="radio"/> Not known</li> </ul>
<p><b>External stakeholder(s)/ impact area(s) evaluated</b> Please select the stakeholder(s) group or impact areas evaluated.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Environment</li> <li><input type="checkbox"/> Society</li> <li><input type="checkbox"/> Consumers/ end-users</li> <li><input type="checkbox"/> External employees (e.g. supply chain, contractors)</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Environment</li> <li><input type="checkbox"/> Society</li> <li><input type="checkbox"/> Consumers/ end-users</li> <li><input type="checkbox"/> External employees (e.g. supply chain, contractors)</li> </ul>
<p><b>Topic relevance on external stakeholders</b> Please provide a brief rationale why the external impact assessed is material to external societal stakeholders or the environment. Also indicate the type of impact assessed along with public disclosure, if available.</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Materiality of externalized impact on stakeholders assessed.</li> <li><input type="checkbox"/> Information is publicly available.</li> </ul> <p>Type of impact:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Positive</li> <li><input type="radio"/> Negative</li> <li><input type="radio"/> Both combined</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Materiality of externalized impact on stakeholders assessed.</li> <li><input type="checkbox"/> Information is publicly available.</li> </ul> <p>Type of impact:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Positive</li> <li><input type="radio"/> Negative</li> <li><input type="radio"/> Both Combined</li> </ul>

- No, we do not assess our impact on external stakeholders.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale The purpose of this question is to recognize companies that identify and value the externalized impact generated on societal stakeholder groups and/or the environment as a result of their main business activities. The impact evaluated usually relates to environmental and/or social externalities that can be either positive (external benefits) or negative (external costs), intended or unintended. The impacts generated can be direct or indirect and are usually not internalized as part of the costs associated with the business activity. While companies have made significant progress in tracking and reporting input and output measures (such as water use and CO2 emissions), the external social and environmental impacts resulting from business operations, products, services or supply chain operations are significantly under-reported. Impact valuation helps companies to increase awareness of externalities associated with their business and represents a management tool to orient the company strategy towards sustainable activities, solutions, and sourcing. Investors are also interested in how companies measure and understand their own impacts, and how those companies use that information in their internal decision-making so that it leads to long-term value creation. Over time, external impact on society and the environment also translates into internal impact on a company itself, including its financial value drivers. In a broader understanding of enterprise value today, including stakeholder perspectives, the interrelation between external and internal impact is a core part of determining materiality. Key Definitions Material issue for external stakeholders: The material significance of an ESG subject in terms of external impact is defined through an analysis of a company’s business activities, business model, products, and services. Impacts are evaluated considering the direct and indirect impacts

on societal stakeholders and/or the environment, both in the short and longer term. The material issues for external stakeholders and associated impact are usually identified by evaluating the breadth of the impact, looking at the size of the effect on societal stakeholders and the environment, as well as the depth of the impact, looking at the severity and extent of the damage or benefits it causes to societal stakeholders and the environment. Cause of the impact: This refers to the company's business activity in terms of operations, products/services, or supply chain activities which are responsible for causing the external impact. The coverage associated with the business activity refers to the share of company operations, products/ services, or supply chain considered as part of the impact evaluations. External stakeholders/ impact areas evaluated: This refers to the type of external stakeholder group or an external area experiencing the impact caused by the company through its business activities. External groups or areas include the environment, society, consumers/end-users, and external employees (supply chain, contractors). It is possible to consider the impact on several areas or groups, e.g., environment and society or, environment, consumers and society, etc. As the question is assessing material issues for external stakeholders, internal stakeholders, such as employees or shareholders, are not acceptable. Topic relevance on external stakeholders: This explains why the external impact assessed is material for the external stakeholder(s) evaluated, and requires a clear link between the material issue and the relevance to external stakeholders. The description may also refer to the direct or indirect consequences of the impact generated on societal or environmental stakeholders in terms of size, severity, and/or extent of the damage or benefits caused to societal stakeholders and the environment. The type of impact assessed can be positive, negative, or both. The two impacts reported can be both positive or negative but companies are encouraged to assess their external impacts in a combined way in order to measure together the positive and negative impacts. Data Requirements Acceptable forms of reporting (non-exhaustive) on material issues with externalized impact include: - Materiality analysis/ metrics with the integration of external impact aspects. - Strategic section of a report or website: Reporting on key strategic areas as part of a Sustainability Report or the website, will only be accepted as long as there is a clear reference to the external impact dimension, meaning a detailed explanation of why the issue and associated impact assessed is material to external societal stakeholders or the environment. - Impact valuation section of a report, website, or a single specific document. Not acceptable material issues: Please note that companies that do not provide an acceptable material issue for external stakeholders will not receive points on any subsequent aspects of the question. Not acceptable examples include the following: - Purely economic or financial issues: Tax payments, net income, amortization & depreciation, interests, dividend payments, salaries, own employment, macroeconomic conditions, etc. - Operational business issues: Market expansion, efficient use of capital, operational excellence, etc. - Material business issues without providing information on why the issue is relevant to external stakeholders - Impacts from philanthropic activities, or project-based mandatory environmental and social impact assessments. Disclosure requirements for partially public question: All qualitative information required in this question needs to be supported by attached private or public document(s) or a comprehensive company comment. Options that cannot be verified in supporting documents will be unticked. Additional credit will be granted for relevant publicly available evidence covering the following aspect of the question: - Topic relevance on external stakeholders References Natural Capital Protocol <https://naturalcapitalcoalition.org/protocol/> [https://naturalcapitalcoalition.org/wp-content/uploads/2016/07/Framework\\_Book\\_2016-07-01-2.pdf](https://naturalcapitalcoalition.org/wp-content/uploads/2016/07/Framework_Book_2016-07-01-2.pdf) Social & Human Capital Protocol <https://capitalscoalition.org/capitals-approach/social-human-capital-protocol/> Social Value UK <https://www.socialvalueuk.org/> <https://www.socialvalueuk.org/resource/discussion-document-valuation-social-outcomes/> [https://www.socialvalueuk.org/app/uploads/2017/11/Discussion\\_Paper\\_on\\_SVP\\_NCP-FINAL-VERSION-2-1.pdf](https://www.socialvalueuk.org/app/uploads/2017/11/Discussion_Paper_on_SVP_NCP-FINAL-VERSION-2-1.pdf) World Business Council For Sustainable Development (WBCSD): <https://www.wbcsd.org/Programs/People-and-Society/Tackling-Inequality/Resources/WBCSD-Measuring-Impact> [https://docs.wbcsd.org/2017/05/IVR\\_Impact\\_Valuation\\_White\\_Paper.pdf](https://docs.wbcsd.org/2017/05/IVR_Impact_Valuation_White_Paper.pdf) Business for Societal Impact B4SI, (formerly London Benchmarking Group LBG): <https://b4si.net/framework/> Social Return on Investment (SROI) <https://www.socialvaluelab.org.uk/wp-content/uploads/2016/09/SROI-a-guide-to-social-return-on-investment.pdf> Impact Reporting & Investment Standards (IRIS) <https://iris.thegiin.org/> Impact Management Project <https://impactmanagementproject.com/>

### 1.3.5 Materiality Metrics for External Stakeholders

**Additional credit may be granted for publicly available evidence.**

Have you evaluated the positive/negative impacts on external stakeholders using quantitative output and impact metrics? Please note that philanthropic initiatives or project-based impact assessments are not accepted in this question.

- Yes, we have quantitative metrics used to value the external impact on society and/or the environment. Please provide supporting evidence:

	Impact 1	Impact 2
<p><b>Material Issue for External Stakeholders</b> Please specify the material issue that generates a positive/negative impact on external stakeholders.</p>		
<p><b>Output Metric</b> Please specify the quantitative metric/s used to measure the output of the direct environmental and/or social results of the business activity.</p>	<input type="checkbox"/> Quantitative output metric/s linked to material issue [Redacted]	<input type="checkbox"/> Quantitative output metric/s linked to material issue
<p><b>Impact Valuation</b> Please specify whether you have conducted an impact valuation converting the output metrics to an impact metric to measure the societal or environmental external impact. Please choose the quantitative metric used in the valuation from the list and provide a description of the impact assessed.</p>	<input type="checkbox"/> Impact valuation conducted <ul style="list-style-type: none"> <li><input type="radio"/> Social return on investments</li> <li><input type="radio"/> Social cost caused/avoided</li> <li><input type="radio"/> Health costs caused/avoided</li> <li><input type="radio"/> Quantified quality of life impacted</li> <li><input type="radio"/> Increase/decrease in household-level income</li> <li><input type="radio"/> Environmental value lost/gained</li> <li><input type="radio"/> Net impact ratio</li> <li><input type="radio"/> Access to product/service with positive impact provided</li> <li><input type="radio"/> Other</li> </ul> Description of the impact assessed [Redacted]	<input type="checkbox"/> Impact valuation conducted <ul style="list-style-type: none"> <li><input type="radio"/> Social return on investments</li> <li><input type="radio"/> Social cost caused/avoided</li> <li><input type="radio"/> Health costs caused/avoided</li> <li><input type="radio"/> Quantified quality of life impacted</li> <li><input type="radio"/> Increase/decrease in household-level income</li> <li><input type="radio"/> Environmental value lost/gained</li> <li><input type="radio"/> Net impact ratio</li> <li><input type="radio"/> Access to product/service with positive impact provided</li> <li><input type="radio"/> Other</li> </ul> Description of the impact assessed [Redacted]
<p><b>Impact Metric</b> Please specify the quantitative metric used to measure your external impact.</p>	<input type="checkbox"/> Quantitative impact metric linked to material issue [Redacted] <input type="checkbox"/> Information is publicly available	<input type="checkbox"/> Quantitative impact metric linked to material issue [Redacted] <input type="checkbox"/> Information is publicly available

- No, we do not assess our externalized impacts on external stakeholders.
- Not applicable. Please provide explanations in the comment box below
- Not known

**Info Text:**

**Question Rationale** The purpose of this question is to assess the extent to which companies are evaluating the positive and/or negative impacts they are causing on external stakeholders using quantitative metrics linked to the material issues identified in the materiality assessment. To ensure that the company is assessing those impacts, the question asks which quantitative metrics are being used to measure the output of its business activity, the impact that activity has on the external society and/or environment, and also which valuation technique is used to assess the impacts identified. Companies can use impact valuation techniques to assess and compare the potential impacts that their products, services, or operations have had (or may have) on people and the environment. Investors can use impact valuation techniques to assess and compare the potential impacts that companies they are financing or considering financing may have on people and the planet, as well as their own investor contribution to those impacts.

**Key Definitions**

**Output Metric:** This refers to the environmental or social direct results caused by a company's business activities in terms of operations, products/ services, and/or supply chain. The metrics must be directly linked to the material issue. Performance metrics included in the IRIS (Impact Reporting & Investment Standards) catalog are accepted as good practice to define output targets to measure social and environmental success: Examples of environmental outputs that could be used to set a specific quantitative metric: - Air pollution reduction (in % or CO2 emissions, NOx Emissions, SOx emissions). - Avoided CO2 emission in % or tons, avoided NOx emissions, avoided SOx emissions. - Water pollution reduction (% of contaminated potable water). - Ground pollution reduction (in % or tons of waste disposed to landfill, incinerator). - Waste diverted from landfill (in ton or %). - Percentage of energy recovered. Examples of social outputs that could be used to set a specific quantitative metric: - Number of entrepreneurs that received a microfinance loan. - Number of fatalities. - Number of permanent illnesses. - Sales of products protected by intellectual property rights.

**Impact Valuation:** This refers to the process of valuing and quantifying the external damages and/or benefits (positive/ negative externalities) to the society and the environment that are caused as a result of the direct environmental and/ or social outputs generated by a company's business activities. The valuation usually involves quantitative or monetary approaches or a combination of these. Quantitative valuation measures the impact of the negative/ positive externalities on societal stakeholders (e.g. society at large, local communities, end users/ consumers) and/ or the environment (e.g. natural capital) in quantitative, non-monetary terms. Monetary valuations measure the impact of the negative/positive externality caused in monetary terms (e.g. social costs of environmental damages caused). Examples of environmental impacts - A change in people's environment: - Improved/ decreased quality of the air and water and associated health impact, - Increased/ decreased availability and quality of food, - Improved adequacy of sanitation and associated social benefits, - Increased physical safety, - A change in the natural earth system: - disruption of the rain cycle, - increase in land temperature, - acidification of the oceans... - A change in the quality or availability of natural resources: - Destruction of ecosystems, fauna, and flora, - Decreased/Increased access to natural resources - Damage/Improvement to/of heritage, spiritual or cultural resources - Decreased/Improvement of quality or availability of natural resources

Examples of social impacts - A change in people's quality of life: How they live and interact with one another. - A change in the community: its cohesion, stability, and character. - Capacity and Quality of Infrastructure, services, and facilities: associated impact on people's quality of life and/or health. - A change in health status and wellbeing (physical, mental, social, and spiritual wellbeing): - Improved health awareness. - Deterioration in health status. - Capacity and cost of Local Health Providers. - A change in personal and property rights, such as violation of their civil liberties. - Other changes: - Increase/ decrease in local economic development (note that employment is an output metric). - Reduced/increased inequality: distributional impact e.g. on vulnerable households. - Enhanced local work experience, skills, and employability. To evaluate the external impacts, companies could use different methodologies or standards that can range from standard methodologies from third parties to the company's internal processes. Even this question is not requesting to report the methodology that has been used, a list of the most well-known methodologies and standards that companies use for external impact measurement, management, and disclosure can be found here as a reference: - Social & Human Capital Protocol. - Business for Social Impact (B4SI). - Socio-Economic Assessment Toolbox (SEAT). - Social Return on Investment. - Impact Reporting & Investment Standards (IRIS). - Other third party-methodology. - Company internal methodology.

**Impact Metric:** This is the quantitative (monetary or non-monetary) metric used to measure the impact caused on external societal stakeholders or the environment. It converts the output metric into a quantitative impact metric by evaluating the impact of the external damage or benefits (negative/ positive externalities) for societal stakeholders or the environment. Note that the output and impact metrics are directly linked with each other, and with the material issue assessed, but the metric/unit used cannot be the same. Example of quantitative metrics: - Quality of life improvement: % increase in self-confidence - Quality life years gained from a new medical treatment vs. the standard of care - % reduction in chronic illnesses due to the company's program - % Loss of productive and habitable land - % Loss of production in fisheries due to the spill of pollutants in rivers

- % Health-Adjusted Life Years (HALYs) Example of monetary metrics: - Social cost of carbon - Social cost of water - Social cost of waste - Social cost of alcohol - Cost of quality life year gained from a new medical treatment vs. standard of care - Cost of work-related stress to society Data Requirements Output Metric: - Companies clearly specify at least one quantitative environmental or social output metric directly linked to the material issue identified, associated external stakeholder group impacted and the company's business activity in line with the question 'Material Issues for External Stakeholder'. - Supporting evidence is required linking the output metric to the material issue for external stakeholders. As an example: if the company is tracking its waste diverted from landfill (as a percentage or in metric tons), this is not sufficient unless a link to its external impact on the environment or societal stakeholders is clearly established in the supporting evidence (i.e. private or public documents or comprehensive comment). - If one or both Material Issues in the question 'Material Issues for External Stakeholders' are not acceptable, the output metric associated with the material issue identified by the company is also not acceptable due to the missing link between the material issue and its external impact aspects. - For acceptable output metrics, the checkbox should be marked, and the specific value and unit of the output metrics provided in the text box. Companies may choose to provide additional supporting evidence in the form of an explanation. - In case the specific impact is caused by more than one output, companies should specify all the relevant metrics. - Metrics already reported in other CSA questions (e.g. emissions, waste, biodiversity, community impact), will only be accepted as long as there is a clear reference to the external impact dimension in previous question (e.g. importance of the topic to society, preservation of natural capital, contribution to SDGs, impact on climate change, etc.) and an impact metric linked. Impact Valuation: - Supporting evidence to validate that an impact valuation has been conducted is required in the form of private or public document(s) or a comprehensive company comment. - The supporting evidence is expected to provide an explanation of how the output generated by the company due to its business activities translates into externalized societal or environmental impact. Impact metric: - In case the company has quantified (in monetary or non-monetary terms) the external impact generated on societal stakeholders or the environment, this option can be ticked. In the comment box, the quantitative impact value and unit of measurement are expected to be provided. - The impact metric is required to be directly linked to the output metric and the impact valuation conducted. Not acceptable Impact metrics: - Pure economic and financial metrics: GDP growth, Tax payments, Net income, Amortization & depreciation, Interest, Salaries, Own employment, Taxes (direct income tax, indirect taxes & duties), Economic Value Add or Gross Value Add. - Impacts due to philanthropic activities. - Metrics regarding the company's own employees (including occupational health and safety metrics, employee training, employee benefits, and salaries, etc.). - Metrics on resource usage reductions or avoided emissions, as these are output metrics. - Social and Environmental Impact Assessments are conducted for specific projects only. - Metrics that are not linked to the output metric and the material issue. Disclosure requirements for partially public question: All qualitative information required in this question needs to be supported by attached private or public document(s) or a comprehensive company comment. Options that cannot be verified in supporting documents will be unticked. Additional credit will be granted for relevant publicly available evidence covering the following aspect of the question: - Quantitative impact metric linked to the material issue for external stakeholders. References Natural Capital Protocol <https://naturalcapitalcoalition.org/protocol/> [https://naturalcapitalcoalition.org/wp-content/uploads/2016/07/Framework\\_Book\\_2016-07-01-2.pdf](https://naturalcapitalcoalition.org/wp-content/uploads/2016/07/Framework_Book_2016-07-01-2.pdf) Social & Human Capital Protocol <https://capitalscoalition.org/capitals-approach/social-human-capital-protocol/> Social Value UK <https://www.socialvalueuk.org/> <https://www.socialvalueuk.org/resource/discussion-document-valuation-social-outcomes/> [https://www.socialvalueuk.org/app/uploads/2017/11/Discussion\\_Paper\\_on\\_SVP\\_NCP-FINAL-VERSION-2-1.pdf](https://www.socialvalueuk.org/app/uploads/2017/11/Discussion_Paper_on_SVP_NCP-FINAL-VERSION-2-1.pdf) World Business Council For Sustainable Development (WBCSD): <https://www.wbcd.org/Programs/People-and-Society/Tackling-Inequality/Resources/WBCSD-Measuring-Impact> [https://docs.wbcd.org/2017/05/IVR\\_Impact\\_Valuation\\_White\\_Paper.pdf](https://docs.wbcd.org/2017/05/IVR_Impact_Valuation_White_Paper.pdf) Business for Societal Impact B4SI, (formerly London Benchmarking Group LBG): <https://b4si.net/framework/> Social Return on Investment (SROI) <https://www.socialvaluelab.org.uk/wp-content/uploads/2016/09/SROI-a-guide-to-social-return-on-investment.pdf> Impact Reporting & Investment Standards (IRIS) <https://iris.thegiin.org/> Impact Management Project <https://impactmanagementproject.com/>

### 1.3.6 MSA Materiality

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on

reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

**Info Text:**

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

**1.4 Risk & Crisis Management**

Effective risk and crisis management is vital for long-term financial planning and organizational flexibility. Since the financial crisis, it has gained particular importance. Companies need to implement internal control processes to comply with existing regulations and proactively develop control mechanisms. These questions focus on risk governance, the frequency of risk reviews, emerging risks, incentivizing, training and empowering employees in order to develop an effective risk culture. Additionally, we perform a real-time check to assess the system with our internal MSA (Media and Stakeholder Analysis). The scope of the criterion may vary depending on a company's size and ownership structure.

**1.4.1 Risk Management**

Does your company have any documented risk management procedures and positions in place?

Yes, our company has risk management procedures and positions in place.

<p><b>Review of company's risk exposure on a regular basis</b></p>	<p>We formally review our company's risk exposure on a regular basis for at least two types of risks. Please attach your latest risk review(s) and evidence of the frequency of the assessments:</p> <ul style="list-style-type: none"> <li><input type="radio"/> At least twice a year or more frequently</li> <li><input type="radio"/> At least yearly</li> <li><input type="radio"/> Less frequently or not specified</li> </ul>	
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<p><b>Oversight of company's risk exposure</b></p>	<p>We have dedicated risk management functions in place. Please indicate the highest level at which your company oversees the risk exposure and provide supporting evidence for the respective role or committee:</p> <ul style="list-style-type: none"> <li><input type="radio"/> Dedicated role or committee at board level</li> <li><input type="radio"/> Dedicated role or committee at executive level</li> <li><input type="radio"/> Dedicated role(s) at business unit level</li> </ul>	
<p><b>Structural Independence</b></p>	<p><input checked="" type="checkbox"/> The risk management function is structurally independent from the business lines. Please specify and provide supporting evidence (E.g., Org chart of reporting lines):</p>	
<p><b>Audit of the risk management process in the last two years</b></p>	<p>We have conducted an audit of the risk management process in the last two years. Please specify if an internal audit, external audit or both have been performed and provide supporting evidence.</p> <ul style="list-style-type: none"> <li><input type="radio"/> Yes, we have conducted an internal audit</li> <li><input type="radio"/> Yes, we have conducted an external audit</li> <li><input type="radio"/> Yes, we have conducted both an internal and external audit</li> </ul>	

- No, we do not have any documented risk management procedures or positions in place.
- Not applicable. Please provide a comment below
- Not known

**Info Text:**

**Question Rationale** The purpose of this question is to obtain a better understanding of a company’s risk governance and risk review practices which are critical for overall risk control and mitigation. For a company’s risk management procedures to be most effective, risk awareness concerns and management must be overseen by a company’s senior leadership or board of directors. Moreover, frequent risk reviews, the structural independence of the risk management functions as well as regular audits can further improve risk management procedures and effectiveness. **Key Definitions** Risk review: A risk review can constitute an assessment or re-assessment of a certain risk exposure, a status update thereof, a sensitivity analysis with regards to a certain risk or other procedures and processes that aim to identify hazards, determine potential negative effects, and ultimately remove or minimize a certain risk. A risk review should include the following aspects: - A description of how the risk affects the organization (E.g., Revenues, profitability, costs) - The likelihood of impact on the organization, - The magnitude of the potential business impact, - Mitigation actions, - The frequency of review **Examples of risks considered in this question:** Regulatory Risks, Reputational Risks, Liquidity / Cash Flow Risks, Operational Risks, Climate Change/ Natural Catastrophes, Political Risks, Cyber Security / Data Stewardship, Commodity Price Risks, Foreign Exchange Risks, Competition Risks etc. **Board level responsibility:** A dedicated committee at the highest governing body, i.e., Risk Committee or Audit

Committee with explicit risk management overview tasks. Executive level responsibility: A dedicated function at the executive level (C-Suite), e.g., Chief Risk Officer. Responsibility at business unit level: Dedicated risk management functions below the executive level, e.g. Risk managers. Reporting Line: Under reporting line, the whole reporting line from the responsible persons or committee up to the executive managers or board of directors should be considered. Structural independence: This means that the organization's risk function is independent of other business functions, departments, or divisions, and serves as a means to address risks throughout the entire organization and not just within a specific department (for example, if the risk management function is a separate reporting pillar altogether or reports directly to the CEO). Structural independence allows for objective monitoring and control of various risks, in the best interest of the entire organization and without the pressure of a potential conflict of interest coming from other business priorities. Audit of risk management: Systematically assesses the measures, tools, and processes applied to identifying, evaluating, controlling, monitoring, and reporting on relevant risks to the organization, considering their likelihood and potential of impact. It can be realized by qualified, internal auditors or by qualified, independent third-party auditors, following good practice guidelines on management systems audits or risk management guidelines such as ISO 31000. Data Requirements Supporting evidence: - The document(s) you attached will be used to verify the qualitative part of your response. If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - The supporting documents do not need to be available in the public domain. References COSO (The Committee of Sponsoring Organizations of the Treadway Commission): The ERM Framework. ISO 31000:2018

### 1.4.2 Emerging Risks

Please indicate two important long-term (3-5 years+) emerging risks that your company identifies with the most significant impact on the business in the future, and indicate any mitigating actions that your company has taken in light of these risks. For each risk, please provide supporting evidence available in **your reporting** for the description of the risk, the business impact and any mitigating actions, and choose the category to which the risk belongs.

○	Emerging Risk 1	Emerging Risk 2
Supporting evidence	<p><b>Listed companies</b> are required to provide links to public reports or corporate websites.</p> <p><b>Non-Listed companies</b> may provide internal documents and/or links to public reports or corporate websites.</p>	<p><b>Listed companies</b> are required to provide links to public reports or corporate websites.</p> <p><b>Non-Listed companies</b> may provide internal documents and/or links to public reports or corporate websites.</p>
Name of the emerging risk		
Category	<p><input type="radio"/> Economic</p> <p><input type="radio"/> Environmental</p> <p><input type="radio"/> Geopolitical</p> <p><input type="radio"/> Societal</p> <p><input type="radio"/> Technological</p> <p><input type="radio"/> Other</p>	<p><input type="radio"/> Economic</p> <p><input type="radio"/> Environmental</p> <p><input type="radio"/> Geopolitical</p> <p><input type="radio"/> Societal</p> <p><input type="radio"/> Technological</p> <p><input type="radio"/> Other</p>

	Emerging Risk 1	Emerging Risk 2
Description	<input type="checkbox"/> We report on the description and specification of emerging risk 1 in the context of the company's business. Please provide the description in the text box below.	<input type="checkbox"/> We report on the description and specification of emerging risk 2 in the context of the company's business. Please provide the description in the text box below.
Impact	<input type="checkbox"/> We report on the potential impact of emerging risk 1 on the company's business. Please provide the impact description in the text box below.	<input type="checkbox"/> We report on the potential impact of emerging risk 2 on the company's business. Please provide the impact description in the text box below.
Mitigating actions	<input type="checkbox"/> We report on the mitigating actions of emerging risk 1. Please provide the description of the mitigating actions in the text box below.	<input type="checkbox"/> We report on the mitigating actions of emerging risk 2. Please provide the description of the mitigating actions in the text box below.

- We do not report on long-term, emerging risks according to the relevant disclosure requirements of this question.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale It is important for investors to understand the long-term risks that companies face along with companies' awareness of the impacts of these risks on their business and any mitigating actions that they may be taking in response to such risks - beyond the ongoing operational risks reported by most companies. In disclosing these risks to investors, companies show their ability to plan effectively for long-term risks. Reporting on long-term risks, their impacts on their business, and the mitigating actions they are taking can improve investors' confidence in management's ability to plan effectively for long-term challenges and therefore may make the company a more attractive long-term investment. Key Definitions Emerging risks: The focus should lie on the most significant emerging risks that are expected to have a long-term impact on the company and that are explained in public disclosures. Risks that are considered to be acceptable here include any newly identified risks that are expected to have a long-term impact on the company's business, although in some cases they may have already begun impacting the company's business today. A risk, by definition, has not materialized. However, an emerging risk in addition to not having materialised, is unprecedented and has not been handled in the past. Therefore there is a lack of knowledge/ preparation when it comes to managing the potential risk. Impact on the business: It is not expected that a precise financial impact of these risks on the business can already be calculated or estimated, but rather a convincing description of how these emerging risks could impact the business, and require the company to adapt its strategy and/or business model. Risk categories: The risk categories available in the dropdown menu are aligned with the categories defined in the World Economic Forum –Global Risk Report. The categories are Economic, Environmental, Geopolitical, Societal, and Technological. While we acknowledge that the five categories above might not be exhaustive, the category “Other”, should only be used for other external risk categories that are industry-specific. Categories such as operational risk, compliance risk, reputational risk, competition risk, or market risk are not acceptable. Data Requirements Because the disclosure of long-term emerging risks (beyond

operational risks commonly reported by companies or required by regulators) is so important for long-term investors, the risks provided in this question should correspond to risks that are disclosed publicly (e.g. annual report, sustainability report, integrated report, company publications, corporate website, risk reports). Additional specifications related to the description of the risk, the business impact, and mitigating actions not available in the public domain will not be considered. a) Emerging risks reported in this question have to be part of the broad, cross-functional and general risk assessment exercise of a company, therefore we would not accept risks identified as part of a specific risk assessment exercise (Human Rights risk assessment, OHS risk assessment, climate risk assessment, etc.). b) The same risk cannot be reported for more than 3 years in a row. Similarly, if the company has been reporting the same risk in its public disclosure for more than 3 years, it is not considered emerging anymore. c) An emerging risk needs to fulfill the six below requirements in order to be accepted: - The risk is new, emerging. - The potential impact of the risk may be unknown and is long-term, i.e. the risk is unlikely to have a significant immediate impact on the company, but potentially may have begun to have consequences for the company today. - The potential impact of the risk is significant, i.e. it has the potential to affect a large part of the company's operations and may require the company to adapt its strategy and/or business model. - The risk is an external risk, i.e. it arises from events outside the company that are beyond its influence or control. Sources of these risks include natural, geopolitical, or macroeconomic factors, but exclude operational, reputational, or market risks. - The risk and its impact on the company are specific. For example, long-term risks like macroeconomic developments should be described in the context of the business environment that the company operates in (i.e. the specific regulations or laws that may be introduced) and the impact on the company should be specific (i.e. not simply the description of the overall impact on the industry). - The risk and its impact are publicly disclosed with the exception established for Non-Listed companies. As a result, climate change, for example, would not be an acceptable emerging risk since it is an issue that has been significantly impacting the business environment for a number of years and that companies would have prepared for. The mitigating actions have to be reported together with the risk and its impact, as a response to the risk. Disclosure Requirements Listed and/or publicly owned companies are required to provide links to public reports or corporate websites. Non-listed companies are required to provide the following evidence, depending on the type of company: - Family-owned companies and Privately owned companies are required to provide public reports, corporate websites, or internal documents. - Cooperatives are required to provide public reports, corporate websites, or internal documents. - State-owned companies are required to report on their risk management in the public domain as their key stakeholder is the general public. References World Economic Forum – The Global Risks Report

### 1.4.3 Risk Culture

What strategies does your company pursue in order to promote and enhance an effective risk culture throughout the organization? Please indicate the relevant options below, specify where prompted and provide supporting evidence.

- Financial incentives which incorporate risk management metrics, please specify the incentives and metrics and provide supporting evidence.
- For senior executives, please specify the incentives and metrics:  
[REDACTED]
- For line managers, please specify the incentives and metrics:  
[REDACTED]
- Focused training throughout the organization on risk management principles. Please specify and provide supporting evidence.  
[REDACTED]
- Inclusion of risk management criteria in the HR review process for employee evaluations. Please specify and provide supporting evidence.  
[REDACTED]
- Measures allowing individual employees to proactively identify and report potential risks throughout the organization, please specify and provide supporting evidence.

- Measures allowing continuous improvement in risk management practices through the involvement of employees in structured feedback process. Please specify and provide supporting evidence.

- Incorporating risk criteria in the product development or approval process. Please specify and provide supporting evidence.

- Other means of measuring or innovating for an effective risk culture. Please specify and provide supporting evidence.

- No, we do not have any strategies to promote and enhance an effective risk culture
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale While an effective structure for risk management is essential, events since the credit crisis as well as several high-profile disasters such as the Macondo oil spill have demonstrated the need for strong risk culture throughout the organization to ensure that the importance of risk is understood by all employees. This question is designed to assess if companies are implementing an effective risk culture across their business. Key Definitions Risk management metrics: It refers to any risk management measures that may be part of an individual's performance review, or any goal that affects compensation tied to reducing risk, including measures to reduce occupational health and safety incidents or environmental risks. Risk management: In the HR review process, this can include any element of risk performance (including avoidance of risks) that is included in the review of employee performance. Measures for reporting risks: It should be more than whistle-blowing mechanisms. Rather, these should be mechanisms that allow employees to report potential incidents that could occur, based on their experience. This can in turn be used in order to improve risk management and monitoring. Other means of measuring or innovating for an effective risk culture: this option is looking for other means of innovating for an effective risk culture. Examples include interactive platforms in the intranet to spread the use of risk management best practices, innovation hubs related to risk management or culture, competition or award to reward innovating ideas in the area of risk management or risk culture. This option is not looking at risk management plans and processes, or examples of risk prevention measures such as health and safety plans, description of ERM processes, or how the risk management processes are structured within the company. Data Requirements Supporting evidence: - The document(s) you attached will be used to verify your response. - The supporting documents do not need to be available in the public domain. - If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. - Any response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted.

**1.4.4 MSA Risk & Crisis Management**

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

**Info Text:**

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and

proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 1.5 Business Ethics

Business ethics are at the crux of a well-functioning business. By establishing integrity across business lines and amongst employees, this not only builds trust with key stakeholders, but also safeguards employees and the general public. The criterion evaluates the Codes of Conduct, their implementation and the transparency surrounding reporting on breaches.

### 1.5.1 UN Global Compact Membership

**This question requires publicly available information.**

Is your company a signatory/participant of the United Nations Global Compact?

- Yes. The information is publicly available.
- No, we are not signatory, but our parent company is a signatory/participant. The information is publicly available.
- No, we are not a signatory/participant.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

**Question Rationale** The UNGC is a reference point for investors to apprehend which companies are truly committed to sustainable growth. Indeed, being a participant/ signatory of the UNGC requires a public commitment of the company's CEO and the yearly release of a Communication on Progress. Therefore, this question aims to verify whether companies have taken this important public stance, regardless of their size.

**Data Requirements** In order to accept answers, we need to verify your company's participation in the UNGC in the public domain. Please, attach a public letter of commitment or last year's Communication on Progress. Please note that we also accept a link to the list of active members on the UNGC website where we can verify the name of your company. Taiwanese companies not already members of the UNGC should select "Not Applicable" and provide explanations in the comment box. References United Nations Global Compact UNGC Signatory List

### 1.5.2 Codes of Conduct

**This question requires publicly available information.**

Which of the following aspects are covered by your codes of conduct at a group level (including subsidiaries)? Please indicate where this information is available in your **public reporting** or **corporate website**.

- Yes, our group-wide codes of conduct are publicly available and specifically include the following:
  - Corruption and bribery
  - Discrimination
  - Confidentiality of information
  - Conflicts of interest
  - Antitrust/anti-competitive practices

- Money-laundering and/or insider trading/dealing
- Environment, health and safety
- Whistleblowing
- No group-wide codes of conduct
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Codes of Conduct are corporate documents outlining a company's values, principles and guidelines in a variety of areas. Ideally, codes combine aspirations and detailed standards on how to put them into practice, guiding the way the company conducts its business activities. Codes of Conduct are voluntary but often seen as an important part of company culture, reputation and compliance. With this question, we assess the existence and scope of a company's Code of Conduct. Data Requirements Please be aware that Codes of Conduct can come in different formats and have different names (e.g. internal rules, company's credo, compliance codes, ethics codes, codes of practice, charters). Supporting evidence: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted.

**1.5.3 Corruption & Bribery**

**This question requires publicly available information.**

Which of the following aspects are covered by your anti-corruption and bribery policy at a group level (including subsidiaries)? Please indicate where this information is available in your **public reporting or corporate website**. Please also ensure that the marked options are both covered by your company's policy and are clearly disclosed in the attached public documents.

- Yes, our group-wide anti-corruption and bribery policy is publicly available and specifically includes the following:
  - Bribes in any form (including kickbacks) on any portion of contract payments or soft dollar practices
  - Direct or indirect political contributions
    - Political contributions publicly disclosed. Please indicate web address:
  - Charitable contributions and sponsorship
    - Charitable contributions and sponsorship publicly disclosed. Please indicate web address:
- No, we do not have a publicly available anti-corruption & bribery policy.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Corruption and bribery are economic crimes that are consistently harmful to a company's intangible assets (such as its reputation, staff morale, or business relationships). Companies doing business in countries with weak anti-corruption and bribery laws are exposed to additional reputational and legal risks. Evidence of corrupt practices can result in a company's exclusion from contracts financed by institutions that blacklist bribe suppliers (for example, the World Bank's list of debarred firms), potentially affecting the company's future earnings. Due to the additional types of risk that corruption introduces, it creates uncertain consequences for investors and therefore increases the risk premium a company must pay for debt or equity. This question assesses the anti-corruption and bribery policy a company has in place to complement legal requirements (or to compensate for the lack of such requirements in certain countries). Because political and charitable contributions can be used as a subterfuge for bribery, they should be explicitly covered by the anti-corruption policy and should be publicly disclosed. Key Definitions Kickback: A kickback refers

to a share of misappropriated funds one organization pays another in a case of corrupt bidding. This can occur in a business context or in any other situation in which people are entrusted to spend funds that do not belong to them. In this context, a company would win a contract in a public bidding process even if its provided quote exceeds the market price or best offer. For the benefit of winning the contract, the provider of the service then pays a kickback (for example, the difference between the overvalued and the actual market price, or part of this difference) to the buyer. Soft dollar: The term soft dollar is used in the finance industry and refers to in-kind payments made by a money manager (a fund, investor, etc.) to its service providers. Instead of paying the service providers with cash (i.e. hard dollars), the investor pays in kind (i.e. with soft dollars) by passing on the business to its service providers. Political contributions and charitable donations: This question specifically considers contributions and donations that act as a means of bribery and corruption, and this needs to be explicitly addressed in the attached policies. In the context of this question, disclosure of details of contributions and donations is only considered for topics that are specifically covered in relevant policies, such as the company Codes of Conduct or a separate anti-corruption and bribery policy. Other aspects related to political contributions and charitable donations that are not linked to bribery or corruption are addressed in other parts of the questionnaire. Data Requirements This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, corporate citizenship/corporate social responsibility report) or corporate website. Please ensure that the marked options are both covered by your company's policy and are clearly disclosed in the attached documents. References - OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997 - United Nations Convention Against Corruption, 2003 - Business Principles for Countering Bribery, 2013 (by Transparency International)

1.5.4 Codes of Conduct: Systems/ Procedures

This question requires publicly available information.

What mechanisms are in place to assure effective implementation of your company's codes of conduct (e.g. compliance system)? Please indicate where this information is available in your **public** reporting.

- Yes, we have mechanisms in place to assure effective implementation of your company's codes of conduct and are **publicly** available.

Aspect:	Please provide supporting evidence for the aspect and indicate page numbers:
<input type="checkbox"/> Responsibilities, accountabilities and reporting lines are systemically defined in all divisions and group companies	
<input type="checkbox"/> Dedicated help desks, focal points, ombudsman, hotlines	
<input type="checkbox"/> Compliance linked to employee remuneration	
<input type="checkbox"/> Employee performance appraisal systems integrates compliance/codes of conduct	
<input type="checkbox"/> Disciplinary actions in case of breach, i.e. warning, dismissal, zero tolerance policy	
<input type="checkbox"/> Compliance system is certified/audited/verified by third party. Please review the additional information and question guidance banner for further detail.	

- No, we don't have such systems/policies in place.



Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale As with every strategy or goal, a code of conduct is only as good as the level that it is complied with. A company therefore needs to have proper systems and procedures in place to ensure the implementation of its code of conduct to assure employees, creditors, business partners, shareholders and other stakeholders that internal systems will not be co-opted, circumvented or overridden. Data Requirements Third-party verification: For the certification/audit/verification of the compliance system, only independent third parties are accepted. Internal audit is not considered an independent third party. A third-party review must cover the company's codes of conduct and compliance systems for enforcing these codes, including tracking and reporting of breaches. Third-party assurance on other financial data or sustainability reporting is not accepted here. Supporting evidence: - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website. - Any response that cannot be verified in the attached public document(s) will not be accepted.

**1.5.5 Reporting on breaches**

**This question requires publicly available information.**

Does your company publicly report on breaches (e.g. Corruption, Discrimination etc.) against your codes of conduct/ethics? Please specify where this information is available in your **public reporting** or **corporate website**.

- Yes, we publicly report breaches of the Codes of Conduct
  - We report on following areas:

Reporting areas	Number of breaches in FY 2022
Corruption or Bribery	
Discrimination or Harassment	
Customer Privacy Data	
Conflicts of Interest	
Money Laundering or Insider trading	

- We report breaches on a combined basis for **all areas** in the Code of conduct
- We report breaches on a combined basis, but only for **some areas** in the Code of conduct
- We report that no Codes of Conduct related breaches have occurred during the most recent reporting cycle
- No, we do not publicly report on breaches.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Organizations are increasingly expected by the marketplace, international norms, and stakeholders to demonstrate their adherence to integrity, governance, and good business practices. Reporting to authorities is mandatory in many countries but our questions are looking for evidence of transparent corporate reporting to all stakeholders. This question assesses the transparency a company shows in relation to breaches of its codes of conduct or anti-corruption & bribery policies towards its stakeholders, both for the occurrence of incidents as well as the company's response. Data Requirements Disclosure on various aspects of code of conduct related breaches is assessed in this question such as Corruption, Discrimination, Privacy, Insider Trading etc. Filings to authorities that are not publicly available to all stakeholders will not be considered here. If the company discloses just the total number of breaches for all aspects of the code

of conduct (Without breakdown) then the second option 'We report on total number of cases/breaches but do not report on specific areas' should be selected. In case, while reporting a company has clubbed some areas of breaches then the third option, 'We report breaches on a combined basis, but only for some areas in the Code of conduct' will be marked. If there were no code of conduct breaches, the fourth option "We report that no Codes of Conduct related breaches have occurred during the most recent reporting cycle" should be chosen and indicate where this is publicly reported. The absence of breaches needs to be publicly disclosed for the purpose of this question and an indication of where this is publicly reported should be given. A comment indicating that no breaches occurred and that reporting would have been available in the event of such breaches occurring is not sufficient for this question. Supporting evidence - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications or corporate website). - Any response that cannot be verified in the attached public document(s) will not be accepted. Key Definitions Customer Data Privacy: Data breach relative to the customer. This can be defined as the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored, or otherwise processed. This can include, but is not limited to, the disclosure of customer personally identifiable information, theft of customer financial information, healthcare data and more. References OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997 United Nations Convention Against Corruption, 2003 Business Principles for Countering Bribery, 2013 (by Transparency International, second edition)

#### 1.5.6 MSA Business Ethics

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

##### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

#### 1.6 Policy Influence

Although companies can legitimately represent themselves in legislative, political and public discourse, excessive contributions to political campaigns, lobbying expenditures and contributions to trade associations as well as the lack of transparency about those contributions may damage companies' reputations and creates risks of corruption. Perceived misalignment between a company's commitments to combat climate change and its lobbying activities can also damage its reputation, and significantly undermine global efforts to transition to more sustainable economies.

In this criterion we evaluate the transparency of companies' disclosures on the amounts they contribute to political campaigns, trade associations and other tax-exempt groups, and on lobbying expenditures. Additionally, we assess the management systems companies have in place to ensure lobbying activities and memberships of trade associations are aligned with the Paris Agreement to limit global warming to well below 2 degrees Celsius.

1.6.1 Contributions & Other Spending

Additional credit may be granted for publicly available evidence.

Please indicate your annual total monetary contributions to and spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups, as defined in the Info Text. If this information is publicly reported, please provide supporting evidence or indicate the weblink below. **PAC contributions by employees should not be included.** Please also indicate if these figures are provided in your **public reporting**.

- We are able to itemize the figures. If you have not made any contributions for one or more items, please enter 0 and **indicate if this information is available in your public reporting.**

		FY 2019	FY 2020	FY 2021	FY 2022
Lobbying, interest representation or similar	<input type="checkbox"/> Information available publicly				
Local, regional or national political campaigns / organizations / candidates	<input type="checkbox"/> Information available publicly				
Trade associations or tax-exempt groups (e.g. think tanks)	<input type="checkbox"/> Information available publicly				
Other (e.g. spending related to ballot measures or referendums)	<input type="checkbox"/> Information available publicly				
<b>Total contributions and other spending</b>					
Data coverage (as % of denominator, indicating the organizational scope of the reported data)	Percentage of:				

- We can only report the total spending figures. Please indicate the items included in your total spending figures. If an item is not included, please select "not included". If you have not made any contributions for a specific category, please select "No contribution." **Please also indicate if these figures are provided in your public reporting.**

Lobbying, interest representation or similar	<input type="radio"/> Included <input type="radio"/> Not included <input type="radio"/> No contribution <input type="radio"/> Not known	<input type="checkbox"/> Information available publicly
Local, regional or national political campaigns / candidates	<input type="radio"/> Included <input type="radio"/> Not included <input type="radio"/> No contribution <input type="radio"/> Not known	<input type="checkbox"/> Information available publicly
Trade associations or tax-exempt groups (e.g. think tanks)	<input type="radio"/> Included <input type="radio"/> Not included <input type="radio"/> No contribution <input type="radio"/> Not known	<input type="checkbox"/> Information available publicly
Other (e.g. spending related to ballot measures or referendums)	<input type="radio"/> Included <input type="radio"/> Not included <input type="radio"/> No contribution <input type="radio"/> Not known	<input type="checkbox"/> Information available publicly

	Currency	FY 2019	FY 2020	FY 2021	FY 2022
<b>Total contributions and other spending</b>					
Data coverage (as % of denominator)	Percentage of:				

- We did not make any contributions to and spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups, as defined in the information button.
  - This information must be available in **public domain**.
- We do not track our annual monetary contributions and other spending for political and related purposes.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Although companies legitimately represent themselves in legislative, political, and public discourse, excessive contributions to political campaigns, lobbying expenditures, and contributions to trade associations and other tax-exempt groups may damage companies’ reputations and create risks of corruption. With this question, we assess the total amount of money companies are allocating to organizations whose primary role is to create or influence public policy and the extent to which these amounts are disclosed to the public. Data Requirements The company shall report its total monetary contributions to political campaigns or organizations, lobbyists, trade associations, and other tax-exempt groups whose role is to influence political campaigns or legislation. This includes all direct and indirect spending, contributions or payments to: - Political campaigns, ballots measures or referendums. - Political organizations, trade associations or tax-exempt groups whose role is to influence political campaigns or legislative activities, including chambers of commerce, trade boards, and the like. This includes membership fees for trade associations, industry associations and

business associations. - Registered lobbyists and lobbying groups. - Companies do not need to report the monetary value of in-kind giving, employee volunteering or management overheads related to the activities described above. - Note: PAC contributions by employees should not be included. Source: SASB and GRI. Disclosure requirements for partially public question: Additional credit will be granted for relevant publicly available evidence covering at least one figure in the last reported year. If no contributions were made for a specific item or category (e.g. zero political contributions in the last fiscal year), companies should publicly report this information. This should be publicly reported on the company's own website not via a third-party website or on a transparency register. As this is a quantitative question, any non-public evidence is not required to support your answer but you may nonetheless upload evidence in "Documents" and reference this in the confidential additional comments. Coverage should be reported as a % of total operations, revenues, etc. as provided in the denominator question - indicating whether the provided data represents the entire organization or only parts of it. The percentage provided in the coverage field should not represent spending as a % of total spending or total revenues. - For example, if the numbers reported are only for operations in the US, and the US represents 50% of company revenues, then 50% should be reported as coverage.

1.6.2 Largest Contributions & Expenditures

Additional credit may be granted for publicly available evidence.

Did your company make any contributions to or expenditures to political campaigns or organizations, lobbying, trade associations, tax-exempt entities, or other groups whose role is to influence political campaigns or public policy and legislation? In this context, a "contribution" is the aggregate amount given during the fiscal period to an individual candidate, organization, ballot measure, or "issue area" or "topic" requiring lobbying efforts. Please see the Information Button for examples. **PAC contributions by employees should not be included.** Please also indicate if this reporting is available in your **public reporting**. If you made less than three contributions, please select "No contribution" under "Type of organization" in the appropriate row.

Yes, we made contributions or had expenditures. **Please indicate if this information is available in the public domain.**

**Issues and Topics**

Currency:

[Redacted]

Issue or Topic	Corporate Position	Description of Position / Engagement	Total spend in FY 2022
	<input type="radio"/> Support <input type="radio"/> Support with minor exceptions <input type="radio"/> Support with major exceptions <input type="radio"/> Oppose <input type="radio"/> No contribution		
	<input type="radio"/> Support <input type="radio"/> Support with minor exceptions <input type="radio"/> Support with major exceptions <input type="radio"/> Oppose <input type="radio"/> No contribution		

**Other Large Expenditures**

Name of organization, candidate or topic	Type of Organization	Total amount paid in FY 2022
	<ul style="list-style-type: none"> <li><input type="radio"/> National political organization</li> <li><input type="radio"/> State or local political campaign, candidates or committees</li> <li><input type="radio"/> Political Action Committee (PAC)</li> <li><input type="radio"/> Lobbying, interest representation or similar</li> <li><input type="radio"/> Trade association</li> <li><input type="radio"/> Tax-exempt group</li> <li><input type="radio"/> No contribution</li> <li><input type="radio"/> Not known</li> <li><input type="radio"/> Other: please specify type</li> </ul>	<input type="checkbox"/> Information available publicly
	<ul style="list-style-type: none"> <li><input type="radio"/> National political organization</li> <li><input type="radio"/> State or local political campaign, candidates or committees</li> <li><input type="radio"/> Political Action Committee (PAC)</li> <li><input type="radio"/> Lobbying, interest representation or similar</li> <li><input type="radio"/> Trade association</li> <li><input type="radio"/> Tax-exempt group</li> <li><input type="radio"/> No contribution</li> <li><input type="radio"/> Not known</li> <li><input type="radio"/> Other: please specify type</li> </ul>	<input type="checkbox"/> Information available publicly

Name of organization, candidate or topic	Type of Organization	Total amount paid in FY 2022
	<ul style="list-style-type: none"> <li><input type="radio"/> National political organization</li> <li><input type="radio"/> State or local political campaign, candidates or committees.</li> <li><input type="radio"/> Political Action Committee (PAC)</li> <li><input type="radio"/> Lobbying, interest representation or similar</li> <li><input type="radio"/> Trade association</li> <li><input type="radio"/> Tax-exempt group</li> <li><input type="radio"/> No contribution</li> <li><input type="radio"/> Not known</li> <li><input type="radio"/> Other: please specify type</li> </ul>	<input type="checkbox"/> Information available publicly

- No, we did not make any contributions or have any expenditures.
  - This information must be available in the **public domain**.
- We do not track our largest contributions or expenditures for political and related purposes.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Although companies legitimately represent themselves in legislative, political, and public discourse, excessive contributions to political campaigns, lobbying expenditures, and contributions to trade associations and other tax-exempt groups may damage companies’ reputations and create risks of corruption. In this question, we ask for the largest contributions or expenditures to organizations whose primary role is to create or influence public policy and assess the extent to which this information is provided to the public. Key Definitions Largest contributions: In this context, a "contribution" is the aggregate amount given during the fiscal period to an individual candidate, organization, ballot measure, or "issue area" or "topic" requiring lobbying efforts. For example: Sugar taxes: The total amount of lobbying expense for the fiscal period shall be reported as one line item. The expenses may have been related to several activities around the world: a ballot initiative in California, legislation being considered by the US federal government and legislation pending in the UK. Drug pricing: The total amount of lobbying expense for the fiscal period shall be reported as one line item. The expenses may have been related to several state ballot initiatives in the US. Data Requirements Companies should report their largest “contributions” to political campaigns or organizations, lobbyists, trade associations, and other tax-exempt groups, related to individual candidates, organizations, ballot measure or referendum, or topic for which lobbying were contracted. This includes all contributions, donations, and membership fees towards trade associations, industry associations, and business associations. Companies do not need to report the monetary value of in-kind giving, employee volunteering or management overheads related to the activities mentioned above. If local legislation prevents you from making political or other contributions, please mark “Not applicable” and provide an explanation in the company comment box. There are two distinct aspects to this question: the two top issues and the three largest single contributions/payments. There may therefore be some overlap, if the spending on the issues is done by the trade associations. If your largest contributions go to trade/business associations, our preference is that you are able to inquire with the trade association(s) as to the percentage of your contribution allocated to lobbying for specific issues. If the trade association cannot provide this level of detail, an estimate will suffice. In the worst case, for the first part of this question, we ask you to report your direct lobbying expenditures only, even if the amounts are small. Note: Please do not include contributions to charities whose

main purpose is something other than supporting specific political parties or causes, e.g. they primarily provide healthcare to an at risk population or food and shelter to the poor. Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering at least three of the largest contributions and expenditures described. This should be publicly reported on the company's own website not via a third-party website or on a transparency register.

### 1.6.3 Lobbying and Trade Associations - Climate Alignment

**This question requires publicly available information.**

Does your company publicly disclose on its program/management system to align its lobbying activities with the Paris Agreement?

- Yes, we publicly disclose on our management system for lobbying activities and trade association memberships, and it includes the following elements:
  - Management system in place for lobbying activities and trade association memberships.
  - Governance framework for public policy engagement with clear accountabilities up to executive level.
  - Statement of our position on public policies relating to climate change, which is aligned with the Paris Agreement.
  - Reviewing and monitoring process to assess whether public policy engagements and lobbying are aligned with the Paris Agreement
    - For direct lobbying activities
    - For our trade associations
  - Clear framework for addressing misalignments between climate change policy positions of trade associations and our own climate position
  - Reporting on:
    - Climate policy positions and activities of trade associations
    - Climate-related direct lobbying activities
- The program covers:
  - All jurisdictions where we have operations
  - Most jurisdictions
  - Some jurisdictions only
- No, we do not have a publicly available program or management system for our lobbying activities and trade association memberships.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

Question Rationale As more and more companies commit to supporting the Paris Agreement with net-zero targets and climate strategies, there is increasing scrutiny from both investors and the public on the extent to which these public commitments are reinforced and not contradicted by the behavior of companies in lobbying. Trade associations can also be a powerful source of influence on public policy. There have been successful shareholder resolutions asking companies to disclose more about their lobbying activities and trade association memberships related to climate change. Companies have a responsibility to ensure their memberships do not contradict their climate strategies and to take action when they do. Aligning lobbying activities and trade association memberships with the Paris Agreement helps protect the reputation of companies and ensure action on climate change is consistent and strong. This question asks about the processes companies have in place to oversee, review and disclose their climate-related lobbying activities and trade association memberships, and to ensure alignment of these with the Paris Agreement. Key Definitions Paris-Aligned lobbying: Lobbying and public policy engagements that are Paris-Aligned are supportive of



legislation and regulation that will facilitate the achievement of the Paris Agreement goal to limit global warming to well below 2 degrees Celsius. It could also be referred to as 2-degree or 1.5-degree aligned, science-based, or net-zero by 2050 aligned. Examples of Paris-Aligned lobbying could be supporting measures that promote the growth of renewable energies or supporting the introduction of a carbon price that is aligned with reaching net zero by 2050. Direct lobbying activities: This encompasses lobbying by either in-house lobbyists or third-party lobbyists paid for or otherwise engaged by the company. Lobbying activities include direct communication and contact with lawmakers or regulatory institutions for the purpose of influencing legislation, as well as responses to consultations and other engagements intended to influence legislation. Trade associations: may also be referred to as business or industry associations or groups. A trade association is a body, normally with a membership structure that exists to represent the interests of a specific industry. Trade associations can also exist on a cross-industry and national level, for example, a national or regional chamber of commerce. Review & monitoring process: A systematic process to assess the alignment of lobbying activities with the Paris Agreement. To be considered in this question, the processes must assess alignment with the Paris Agreement (or with the company's stated positions on climate-related legislation and regulation if this is aligned with the Paris Agreement). For direct lobbying activities, the review process ideally takes place before lobbying has been conducted. For trade associations, the review process can take place on a regular basis or whenever new associations are joined and should assess whether or not the trade association supports the Paris Agreement through its lobbying and public policy engagements. Framework for addressing misalignments: Where misalignments between a trade association's lobbying activities and the goals of the Paris Agreement have been identified, companies should have an established framework for how they deal with this. The framework should include at least two of the following options: public statements distancing the company from the misalignment, engagement with the trade association with clear timelines and an escalation process if unsuccessful, leaving the trade association, or forming proactive coalitions to counter the non-Paris-aligned lobbying. Data Requirements This question requires public evidence. This question can be marked Not Applicable only if all contributions and spending on lobbyists and trade associations are prohibited by law. Please note that evidence must be available in the public domain, and this must apply to all jurisdictions where your company operates in order to be accepted. If only one out of lobbying and trade association memberships is prohibited and not the other, please follow the approach below. If your company either does not undertake any lobbying activities or is not a member of any trade association, in any jurisdiction, because one or the other is prohibited by law or your company's own code of conduct, and this is clearly stated in the public domain, then the respective options can be ticked under "Review and monitoring process", "Reporting on" and, in the case of no trade association memberships only, "Clear framework for addressing misalignments". References Guide for responsible corporate engagement in climate policy, United Nations Global Compact Caring for Climate Report Global Standard on Responsible Corporate Climate Lobbying Company lobbying and climate change: good governance for Paris-aligned outcomes, Grantham Research Institute on Climate Change and the Environment Trade Associations and their Climate Policy Footprint, InfluenceMap

#### 1.6.4 MSA Policy Influence

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.



##### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and

proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 1.7 Supply Chain Management

In an increasingly globalized world, when a company outsources its production, services or business processes, it also outsources corporate responsibilities and reputational risks. This means that companies need to find new strategies to manage the associated risks and opportunities which differ from the traditional risk and opportunity management with the company's production or services in-house. In addition, the company is confronted with the need to minimize costs and time of delivery to satisfy suppliers' demand and increase profitability without negatively impacting product quality or incurring high environmental or social costs. Investors increasingly see the importance of supply chain risk management and the negative consequences if it is not managed effectively.

This criterion aims to identify companies with lower supply chain risk profiles, either through supply chain characteristics or through appropriate management of existing risks. In addition, we seek to identify companies that are using sustainable supply chain management as an opportunity to improve their long-term financial performance.

### 1.7.1 Supplier Code of Conduct

**This question requires publicly available information.**

Does your company have a Supplier Code of Conduct and is it publicly available? Please provide a weblink and indicate which of the listed issues are covered in the Code and applied to all suppliers across all countries.

- Yes, our company has a Supplier Code of Conduct, and it is publicly available. The Code covers the following issues:

#### **Human Rights and Labor**

- Forced labor
- Child labor
- Working conditions (e.g., working hours, physical/mental demands of the workplace, wages, benefits)
- Occupational health and safety
- Discrimination and harassment
- Freedom of associations and collective bargaining

#### **Environment**

- Greenhouse gas emissions and energy consumption
- Pollution prevention and waste management
- Resource efficiency
- Biodiversity, no deforestation, or land conservation

#### **Business Ethics**

- Anti-corruption and conflict of interest
- Anti-competitiveness

- No, our company does not have a Supplier Code of Conduct OR this Code is not publicly available

- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Companies not only outsource production, services, and business processes but responsibilities, risks, and opportunities as well. On one hand, outsourcing generally tends to increase a company's flexibility, but on the other hand, supply chain risks might become less apparent, new dependencies may arise, and the identification, monitoring, and management of risks and opportunities in the supply chain may become more difficult. A general supplier code of conduct summarizes and represents the basic commitments a company requires from its suppliers. It also serves as a first information source for prospective suppliers. With this question, we assess if your company has a supplier code of conduct if it is public, and what issues it covers.

**Key Definitions**

**Supplier code of conduct:** It describes the principles, values, standards, or rules of behavior that guide the decisions, procedures, and systems of the supplier in a way that (a) contributes to the welfare of its key stakeholders, and (b) respects the rights of all constituents affected by its operations. It usually includes at least the 03 components: Human Rights & Labour, Environment, and Business Ethics

**Human Rights & Labour:** This includes safeguards against child labor, non-discrimination, health and safety, working conditions, working hours, compensation, right to association, and freely chosen employment.

**Forced labor:** all work and service that is exacted from any person under the menace of any penalty and for which the said person has not offered herself or himself voluntarily. Forced labor also includes human trafficking, which is the recruitment, transportation, transfer, harboring, or receipt of persons by the use of threat or of force or other forms of coercion, abduction, fraud, deception, abuse of power, or a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, conducted for the purpose of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs.

**Child labor:** is work performed by children that is mentally, physically, socially, or morally dangerous and harmful to children, affecting their health and personal development, or that interferes with their compulsory schooling.

**Working conditions:** cover a broad range of topics and issues, from working time (hours of work, rest periods, and work schedules) to remuneration, as well as the physical conditions and mental demands that exist in the workplace

**Occupational health and safety:** a set of interrelated or interacting elements to establish an occupational health and safety policy and objectives, and to achieve those objectives

**Harassment:** Harassment is defined as a course of comments or actions that are unwelcome, or should reasonably be known to be unwelcome, to the person towards whom they are addressed. Non-sexual harassment includes but is not exclusive to mobbing and bullying, while sexual harassment includes a sexual component.

**Discrimination:** act and result of treating persons unequally by imposing unequal burdens or denying benefits instead of treating each person fairly on the basis of individual merit based on their race, ethnicity, gender, sexual orientation, age, nationality, religion, union status, and/or marital status

**Freedom of association:** the right of employees and workers to form, join and run their own organizations without prior authorization or interference by the state or any other entity

**Collective bargaining:** all negotiations which take place between one or more employers or employers' organizations, on the one hand, and one or more workers' organizations (trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers

**Environment:** This includes avoiding pollution, minimizing emissions, and improving the resource efficiency of supplier operations and products throughout the lifecycle

**Greenhouse gas emissions and energy consumption** refer to emissions of the six main GHGs that are covered by the Kyoto Protocol, including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>).

**Energy consumption** refers to the purchase or production and use of energy from renewable sources (e.g., hydroelectric, wind, solar, geothermal, bioenergy) and to the efficient use of energy by reducing the waste/loss of energy or upgrading equipment with lower energy consumption.

**Pollution prevention and waste management** refer to the prevention and management/disposal of by-products in business operations such as air pollutants (e.g., particulate matter, lead, sulfur dioxide, etc.), sewage, and solid waste (including non-hazardous and hazardous waste).

**Resource efficiency** refers to organizational or technological modification in designing product/process that allows more efficient usage of raw materials or water.

**Biodiversity, no deforestation, or land conservation** refers to the protection or promotion of natural habitats, biodiversity, or management of soil to avoid loss of nutrients, erosion, and land pollution. Some aspects might include, for example, A) management of biodiversity risks by setting targets to offset any losses (no net loss) or aims to achieve a net positive impact on biodiversity; B) prohibition of supplier operations in sites containing globally or nationally important biodiversity; C) application of mitigation hierarchy (avoid, minimize, restore & offset) if a company is operating in areas in close proximity to critical biodiversity; D) land conservation efforts which include a variety of techniques such as contour farming, mulching, crop rotation, etc.

**Business Ethics:** refers to the policies and practices to ensure the ethical conduct of the organization and associated individuals in all business activities, including, but not limited to, anti-corruption, anti-competitiveness, and conflict of interest.

**Anti-Corruption:** refers to 'abuse of entrusted power for private gain', which can be instigated by individuals or organizations, including practices such as bribery, facilitation payments, fraud, extortion,

collusion, and money laundering; an offer or receipt of any gift, loan, fee, reward, or another advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the enterprise's business. Anti-Competitiveness: refers to actions of the organization or employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition, including but not limited to cartel activities, price fixing, and anti-trust activities. Conflict of Interest: refers to a situation where an individual is confronted with choosing between the requirements of his or her function and his or her own private interests Data Requirements Supporting evidence - This question requires public documents. - For options covering multiple topics, your Supplier Code of Conduct must address all elements stated in the option. The only exception is Biodiversity, deforestation, or land conservation Not Applicable – General Rule “Not Applicable” for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases, the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted “Not Applicable”, the company must state they: - Do not use goods or services in the company's production processes, and - Do not re-sell goods or services to the company's customers, and - Do not utilize goods or services as capital goods (e.g. machines/infrastructure) in the company's operations. Industry-specific special cases: REI – Equity Real Estate Investment Trust (REITs): companies that have only marked 'Management of Standing Investments' as the main activity of the business in question '0.1 Denominator Area' should mark “Not Applicable” in this question. REM – Real Estate Management & Development: companies that have only marked 'Services' as the main activity of the business in question '0.1 Denominator Area', should mark “Not Applicable” in this question. OIE - Energy Equipment & Services Industry: Services Companies (consultancy or seismic surveying), should mark “Not Applicable” in this question. References For the definition of the supplier code of conduct see UNGC's Supply Chain Sustainability

### 1.7.2 Supplier ESG Program

**This question requires publicly available information.**

Does your company have systems/procedures in place to ensure effective implementation of company's supplier ESG programs required to identify and address material risks and impacts?

Please specify where this information is available in your public reporting with reference to the description of selected options.

- Yes, we publicly disclose the measures below related to supplier ESG programs.
  - Oversight of implementation of the supplier ESG program is defined. Please select the highest accountable decision-making body:
    - Board of directors
    - Executive management
  - Purchasing practices towards suppliers are continuously reviewed to ensure alignment with the Supplier Code of Conduct and to avoid potential conflicts with ESG requirements.
  - Suppliers are excluded from contracting if they cannot achieve minimum ESG requirements within a set timeframe.
  - Suppliers with better ESG performance are preferred by applying a minimum weight to ESG criteria in supplier selection and contract awarding.
  - Training for company's buyers and/or internal stakeholders on their roles in the supplier ESG program.
- No, we do not publicly report this information.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

Question Rationale Developing and deploying sound supplier ESG programs is a foundational strategic and operational activity for organizations. The purpose of this question is to evaluate whether companies have systems/procedures in place to ensure effective internal implementation of the supplier ESG program and to identify and address material risks and impacts resulting from supply activities. Clear and structured

governance, together with internal communication and training, are needed to ensure the correct plan, implementation, and improvement cycles. Organizations not only need to have systems/procedures in place to track the impact of ESG along their supply chains, but they also need to ensure that these practices are routinely reviewed to ensure that their business demands, and expectations, are in line with established ESG requirements. Suppliers which provide goods or services used in the company's production processes and suppliers providing goods and/or services (e.g. machines/infrastructures) that are used as operational capital goods by the purchasing company must be covered in these programs. Together with these supplier typologies, suppliers of indirect materials and/or office supplies can be included as well.

**Key Definitions**

**Supplier ESG program** For businesses to identify, assess, and plan corrective measures in relation to the sustainability of their supply chains, it is crucial to implement a robust and comprehensive supplier ESG program. A supplier-focused ESG program is the collection of activities and measures that enables businesses to recognize and assess potential ESG risks, and consequently, plan remedial measures to assure solid sustainability performance along the supply chain. Companies should make sure that this due diligence approach is deployed also within the organization, to guarantee harmonization between ESG strategy for the supply chain and the company's purchasing practices.

**Oversight of implementation:** Strategic oversight to ensure alignment of vision and implementation is critical to ensuring successful strategies and programs. This is also true for the supply chain ESG strategy and the supplier ESG program. To guarantee maximal priority and focus, this oversight should ideally sit on the board of directors. Alternatively, top executive management is also acceptable as it can align ESG strategies of different divisions/functions and drive the organization to reach its sustainability goals. The CEO individually is not acceptable as the CEO is ultimately accountable for all areas of a company's operations.

**Review of purchasing practices to avoid potential conflicts with ESG requirements:** Purchasing practices not only include the choice of the material/part/product/service to be bought or the supplier from which to purchase the needed items. They also include specific indications on costs and quality of the products, as well as delivery times. It is of paramount importance that the company's orders allow suppliers to comply with the company's ESG requirements. This option guarantees that the company is continuously reviewing its purchasing practices to avoid potential conflicts with its ESG strategy.

**Exclusion of suppliers that cannot achieve minimum ESG requirements within a set timeframe:** Companies should set minimum requirements that suppliers must comply with to access tenders or be selected for contract awarding. The best practice for companies is interacting with those fundamental suppliers which do not meet these requirements and providing development opportunities with the objective of improving their performance and becoming eligible. This opportunity should have a clear timeframe set, after which suppliers that are not able to meet expectations should be removed from the potential supplier's list until they become eligible.

**Preference of suppliers with a better ESG profile by applying a minimum weight to ESG criteria:** Supplier preference rationale can vary for different industries, locations, and business models. Among well-known dimensions such as price, delivery times, and quality, ESG performance should also be considered. Most advanced companies incorporate ESG performance in suppliers' selection by including in selection methodologies a specific weight for ESG dimensions, which guarantees that sustainability is embedded into supplier selection and contract awarding.

**Training for company's buyers and/or internal stakeholders on the Supplier ESG program:** It is crucial for companies to set up training for buyers and/or relevant internal stakeholders in their roles and on how their day-to-day actions and decisions are fundamental to reach the company's ESG objectives. Low/middle/top management training is not accepted for this option.

**Data Requirements** - This question requires public evidence. Please indicate where in your public reporting you report information about the selected options.

**Not Applicable** - General Rule "Not Applicable" for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases, the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted "Not Applicable", the company must state they: - Do not use goods or services in the company's production processes, and - Do not re-sell goods or services to the company's customers, and - Do not utilize goods or services as capital goods (e.g. machines/infrastructure) in the company's operations.

**Industry-specific special cases:**

**REI** - Equity Real Estate Investment Trust (REITs): companies that have only marked 'Management of Standing Investments' as the main activity of the business in question '0.1 Denominator Area' should mark "Not Applicable" in this question.

**REM** - Real Estate Management & Development: companies that have only marked 'Services' as the main activity of the business in question '0.1 Denominator Area', should mark "Not Applicable" in this question.

**OIE** - Energy Equipment &

Services Industry: Services Companies (consultancy or seismic surveying), should mark “Not Applicable” in this question.

### 1.7.3 Supplier Screening

**This question requires publicly available information.**

Does your company apply supplier screening to systematically identify significant suppliers (Please see infotext for the definition)?

- Yes, our company has a systematic supplier screening approach to identify significant suppliers. Please provide public supporting evidence with reference to the description of selected options.

#### **Aspects of suppliers screening**

Please indicate which of the following aspects are considered in your screening process for significant suppliers.

- Environmental
- Social
- Governance
- Business relevance

#### **Methodology for suppliers screening**

Please indicate which of the following risks are considered in your screening process for significant suppliers.

- Country-specific risk
- Sector-specific risk
- Commodity-specific risk
- No, we do not publicly disclose our supplier screening approach to identify significant suppliers.
- Not applicable. Please provide an explanation in the comment box below.

#### **Info Text:**

Question Rationale Companies not only outsource production, services, and business processes but responsibilities, risks, and opportunities as well. On one hand, outsourcing generally tends to increase a company's flexibility, but on the other hand, supply chain risks might become less apparent, new dependencies may arise, and the identification, monitoring, and management of risks and opportunities in the supply chain may become more difficult. An important first step in supply chain management is to try to understand supply chain risks and dependencies from the ESG and business operation perspective. Once a company has identified significant suppliers, it can focus supplier monitoring and development efforts on those suppliers with the highest risk for negative impacts and greatest business relevance (this aspect is examined in subsequent questions). Therefore, this question seeks to assess if companies have a systematic approach to screening suppliers in order to identify potential sustainability risks in their supply chain. Companies that are able to properly identify significant suppliers will also be better positioned to prioritize their risk management measures and proactively detect issues connected to suppliers' ESG performance. Key Definitions Supplier screening: Supplier screening is systematic desk research of suppliers' risk for negative ESG impacts and their business relevance, considering available data sources such as country, sector, or commodity ESG risks, spending, business relevance, etc. Methodology development and screening process can be realized by the company itself, or with the support of or through external specialists. Screening can be considered the initial step to identify potential sustainability risks in the supply chain and it is then followed by assessing suppliers. At this stage, the company is not likely to be engaging directly with the supplier in order to screen them. Significant suppliers: Significant suppliers are suppliers that are identified as having substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both. The portfolio of significant suppliers should be the key audience of a company's supplier ESG assessment and development program. Critical suppliers identified are also accepted as significant suppliers, even though in most cases only business relevance, and not ESG risk, is considered when identifying critical suppliers. Environmental

aspects: The risk for negative impacts related to environmental topics, including but not limited to greenhouse gas emissions, energy consumption, water consumption, resource efficiency, pollution, waste, or biodiversity. Social aspects: The risk for negative impacts related to social topics, including but not limited to human rights and labor rights such as child labor, forced labor, discrimination, freedom of association, right to collective bargaining, working hours, remuneration, occupational health and safety, or the rights of local communities. Governance aspects: The risk for negative impacts related to governance topics, including but not limited to corruption, bribery, conflicts of interest, or anti-competitive practices. Business relevance: Business relevance considerations, including but not limited to share of spend/volume and substitutability. Country-specific risk: Risk for negative environmental, social, and governance impacts related to a country's political, social, economic, environmental or regulatory situation. Sector-specific risk: Risk for negative environmental, social, and governance impacts related to a sector's distinct characteristics regarding labor situation, energy consumption, resource intensity, emissions, or pollution potential (e.g. manufacturing, service provision, agriculture). Commodity-specific risk: Risk for negative environmental, social, and governance impacts related to a commodity's supply chain structure, labor situation, land-use and resource intensity, energy consumption, emissions, material toxicity, or pollution potential (e.g. metals, fossil fuels, wood, soy, cotton)

Data Requirements This question requires a risk screening carried out by the company or third party, therefore the indication of a self-assessment conducted by the suppliers, or generally using Ecovadis would not be accepted as the Ecovadis assessment is collecting supplier policies, practices, and performance and qualifies as a Supplier Desk Assessment with verification of evidence (see Supplier Assessment and Development question). We will only accept the usage of the Ecovadis if it is specified that risk maps or risk screening tools provided were used for this purpose (e.g. Ecovadis IQ plus). Supporting evidence: This question requires public evidence. Please indicate where in your public reporting you report information about the selected options.

Not Applicable – General Rule “Not Applicable” for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases, the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted “Not Applicable”, the company must state they: - Do not use goods or services in the company’s production processes, and - Do not re-sell goods or services to the company’s customers, and - Do not utilize goods or services as capital goods (e.g. machines/infrastructure) in company’s operations. Industry-specific special cases: REI – Equity Real Estate Investment Trust (REITs): companies that have only marked ‘Management of Standing Investments’ as the main activity of the business in question '0.1 Denominator Area' should mark “Not Applicable” in this question. REM – Real Estate Management & Development: companies that have only marked ‘Services’ as the main activity of the business in question '0.1 Denominator Area', should mark “Not Applicable” in this question. OIE - Energy Equipment & Services Industry: Services Companies (consultancy or seismic surveying), should mark “Not Applicable” in this question.

#### 1.7.4 Supplier Assessment and Development

This question requires publicly available information.

Does your company have a publicly available supplier assessment and development process in place?

- Yes, our company has a publicly available supplier assessment and development process in place

##### Supplier assessment

- Yes, our company has a publicly available supplier assessment process in place which includes the following:

Please provide public supporting evidence:

- Supplier desk assessments with systematic verification of evidence
- Supplier on-site assessments carried out by purchasing company employees or contracted consultant (2nd party assessment)
- Supplier on-site assessments carried out by an independent accredited auditing body (3rd party assessment).
- Supplier assessments (desk or on-site) are carried out using standards and methodologies of a recognized industry or multi-stakeholder initiative. Please provide name/description:

Supplier corrective action/improvement plans

No, we do not have a publicly available supplier assessment process in place

### Supplier Development

Yes, our company has a publicly available supplier development process in place which includes the following:

Please provide public supporting evidence:

Supplier information/trainings on company's supplier ESG program, process and requirements

Supplier access to ESG benchmarks against peers

Supplier support (remote/on-site) on implementation of corrective/improvement actions

In-depth technical support programs to build capacity and ESG performance in suppliers

No, we do not have a publicly available supplier development process in place

No, we do not have a publicly available supplier assessment and development process in place

Not applicable. Please provide an explanation in the comment box below

### Info Text:

**Question Rationale** The purpose of this question is to assess if companies have a systematic approach to evaluating suppliers and their subsequent development to meet company requirements. This should be with an overall goal of a shared mindset leading to improved and scalable impact in the supply chain. Companies not only outsource production, services and business processes but responsibilities, risks and opportunities as well. On one hand, outsourcing generally tends to increase a company's flexibility, but on the other hand, supply chain risks might become less apparent, new dependencies may arise, and the identification, monitoring and management of risks and opportunities in the supply chain may become more difficult. Supplier assessment and development measures to assess and improve individual suppliers' performance are usually implemented after the initial supplier screening, which aims at identifying supplier risks through desk research. This question is divided into two parts: what the supplier assessment process includes and what the supplier development process includes.

**Key Definitions**

**Assessment process** Supplier assessment process: A process in which suppliers are evaluated to obtain information on their practices in order to measure and monitor their performance. The assessment process can be carried out in order to reduce costs, mitigate risks and drive improvement. The benefits of carrying out this process include increased performance visibility and aligning customer and supplier business practices, and risk mitigation.

**Supplier desk assessments with systematic verification of evidence:** This type of supplier assessment is realized by, or on behalf of, the purchasing company. It generally takes the form of a questionnaire where suppliers are requested to provide information and supporting evidence on their ESG policies, practices, performance, and public disclosures. This information is then reviewed, verified, and analyzed, resulting in an appraisal of the supplier's ESG performance, possibly with a score. This process is considered to be systematic verification because established specifications and requirements are met. Supplier desk assessments are more company-specific than supplier screenings (see question supplier screening) as they assess the information provided by the supplier and are usually realized in a subsequent stage of the supplier assessment process. Desk assessments do not include onsite assessments of the supplier. Purchasing companies can implement their own supplier desk assessment tools or can use tools of external providers, such as RBA Risk-based SAQ, Ecovadis, Together for Sustainability, Achilles, Higg Facility Environmental Module (with remote verification), etc. 2nd party supplier onsite assessments are carried out by employees of the purchasing company or by contracted consultants. These auditors do not need to be approved or accredited by the standard-setting organization or by an accreditation body. 3rd party supplier onsite assessments are carried out by independent 3rd party auditing organizations that are approved/accredited by the standard-setting organization (e.g. Amfori BSCI, Responsible Business Alliance, Higg Facility Environmental Module) or by an accreditation body along the requirements of ISO/IEC 17021 Conformity assessment — Requirements for bodies providing audit and certification of management systems (e.g. SA8000, ISO standards). Supplier on-site assessments are on-site supplier visits by an auditor to assess the supplier's ESG operations, policies, systems, and performance, usually involving document and record reviews, site tours, as well as interviews with company representatives, employees, and other stakeholders. Applied methodologies can consist of their own checklists or standards and methodologies of a recognized industry or a multi-stakeholder initiative. On-site assessments can also include virtual assessments or supplier employee surveys. Supplier



assessments (desk or onsite) are carried out using standards and methodologies of a recognized industry or multi-stakeholder initiative. Desk or on-site assessments that are carried out following standards and methodologies of a recognized industry or multi-stakeholder initiatives such as SMETA, Responsible Business Alliance, amfori BSCI, Responsible Minerals Initiative, SAI Platform, or others.

**Supplier corrective action plans:** A corrective action plan (CAP) is an important quality management tool for any business or supplier. A corrective action plan is a method of documenting non-compliance issues, identifying their root causes, and capturing measurable, achievable solutions and realistic deadlines.

**Development process Supplier information/training:** Providing the supplier with information and/or training on the purchasing company's supplier ESG program. This can be accomplished through various mediums. The content can range from specific inputs on one topic, inputs on multiple ESG topics and best practices, to information on the company's assessment and development process.

**Supplier access to ESG benchmarks:** This is where suppliers are provided with access to information on how other suppliers are performing. This can include performance information on specific areas or case studies on how other suppliers achieved that level of performance.

**Supplier support (remote/onsite) on implementation of corrective/improvement actions:** The company provides guidance and support on the implementation of corrective and improvement actions. This can happen remotely or through supplier on-site visits.

**In-depth technical support programs to build capacity and ESG performance in suppliers:** Comprehensive capacity building programs to systematically improve supplier practices and performance on specific ESG topics (e.g. energy efficiency, chemical management, health & safety management, working hours reduction) through training, baseline assessments, collaborative system development, and progress measurement. Capacity-building is defined as the process of developing and strengthening the knowledge, skills, instincts, abilities, processes, and resources that organizations need to survive, adapt, and thrive in a fast-changing world. Such programs go beyond corrective action support and usually take 6+ months to implement. These technical support programs are long-term and sustained over time with the aim of improving ESG performance rather than solely implementing action plans.

**Data Requirements** If a company selects that yes, they have an assessment and/or development process but does not select any of the subsequent options then the answer will not be accepted. We expect publicly available information for this question. It is possible that a company only publicly reports on its assessment process and not on the development process therefore the company has the option to provide public reporting for one part and select that they do not carry out the other option. Supporting evidence: - The document(s) you attach will be used to verify the qualitative part of your response. Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - Supporting documents need to be available in the public domain. - Information related to the assessment and development process can be in separate documents, for example, a responsible sourcing strategy and a sustainability report. Scattered information that does not clearly relate will not be accepted.

**Not Applicable – General Rule** “Not Applicable” for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases, the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted “Not Applicable”, the company must state they: - Do not use goods or services in the company's production processes, and - Do not re-sell goods or services to the company's customers, and - Do not utilize goods or services as capital goods (e.g. machines/infrastructure) in company's operations.

**Industry-specific special cases:** REI – Equity Real Estate Investment Trust (REITs): companies that have only marked 'Management of Standing Investments' as the main activity of the business in question '0.1 Denominator Area' should mark “Not Applicable” in this question. REM – Real Estate Management & Development: companies that have only marked 'Services' as the main activity of the business in question '0.1 Denominator Area', should mark “Not Applicable” in this question. OIE - Energy Equipment & Services Industry: Services Companies (consultancy or seismic surveying), should mark “Not Applicable” in this question.

### 1.7.5 KPIs for Supplier Screening

**Additional credit may be granted for publicly available evidence.**

Does your company monitor and report on coverage and progress of your supplier screening program?

Yes, we monitor and report on coverage and progress of our supplier screening program

Supplier Screening	FY 2022
1.1 Total number of Tier-1 suppliers	
1.2 Total number of significant suppliers in Tier-1	
1.3 % of total spend on significant suppliers in Tier-1	
1.4 Total number of significant suppliers in non Tier-1	
<b>1.5 Total number of significant suppliers (Tier-1 and non Tier-1)</b>	

**PUBLIC REPORTING**

Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

- No, we do not monitor and report on coverage and progress of our supplier screening program.
- Not Applicable. Please provide an explanation in the comment box below.
- Not known

**Info Text:**

**Question Rationale** The purpose of this question is for companies to disclose the results of the supplier screening process. It is important to monitor the coverage and results of a supplier screening program to ensure suppliers are being screened and categorized appropriately and that risks are being managed. This question seeks to understand if companies are capturing the number of different suppliers they have, whether they are categorized into significant suppliers, and whether new suppliers are screened for ESG risks. This question forms the basis for the question “KPIs on Supplier Assessment and Development” Key Definitions

**Supplier screening:** A systematic desk research of suppliers’ risk for negative ESG impacts and their business relevance, considering available data sources such as country, sector, or commodity ESG risks, spending, business relevance, etc. Methodology development and screening process can be realized by the company itself, or with the support of or through external specialists. Suppliers are only counted once within the fiscal year. When providing data, please note that these are unique significant suppliers screened during the reporting period (not the number of screenings realized, i.e. no multiple counts of suppliers if they were screened more than once during the reporting period). Significant suppliers: Significant suppliers are suppliers that are identified as having substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both. The portfolio of significant suppliers should be the key audience of a company’s supplier ESG assessment and development program. Critical suppliers identified are also accepted as significant suppliers, even though in most cases only business relevance, and not ESG risk, is considered when identifying critical suppliers

**Tier 1 suppliers:** This refers to suppliers that directly supply goods, materials or services (including intellectual property (IP) / patents) to the company. If the company does not specify, we will assume it is Tier 1. **Non-tier 1 suppliers:** This refers to suppliers that provide their products and services through Tier 1 suppliers to the company. Non-tier 1 suppliers are located beyond Tier 1 suppliers, e.g. on Tier 2, 3, or n-level of a company's supply chain.

**Data Requirements** **Public Reporting** - In order to accept public reporting for the screening process, disclosure is needed for “1.2 Total number of significant suppliers in Tier-1”, “1.3 Percentage of total spend on significant suppliers in Tier-1” and “1.4 Total number of significant suppliers in non Tier-1” for the last fiscal year.

**Third Party Verification** - To accept third party verification, data must be verified for the most recent financial year by an appropriate verification or auditing firm. Government verification is not considered relevant

**No significant suppliers identified** If a company’s Total number of significant suppliers in Tier 1 (1.2) and Total number of significant suppliers in non Tier-1 (1.4) are equal to zero, this is only acceptable if - The company publicly reports on an acceptable systematic supplier screening approach to identify significant suppliers in the Supplier Screening question and; - The company publicly reports that it identified zero significant suppliers as having substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both. Please note that answering 0 in this question will affect the successive questions in this criterion.

**Not Applicable – General Rule “Not Applicable”** for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases,

the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted “Not Applicable”, the company must state they: - Do not use goods or services in the company’s production processes, and - Do not re-sell goods or services to the company’s customers, and - Do not utilize goods or services as capital goods (e.g. machines/infrastructure) in company’s operations. Industry-specific special cases: REI – Equity Real Estate Investment Trust (REITs): companies that have only marked ‘Management of Standing Investments’ as the main activity of the business in question '0.1 Denominator Area' should mark “Not Applicable” in this question. REM – Real Estate Management & Development: companies that have only marked ‘Services’ as the main activity of the business in question '0.1 Denominator Area', should mark “Not Applicable” in this question. OIE - Energy Equipment & Services Industry: Services Companies (consultancy or seismic surveying), should mark “Not Applicable” in this question.

#### 1.7.6 KPIs for Supplier Assessment and Development

**Additional credit may be granted for publicly available evidence.**

Does your company monitor and report on the coverage and progress of your supplier assessment and development program?

Please report the number of unique suppliers, **which were identified as significant in the supplier screening process**. These are **unique significant suppliers assessed during the reporting period** (not number of assessments realized, i.e. no multiple count of suppliers if they were assessed more than once during the reporting period).

Yes, our company monitors and reports on the coverage and progress of our supplier assessment and development program. It includes the following:

Coverage and progress of our supplier assessment program

Supplier Assessment	FY 2022	Target for FY 2022
1.1 Total number of suppliers assessed via desk assessments/ on-site assessments		<input type="radio"/> Number of suppliers <input type="radio"/> % of significant suppliers
1.2 % of significant suppliers assessed		
1.3 Number of suppliers assessed with substantial actual/potential negative impacts		
1.4 % of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan		
1.5 Number of suppliers with substantial actual/potential negative impacts that were terminated		

Coverage and progress of suppliers with corrective action plans

Corrective action plan support	FY 2022	Target for FY 2022
2.1 Total number of suppliers supported in corrective action plan implementation		<input type="radio"/> Number of suppliers <input type="radio"/> % of significant suppliers

Corrective action plan support	FY 2022	Target for FY 2022
2.2. % of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation		

Coverage and progress of suppliers in capacity building programs

Capacity building programs	FY 2022	Target for FY 2022
3.1 Total number of suppliers in capacity building programs		<input type="radio"/> Number of suppliers <input type="radio"/> % of significant suppliers
3.2 % of significant suppliers in capacity building programs		

**Public Reporting**

Our data is publicly available. Please provide supporting evidence or web link

**Third-party Verification**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

- No, we do not monitor and report on coverage and progress of our supplier assessment and development program
- Not applicable. Please provide an explanation in the comment box below
- Not known

**Info Text:**

Question Rationale The purpose of this question is for companies to disclose the results of the supplier screening process and subsequent assessment and development processes. It is important to monitor the coverage and progress of a supplier assessment and development program to ensure risks are being managed and that the company is acting responsibly by building capacity within its supply chain. This question seeks to understand if companies are capturing the number of different suppliers they have, how many are assessed, and how many out of those have been identified as having significant actual/potential negative impacts. From this, the purpose is to ascertain how many of those suppliers are supported to improve their actions and in what ways. Key Definitions Supplier screening: A systematic desk research of suppliers’ risk for negative ESG impacts and their business relevance, considering available data sources such as country, sector, or commodity ESG risks, spending, business relevance, etc. Methodology development and screening process can be realized by the company itself, or with the support of or through external specialists. Significant suppliers: Suppliers that are identified as having substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both. The portfolio of suppliers with sustainability priority should be the key audience of a company’s supplier ESG monitoring and development program. Critical suppliers identified are also accepted as significant suppliers, even though in most cases only business relevance, and not ESG risk, is considered when identifying critical suppliers Desk assessments: This type of supplier assessment is realized by, or on behalf of the purchasing company. It generally takes the form of a questionnaire where suppliers are requested to provide information and supporting evidence on their ESG policies, practices, performance, and public disclosures. This information is then reviewed, verified, and analyzed, resulting in an appraisal of the supplier’s ESG performance, possibly with a score. This process is considered to be systematic verification because established specifications and requirements are met. Supplier desk assessments are more elaborate than supplier screenings (see question supplier screening) as they assess the information provided by the supplier and are usually realized in a subsequent stage of the supplier assessment process. Desk assessments do not include onsite assessments of the supplier. Purchasing companies can implement their own supplier desk assessment tools or can use tools of external providers. For supplier desk assessments companies can use a third-party tool/methodology/online system in their assessment to evaluate the supplier and ensure a thorough review and appraisal of the information

provided and that allows them to share the assessment results with other companies who might want to procure from. This could be RBA Risk-based SAQ, Ecovadis, Together for Sustainability, Achilles, Higg Facility Environmental Module (with remote verification), etc. 2nd party supplier on-site assessments are carried out by employees of the purchasing company or by contracted consultants. These auditors do not need to be approved or accredited by the standard-setting organization or by an accreditation body. 3rd party supplier on-site assessments are carried out by independent 3rd party auditing organizations that are approved/accredited by the standard-setting organization (e.g. amfori BSCI, Responsible Business Alliance, Higg Facility Environmental Module) or by an accreditation body along the requirements of ISO/IEC 17021 Conformity assessment — Requirements for bodies providing audit and certification of management systems (e.g. SA8000, ISO standards). Supplier on-site assessments are on-site supplier visits by an auditor to assess the supplier's ESG operations, policies, systems, and performance, usually involving document and record reviews, site tours as well as interviews with company representatives, employees, and other stakeholders. Applied methodologies can consist of their own checklists or standards and methodologies of a recognized industry or multi-stakeholder initiative. On-site assessments can also include virtual assessments or supplier employee surveys. Supplier assessments (desk or onsite) are carried out using standards and methodologies of a recognized industry or multi-stakeholder initiative: Desk or on-site assessments that are carried out following standards and methodologies of a recognized industry or multi-stakeholder initiatives such as SMETA, Responsible Business Alliance, amfori BSCI, Responsible Minerals Initiative, SAI Platform, or others. Substantial actual/potential negative impacts: In the GRI Standards, unless otherwise stated, 'impact' refers to the effect an organization has on the economy, the environment, and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development. Negative impacts include those that are either caused or contributed to by an organization, or that are directly linked to its activities, products, or services by its relationship with a supplier. Actual impacts are those that have happened. Potential impacts are those which may occur and where actions can be taken by the company to prevent, mitigate, or remediate the impacts; Substantial can be defined as a critical or major non-compliance with minimum requirements leading to severe damage to the environment or people's physical or psychological integrity or to the systematic failure of the supplier to protect people or the environment from harm. Supplier corrective action plan: A corrective action plan (CAP) is an important quality management tool for any business or supplier. A CAP is a method of documenting non-compliance issues, identifying their root causes, and capturing measurable, achievable solutions and realistic deadlines. This refers to suppliers that are in the process of implementing their CAP. Supplier support (remote/onsite) on implementation of corrective action plans: The company provides guidance and support on the implementation of corrective and improvement actions. This can happen remotely or by visiting the supplier. Capacity building programs: Comprehensive capacity building programs to systematically improve supplier practices and performance on specific ESG topics (e.g. energy efficiency, chemical management, health & safety management, working hours reduction) through training, baseline assessments, collaborative system development, and progress measurement. Capacity-building is defined as the process of developing and strengthening the knowledge, skills, instincts, abilities, processes, and resources that organizations need to survive, adapt, and thrive in a fast-changing world. Such programs go beyond corrective action support and usually take 6+ months to implement. These capacity-building programs are long-term and sustained over time with the aim of improving ESG performance rather than solely implementing action plans. Data Requirements - Quantitative figures provided in the response do not need supporting evidence. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. - The supporting documents do not need to be available in the public domain however the company will not receive points for public reporting. Public reporting In order to accept public reporting for KPIs for Assessment and Development, the company needs to publicly disclose data on at least one of the following metrics: - Supplier Assessment "Total number of unique suppliers assessed" - Supplier corrective action support "Total number of suppliers supported in corrective action plan implementation" - Supplier capacity building programs "Total number of suppliers in capacity building programs" - If the company reports data but it is not available in the public domain, no points for public reporting will be awarded. Third Party Verification Third party verification is accepted if at least one of the metrics required for public reporting is verified by a third party. Data must be verified for the most recent financial year by an appropriate verification or auditing firm. Government verification is not considered relevant. Not Applicable – General Rule "Not Applicable" for this question (beyond the industries detailed below) will only be accepted for special cases. In such cases, the company must credibly explain via a comprehensive company comment and/or public reporting that it does not purchase goods or services for the purposes below. To be granted "Not Applicable", the company must state they: - Do not use goods or services in the company's production processes, and - Do not re-sell goods or services to the company's customers, and - Do not utilize goods or services as capital goods (e.g.

machines/infrastructure) in company's operations. Industry-specific special cases: REI – Equity Real Estate Investment Trust (REITs): companies that have only marked 'Management of Standing Investments' as the main activity of the business in question '0.1 Denominator Area' should mark "Not Applicable" in this question. REM – Real Estate Management & Development: companies that have only marked 'Services' as the main activity of the business in question '0.1 Denominator Area', should mark "Not Applicable" in this question. OIE - Energy Equipment & Services Industry: Services Companies (consultancy or seismic surveying), should mark "Not Applicable" in this question.

### 1.7.7 MSA Supply Chain Management

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 1.8 Information Security/ Cybersecurity & System Availability

Due to the current trend of digitization, including but not limited to cloud computing, online market places and payments etc., it is crucial that access to network, IT systems and data is assured at all times. As a result, lower than agreed upon system performance or service disruptions can result in higher costs and reputational risk for companies. The main risks stem from technical failure, human error, malicious attacks, weather events, natural disasters or terrorist attacks. Managing such risks, including contingency plans, is crucial to ensuring business continuity. The criterion focuses on how well companies are prepared to prevent IT system failures and major information security/cybersecurity incidents and if they can react appropriately in case of such events. It also evaluates whether companies have experienced IT infrastructure / information security / cybersecurity incidents in the past and if there was material financial impact.

Over the past decade, the number of information security breaches has been growing exponentially. The many incidents and their related costs have shown that information security/cybersecurity has become a financially material issue which has to be managed diligently to protect corporate value. The costs of cybercrime are manifold and can impact the company in different ways. Internal costs are operational costs and relate to dealing with the cybercrime and incidence prevention. External costs include the consequences of the cyber-attack such as the loss or theft of sensitive information, operations' disruption, fines and penalties, infrastructure damage or revenue losses due to loss of customers. The criterion focuses on how well companies are prepared to prevent major information security/cybersecurity incidents and if they can react appropriately in case of an attack. It also evaluates whether companies have experienced information security/cybersecurity incidents in the past and what the financial consequences were.

### 1.8.1 IT Security/ Cybersecurity Governance

**Additional credit may be granted for publicly available evidence.**

Are the board of directors and executive management engaged in the information security /cybersecurity strategy and review process?

- Yes, we have a director on the board with relevant background in IT engaged on the cybersecurity strategy process and someone in the Executive Management team who oversees the company’s cybersecurity strategy:

**Board Responsibility**

Please indicate the Board member who oversees the cybersecurity strategy together with his/her experience and indicate this person’s membership in the committee responsible for the oversight of cybersecurity.

Please provide supporting evidence:

Board Member	Please indicate the Board member’s membership in the committee which oversees cyber security strategy
Name of board member:  <input type="checkbox"/> Relevant experience and previously held positions: <div style="background-color: #cccccc; width: 100px; height: 15px; margin-top: 5px;"></div>	<input type="checkbox"/> If publicly available, please indicate where this information can be found in your <b>public reporting or corporate website</b> . <input type="radio"/> Cybersecurity / information security committee <input type="radio"/> Risk committee <input type="radio"/> Audit committee <input type="radio"/> Not known

**Executive Management Responsibility**

Please indicate which role or function within or reporting directly to the Executive Management team is responsible for overseeing cybersecurity within the company.

Please provide supporting evidence:

- If publicly available, please indicate where this information can be found in your **public reporting or corporate website**.

- Chief Information Security Officer (CISO) / Chief Security Officer (CSO)
- Chief Technology Officer (CTO) / Chief Information Officer (CIO) or similar
- CEO / COO / CRO or similar with clear responsibility for IT security/cybersecurity
- We do not have anyone who oversees cybersecurity in the executive management team
- Not known

- No, we don't have a director on the board with relevant background in IT engaged on the cybersecurity strategy process and someone in the Executive Management team who oversees the company’s cybersecurity strategy.

- Not applicable. Please provide explanations in the comment box below.

- Not known

**Info Text:**

Question Rationale Due to the current trend of digitization, including but not limited to cloud computing, online marketplaces, and payments, etc., it is crucial that access to networks, IT systems, and data is assured at all times. As a result, lower than agreed upon system performance or service disruptions can result in higher costs and reputational risk for companies. The main risks stem from technical failure, human error, malicious attacks, weather events, natural disasters, or terrorist attacks. Managing such risks, including contingency plans, is crucial to ensuring business continuity. Over the past decade, the number of information security breaches has grown exponentially with some attacks reaching unprecedented scales and the cyber threat landscape continues to grow and evolve, abusing existing and new technologies and exploiting vulnerable users. These incidents and the related costs have shown that information security/cybersecurity

has become a financially material issue that must be diligently managed to protect corporate value. The costs of cyberattacks are manifold and can impact the company in different ways. Internal costs are operational costs and relate to dealing with cybercrime and incidence prevention. External costs include the consequences of the cyber-attack such as the loss or theft of sensitive information, operations' disruption, fines and penalties, infrastructure damage, or revenue losses due to loss of customers. Thus, ensuring the security and resilience of networks and information systems is critical. All boards should have the ability to understand cyber threats and assess management's capability of dealing with Cyber-related issues according to the National Association of Corporate Directors (NACD). However, also senior executives, like CISO, CSO or CIO, must have the necessary leadership, operational and strategic skills to understand and face the risk. A cyber-risk committee would have the role to encourage both the board and executives to give cyber-security issues a high priority and to prioritize them with strong oversight. The question focuses on whether the company has the appropriate governance to prevent IT system failures and major information security/cybersecurity incidents.

**Key Definitions**

**CISO:** A chief information security officer (CISO) is the senior-level executive in an organization responsible for establishing and maintaining the organization's vision, strategy, and program to ensure information assets and technologies are well protected. As the highest-ranking cybersecurity executive, the chief information security officer (CISO), or alternatively the Chief Information Officer (CIO), is responsible for establishing and maintaining the enterprise strategy and processes that protect information assets.

**CSO:** A Chief Security Officer (CSO) is the senior-level executive responsible for the physical security of a company, including its communication and business systems. CSO's responsibility is to protect people, assets, technology, and infrastructure.

**Cybersecurity:** Cybersecurity is the body of technologies, processes, and practices designed to protect networks, systems, computers, programs, and data from attack, damage, or unauthorized access (according to SEC).

**Experience:** Relevant experience could be past experience in the implementation of IT, information security or cybersecurity or operational responsibility for IT as a senior executive of a company. In addition for Board Member, non-technical experience as a senior executive of an IT company (such as SVP Marketing, Sales etc.) is not valid. Academic experience in IT is not considered relevant.

**Information security:** The protection of information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity, and availability (according to NIST).

**Information System:** Applications, services, information technology assets, or other information handling components (according to ISO).

**IT security:** IT security is the process of implementing measures and systems designed to securely protect and safeguard information utilizing various forms of technology. IT security is thus considered a bit broader than cybersecurity.

**Important note:** Throughout the whole criterion we always refer to IT security, cybersecurity or information security according to the definitions above. For the appraisal of the criterion, we will treat "IT security", "information security" and "cybersecurity" equally.

**Data Requirements**

**Disclosure requirements for partially public question:** Additional credit will be granted for relevant publicly available evidence covering:

- The board member's membership in the committee which oversees cybersecurity strategy
- The role or function within or reporting directly to the Executive Management team responsible for overseeing cybersecurity within the company

For executive management responsibility, please indicate which role or function within or reporting directly to the Executive Management team is responsible for overseeing cybersecurity within the company. The best practice is to have a CISO or CSO as part of the Executive Management team or reporting directly to it. In case another function has responsibility for IT security/cybersecurity and is part of or reporting directly to the Executive Management team, please select the second or third option accordingly.

### 1.8.2 IT Security/ Cybersecurity Measures

Have you implemented policies and procedures for all employees in order to ensure that they are aware of threat issues and the importance of information security/cybersecurity?

- Yes, we have implemented policies and procedures for all employees
- An information security/cybersecurity policy is internally available to all employees. Please provide the relevant document:
  - Information security/cybersecurity awareness training. Please explain and provide supporting evidence:
  - A clear escalation process which employees can follow in the event an employee notices something suspicious is in place. Please explain and provide supporting evidence:



- Information security/cybersecurity is part of the employee performance evaluation (e.g. disciplinary actions). Please explain and provide supporting evidence:

- No, we have not implemented policies and procedures for employees with access to critical information.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** Due to the current trend of digitization, including but not limited to cloud computing, online marketplaces, and payments, etc., it is crucial that access to networks, IT systems and data is assured at all times. As a result, lower than agreed upon system performance or service disruptions can result in higher costs and reputational risk for companies. The main risks stem from technical failure, human error, malicious attacks, weather events, natural disasters or terrorist attacks. Managing such risks, including contingency plans, is crucial to ensuring business continuity. Over the past decade, the number of information security breaches has grown exponentially with some attacks reaching unprecedented scales and the cyber threat landscape continues to grow and evolve, abusing existing and new technologies and exploiting vulnerable users. These incidents and the related costs have shown that information security/cybersecurity has become a financially material issue that must be diligently managed to protect corporate value. The costs of cyberattacks are manifold and can impact the company in different ways. Internal costs are operational costs and relate to dealing with cybercrime and incidence prevention. External costs include the consequences of the cyber-attack such as the loss or theft of sensitive information, operations' disruption, fines and penalties, infrastructure damage or revenue losses due to loss of customers. Thus, ensuring the security and resilience of networks and information systems is critical. The question assesses what security measures are in place to ensure employees are aware of threat issues and the importance of information security/cybersecurity.

**Key Definitions** IT security: The process of implementing measures and systems designed to securely protect and safeguard information utilizing various forms of technology. IT security is thus considered a bit broader than cybersecurity. Information System: Applications, services, information technology assets, or other information handling components (according to ISO). Cybersecurity: Body of technologies, processes and practices designed to protect networks, systems, computers, programs and data from attack, damage or unauthorized access (according to SEC). Information security: The protection of information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity, and availability (according to NIST). Important note: Throughout the whole criterion we always refer to IT security, cybersecurity or information security according to the definitions above. For the appraisal of the criterion we will treat "IT security", "information security" and "cybersecurity" equally.

**Disclosure Requirements** The document(s) you attached will be used to verify your response. - The supporting documents do not need to be available in the public domain. - If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. - Any response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. References SASB – Data Security: "The entity shall describe its approach to addressing data security risks and vulnerabilities it has identified, including, but not limited to, operational procedures, management processes, structure of products, selection of business partners, employee training, and use of technology." Source: SASB

**1.8.3 IT Security/ Cybersecurity Process & Infrastructure**

This question assesses if companies have the right processes in place to prevent IT system interruptions and cyberattacks and if they are well-prepared to react in case of such events.

 **Incident Response**

Do you have business continuity / contingency plans and incident response procedures in place and how often do you test them? Please provide supporting evidence of how often these plans/procedures are tested.

- Yes, and we test them at least semi-annually
- Yes, and we test them at least annually
- Yes, but frequency is less than yearly or not specified
- No, we do not have such plans and procedures in place

**Certification**

Is your IT infrastructure and information security management system certified to ISO 27001, NIST or similar?

- Yes, the following percentage of our IT infrastructure has been certified:

- No, our IT infrastructure has not been certified.

**External Verification and Vulnerability Analysis**

Please indicate if there are other additional procedures implemented to assure the security of the IT infrastructure / information security management systems.

- Our IT infrastructure and information security management systems have been audited by external auditors in the last fiscal year. Please provide letter of opinion from the external auditor.
- We conduct third-party vulnerability analysis. Please provide supporting evidence:
- We conduct simulated hacker attacks as part of third-party vulnerability analysis. Please provide supporting evidence:

**Breaches**

Has your company experienced breaches of information security?

- We collect data on information security/cybersecurity breaches.  
*Please note that if you did not have any information breaches, 0 should be entered in the corresponding box in the table. If you do not know the information, please leave the box empty. See the information text for more information.*

Supporting evidence:

	2022
Total number of information security breaches	
Total number of clients, customers and employees affected by the breaches	

- We do not collect data on information security/cybersecurity breaches.
- We do not have processes and infrastructure in place to prevent and/or respond to cyberattacks.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Due to the current trend of digitization, including but not limited to cloud computing, online marketplaces and payments, etc., it is crucial that access to networks, IT systems and data is assured at all times. As a result, lower than agreed upon system performance or service disruptions can result in higher costs and reputational risk for companies. The main risks stem from technical failure, human error, malicious attacks, weather events, natural disasters or terrorist attacks. Managing such risks, including contingency plans, is crucial to ensuring business continuity. Over the past decade, the number of information security breaches has grown exponentially with some attacks reaching unprecedented scales and the cyber threat landscape continues to grow and evolve, abusing existing and new technologies and exploiting vulnerable users. These incidents and the related costs have shown that information security/cybersecurity has become a financially material issue that must be diligently managed to protect corporate value. The costs of cyberattacks are manifold and can impact the company in different ways. Internal costs are operational costs and relate to dealing with cybercrime and incidence prevention. External costs include the consequences of the cyber-attack such as the loss or theft of sensitive information, operations' disruption, fines and penalties, infrastructure damage or revenue losses due to loss of customers. Thus, ensuring the security

and resilience of networks and information systems is critical. The question focuses on how well companies are prepared to prevent major IT infrastructure and information security/cybersecurity incidents and if they can react appropriately in the event of such events. Key Definitions IT security: IT security is the process of implementing measures and systems designed to securely protect and safeguard information utilizing various forms of technology. IT security is thus considered a bit broader than cybersecurity. Information System: Applications, services, information technology assets, or other information handling components (according to ISO). Cybersecurity: Cybersecurity is the body of technologies, processes and practices designed to protect networks, systems, computers, programs and data from attack, damage or unauthorized access (according to SEC). Information security: The protection of information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity, and availability (according to NIST). Vulnerability analysis: The analysis that a company conducts for defining, identifying, classifying, and prioritizing vulnerabilities in computer systems, applications, and network infrastructures. This provides the organization doing the assessment with the necessary knowledge, awareness and risk background to understand the threats to its environment and react appropriately. Information security breaches: These are defined as unauthorized access to computer data, applications, networks, devices, protected systems and data. Cybercriminals or malicious applications bypass security mechanisms to reach restricted areas. Number of clients, customers and employees affected: The entity shall disclose the total number of unique clients, customers and employees who were affected by data breaches, which includes all those whose personal data was compromised in a data breach (accounts that the entity cannot verify as belonging to the same client, customer or employee shall be disclosed separately). Important note: Throughout the whole criterion we always refer to IT security, cybersecurity or information security according to the definitions above. For the appraisal of the criterion we will treat "IT security", "information security" and "cybersecurity" equally. Data Requirements Vulnerability analysis: We expect to see evidence that a vulnerability analysis was conducted and that this analysis includes simulated hacker attacks. The analysis and testing should be performed by a third party with appropriate certification. Please note: Non-IT companies can also calculate the percentage of certified IT infrastructure based on the percentage of certified IT products by external vendors. Supporting evidence: - The document(s) you attached will be used to verify the qualitative part of your response. If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - Quantitative figures provided in the response do not need supporting evidence. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. - The supporting documents do not need to be available in the public domain. References External management standards and frameworks include but are not limited to: ISO/IEC 27001:2013 – Information technology – Security techniques – Information security management systems – Requirements Barrett, M. (2018), Framework for Improving Critical Infrastructure Cybersecurity Version 1.1, NIST Cybersecurity Framework, [online], <https://doi.org/10.6028/NIST.CSWP.04162018>, <https://www.nist.gov/cyberframework>

#### 1.8.4 MSA Information Security/ Cybersecurity & System Availability

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

##### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and

proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2 Environmental Dimension

### 2.1 Environmental Policy & Management Systems

Environmental Management System (EMS) refers to the management of an organization's environmental programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources to develop them, and the procedure for the implementation and management of the company's policy on environmental resource management. Companies that have adopted an EMS as a management tool are more likely to improve their environmental performance in a cost-effective way and to reduce the risk of incurring fines or penalties for not complying with environmental legislation.

#### 2.1.1 Environmental Policy & Commitments

**This question requires publicly available information.**

To ensure a successful implementation of a reliable and robust Environmental Management System (EMS), key organisational elements as well as high level commitments need to be defined in a public policy. Does your company have a public environmental policy which covers the following elements of an Environmental Management System?

- Yes, we have a public environmental policy, and it defines the following elements.
  - Commitment and oversight to implementation of environmental management policy and/or improving environmental performance. Please select the highest committing decision-making body:
    - Board of directors
    - Executive management
  - Roles and responsibilities for implementing environmental management policy
  - Ensuring compliance with relevant environmental laws and regulations
  - Commitment to continuous improvement of environmental performance
  - Commitment to set targets and objectives to reduce environmental impacts
  - Measures to raise internal and external stakeholders' awareness of environmental management policy and environmental impacts
  - Training for employees to understand the impacts of their work activities on the environment
- We do not have a public environmental policy or none of the elements are covered.
- Not applicable. Please provide explanations in the comment box below

#### Info Text:

Question Rationale Environmental Management System (EMS) and related public policies are an important indicator of a company's preparedness and commitment to measure and reduce the environmental impact of its operations. Companies that have adopted an environmental policy as a management tool are more likely to improve their environmental performance in a structured and systematic way. This question identifies the critical elements of Environmental Management System (EMS) as well as commitments that are defined in the group-wide, public environmental policy. Key Definitions Environmental Management System (EMS): Management of an organization's environmental programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources to develop them,

and the procedure for the implementation and management of the company's policy on environmental management. Environmental Policy: Group-wide, public policy that describes the intentions and directions related to environmental impacts and performance defined by top management. Commitment and oversight: A statement that the commitment/policy is approved, overseen, reviewed, or adopted by the board of directors or executive management. A policy can also be signed by the respective director. Data Requirements Supporting evidence: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted.

### 2.1.2 Coverage of Environmental Management Policy

This question requires publicly available information.

Which parts of your operations, corporate processes and supply chain are covered by your environmental policy? All chosen options should be clearly defined in the **publicly available policy** (i.e. formal policies and not different sections of a report or case study).

- Our public environmental policy covers the following:
  - Production operations and business facilities
  - Products and services
  - Distribution and logistics
  - Management of waste
  - Suppliers, service providers and contractors
  - Other key business partners (e.g. non-managed operations, joint venture partners, licensees, outsourcing partners, etc.)
  - Due-diligence, mergers and acquisitions
  - Other, please specify:
- We do not have an environmental policy publicly available
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

Question Rationale Corporate environmental guidelines are an important indicator of a company's commitment to measure and reduce the environmental impact of its operations. Companies that have adopted corporate environmental guidelines as a management tool are more likely to improve their environmental performance in a structured and systematic way. This question identifies the scope of such requirements in terms of operations, corporate processes and supply chain. Key Definitions New projects: All new initiatives taken on by your company, and may include new facilities as well as other types of new areas for your company. Data Requirements Supporting evidence: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted.

### 2.1.3 EMS: Certification/ Audit/ Verification

This question requires publicly available information.

Please indicate how your Environmental Management System (EMS) is certified / audited / verified and indicate the coverage of this verification for the selected standard. Please indicate where this information is available in your **public reporting** or **corporate website**.

**Please note that the total coverage for all three alternatives should not exceed 100%** - to avoid double-counting, for the parts of your operations with multiple certifications/types of verification, only mark one of the three options: indicating the coverage of international standards first, followed by third-party verification and then internal verification. Coverage should be relative to global operations and not only a single subsidiary, region or site. **Please also note that the requested verification only pertains to your Environmental Management System(s), not to your environmental data or reporting.**

- Our Environmental Management System (EMS) is certified / audited / verified and the information is **publicly available**.

Please indicate what the coverage figures below are based on (e.g. % of group-wide operations, group-wide revenues, group-wide production sites, total employees, etc.):

Certification / Audit / Verification	Coverage (%)	Examples of Certification documents
<input type="checkbox"/> EMS is verified through international standards (e.g. ISO 14001, JIS Q 14001, EMAS certification). Please specify: _____		
<input type="checkbox"/> Third party certification /audit / verification by specialized companies. Please specify: _____		
<input type="checkbox"/> Internal certification /audit / verification by company's own specialists from headquarters. Please specify: _____		
<b>Total (should not exceed 100%)</b>		

- Not certified / audited / verified.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale A verified/audited EMS reflects a company's internal and external commitment towards the monitoring of environmental data. Further, the verification process can facilitate improvements to a company's EMS, improving efficiency and coverage. Our question on audit verification focuses on identifying whether the company has implemented, verified and certified its environmental management system so as to ensure the credibility of the procedures and systems in place. Data Requirements Please note that the total coverage for all three alternatives should not exceed 100 % - to avoid double-counting, for the parts of your operations with multiple certifications/types of verification, only mark one of the three options: indicating the coverage of international standards first, followed by third-party verification and then internal verification. Coverage should be relative to global operations and not only a single subsidiary, region or site. Please also note that verification only pertains to your Environmental Management Systems, not the verification of environmental data or reporting. Supporting evidence: - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. - Any response that cannot be verified in the attached public document(s) will not be accepted.

### 2.1.4 MSA Environmental Policy & Management Systems

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2.2 Emissions

Emissions are a key indicator of a company's impact on the climate. Increasingly, the disclosure of emissions is expected from investors, and moreover, regulatory pressure has led to the mandatory disclosure of certain emissions. By disclosing emissions, investors and stakeholders can ascertain a company's climate risks, and identify trends in emissions reduction to benchmark against competitors. Emissions can also serve as a key metric of a company's progress against climate-related targets and as an indicator of the company's overall environmental impact.

### 2.2.1 Direct Greenhouse Gas Emissions (Scope 1)

**Additional credit may be granted for publicly available evidence.**

Please provide your company's total direct greenhouse gas emissions (DGHG SCOPE 1) for the part of your company's operations for which you have a reliable and auditable data acquisition and aggregation system. Please refer to the information button for additional clarifications. For each row in the table, it is mandatory that the values provided are in the same unit. Also, please ensure that you have correctly filled in the Company Information section at the beginning of the questionnaire, and that the coverage in the table below is related to the denominator relevant for your company as indicated in that section.

○ Direct GHG (Scope 1)	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Total direct GHG emissions (Scope 1)	metric tonnes CO2 equivalents					
Data coverage (as % of denominator)	percentage of:					

#### PUBLIC REPORTING

Our data is publicly available. Please provide supporting evidence or web link.

#### THIRD-PARTY VERIFICATION

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

#### DATA CONSISTENCY

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[REDACTED]

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

[REDACTED]

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.

- We only report combined on Scope 1 & Scope 2 emissions. Please provide the combined figures in the table above and mark "Not applicable" in the next question (EP - Indirect Greenhouse Gas Emissions (Scope 2)).

- We do not track direct greenhouse gas emissions (Scope 1)
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

**Question Rationale** The purpose of this question is to capture the company's direct greenhouse gas (Scope 1) emissions and assess the overall trend. Emissions can serve as a critical indicator of a company's impact on the climate. Increasingly, the disclosure of emissions is expected from investors, and growing regulatory pressure has led to the mandatory disclosure of certain emissions. By disclosing emissions, investors and stakeholders can ascertain a company's climate risks and identify trends in emissions reduction to benchmark against competitors. **Key Definitions** GHG scope 1: Greenhouse gas emissions (GHGs) refer to emissions of the six main GHGs that are covered by the Kyoto Protocol. These gases are outlined below. Each GHG has a different capacity to cause global warming, depending on its radiative properties, its molecular weight and its lifespan in the atmosphere. **Greenhouse Gases covered by the Kyoto Protocol:** Carbon Dioxide - CO<sub>2</sub>: Emitted mainly from the burning of fossil fuels, carbon dioxide accounted for some 86 percent of the UK's human-induced (anthropogenic) GHG emissions in 2003. Methane - CH<sub>4</sub>: Emitted mainly from agriculture, waste disposal, leakage from the gas distribution system and coal mining, methane contributed to over 6 percent of UK anthropogenic GHG emissions in 2003. Nitrous Oxide - N<sub>2</sub>O: The main anthropogenic sources of nitrous oxide emissions are agriculture, transport, industrial processes, and coal combustion. Nitrous oxide accounted for approx. 6 percent of UK GHG emissions in 2003. Hydrofluorocarbons - HFCs, Perfluorocarbons - PFCs and Sulphur Hexafluoride - SF<sub>6</sub>: Collectively known as "F-gases", these are emitted mainly from air conditioning and refrigeration and industrial processes. Together F-gases accounted for around 2 percent of the UK anthropogenic GHG emissions in 2003. **Offsetting:** Only emissions from renewable resources where the emitter can be reasonably confident that greenhouse gas emissions will be naturally offset or neutralized do not need to be reported (Example: woodburning when a company can be reasonably confident that forests will be reforested). Greenhouse gas emissions that have been offset this way need not be reported. This does not include greenhouse gas emissions for which companies are required to be in the possession of CO<sub>2</sub> permits. These emissions need to be reported. **Data Requirements** Specific data requirements for Greenhouse gas emissions: - Greenhouse gas emissions should be reported as metric tons of CO<sub>2</sub>-equivalents. - Data on greenhouse gas emissions should only include CO<sub>2</sub> and all other greenhouse gas emissions. - All greenhouse gas emissions emitted directly by the company should be reported. - **Offsetting:** Only emissions from renewable resources where the emitter can be reasonably confident that greenhouse gas emissions will be naturally offset or neutralized do not need to be reported (Example: wood-burning when a company can be reasonably confident that forests will be reforested). Greenhouse gas emissions that have been offset this way need not be reported. This does not include greenhouse gas emissions for which companies are required to be in the possession of CO<sub>2</sub> permits. These emissions need to be reported. - Greenhouse gas emissions of owned and/or managed fleet must be included. - Greenhouse gas emissions due to commuting of employees should not be included. - Greenhouse gas emissions of business travel other than by owned and/or operated fleet should not be included. **Disclosure requirements for partially public question.** Additional credit will



be granted for relevant publicly available evidence covering the following aspect of this question: - Direct Greenhouse Gas Emissions (Scope 1) figure for at least the most recent reported year. Third-party verification: For third-party verification, we expect that data in the most recent year reported has been third-party verified and that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Please note: In case the company has reported a value of zero in the table, third-party verification or supporting evidence is required (e.g., comprehensive comment, internal documentation or public reporting) to substantiate the zero reported. Data Consistency - If the environmental performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all - If there is a temporary reduction in coverage due to a corporate action, the corresponding box should be marked and the reduction should be explained - If it is not possible to report the figures in absolute terms, the data should be reported in relative terms and the corresponding box should be ticked. Please note that information should always be reported in absolute terms if possible, even if it deviates from public reporting. - If GHG emissions are only reported and tracked as combined Scope 1 and Scope 2 emissions, the combined figures should be indicated in this question, the corresponding box should be ticked and the following question, EP – Indirect Greenhouse Gas Emissions (Scope 2), should be marked as Not Applicable. General Data Requirements Environmental performance data should cover the activities of the entire company with the same consolidation as used in financial reporting and must refer to the financial year (e.g., 01/01 to 31/12 for both financial and environmental data) and be aligned with the figures reported in the Company Information section. Target: We require the absolute target for the most recent reporting year. If your company has a multiple-year and/or relative target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well toward achieving the target by the end of the target period. If you report a combined Scope 1 + Scope 2 target, please extrapolate the share equivalent to the absolute Scope 1 emission for inclusion in the table. As a consequence, environmental performance data should only cover the direct emissions/resource use, i.e., resource use/emissions caused by the company and its consolidated activities. Emissions and resource use of suppliers and customers should be excluded. In particular, the environmental data of group companies should follow the following rules: - Environmental data of companies that are consolidated proportionally must be considered to the proportion at which they are consolidated financially. - Environmental data of companies that are fully consolidated must be fully considered irrespective of the proportion to which they belong to the group. - Environmental data should refer to the specific company structure of each particular year. There should be no pro-forma backward consolidation of the current company structure. - Environmental data of companies that are sold or no longer consolidated should be excluded from environmental data as of the reporting period in which the company has not been consolidated anymore. - Environmental data of companies that have been bought should only be included as of the reporting period in which the company is consolidated financially for the first time. - Where environmental data does not cover all consolidated activities of the company, the coverage should be indicated together with the environmental data that is known. - Indicators where a company has no emissions/resource use, 0 should be filled. - Where the reported environmental data deviates from these definitions you are asked to explain in what way the data provided differs from the definitions. - If a company publicly reports on long-term but not annual targets, an annual target has to be estimated based on internal target setting or a linear distribution. - The data must be provided in the unit indicated in the question. If the company is tracking the specific indicator in a different unit, the unit converter must be used to convert the data into the preferred unit. - Please ensure that the "Company Information" section has been correctly filled in, and that the coverage in the table below is based on the same denominator.

### 2.2.2 Indirect Greenhouse Gas Emissions (Scope 2)

#### Additional credit may be granted for publicly available evidence.

Please provide your company's indirect greenhouse gas emissions from energy purchased (purchased and consumed, i.e. without energy trading) (IGHG SCOPE 2) for the part of your company's operations for which you have a reliable and auditable data acquisition and aggregation system. For each row in the table, it is mandatory that the values provided are in the same unit. Please ensure that you have correctly filled in the Company Information section at the beginning of the questionnaire, and that the coverage in the table below is related to the denominator relevant for your company as indicated in that section. **As prescribed by the GHG**

**Protocol, we expect all companies to report both location-based and market-based emissions.** Please refer to the information button for additional clarifications on how to report on market-based emissions.

○ GHG (Scope 2)	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Location-based	metric tonnes of CO2 equivalents					
Data coverage (as % of denominator)	percentage of:					
Market-based	metric tonnes of CO2 equivalents					
Data coverage (as % of denominator)	percentage of:					

**PUBLIC REPORTING**

- Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted]

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

[Redacted]

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.

- We do not track indirect greenhouse gas emissions
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale The purpose of this question is to capture the company's indirect greenhouse gas (Scope 2) emissions and assess the overall trend. Emissions can serve as a critical indicator of a company's impact on the climate. Increasingly, the disclosure of emissions is expected from investors, and growing regulatory pressure has led to the mandatory disclosure of certain emissions. By disclosing emissions, investors and stakeholders can ascertain a company's climate risks and identify trends in emissions reduction to benchmark against competitors. Key Definitions GHG scope 2: Indirect impacts- energy use: Many companies report on the GHG emissions incurred in the generation of the electricity they consume and for service companies these indirect emissions can be more important than their direct environmental impacts. There are also some ways that companies can mitigate these emissions, for example by paying a renewable tariff or improving energy efficiency. Location-based method: It reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). Market-based method: It reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled certificates or for unbundled instruments on their own. Even companies

that do not purchase any market instrument are expected to report market-based emissions. As per the GHG Protocol's requirements, they shall do so by using their electricity supplier's emission rate, or by using the residual mix, i.e. regional emission factors representing the untracked or unclaimed energy and emissions. If such data is not available, then their market-based emissions will be equal to their location-based emissions. Data Requirements Greenhouse gas emissions should be reported as metric tons of CO<sub>2</sub>-equivalents. Data on greenhouse gas emissions should include CO<sub>2</sub> and all other greenhouse gas emissions weighted according to greenhouse gas potential. Please report both your location-based emissions, as well as your market-based emissions. Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Indirect greenhouse gas emissions (scope 2) figure for at least the most recent reported year for at least one of the two Scope 2 reporting methods. Third-party verification: We expect that data in the most recent year reported, for at least one reporting method, has been third-party verified and that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Please note: In case the company has reported a value of zero in the table, third-party verification or supporting evidence is required (e.g., comprehensive comment, internal documentation or public reporting) to substantiate the zero reported. Data Consistency - If the environmental performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all. - If there is a temporary reduction in coverage due to a corporation action, the corresponding box should be marked and the reduction should be explained - If it is not possible to report the figures in absolute terms, the data should be reported in relative terms and the corresponding box should be ticked. Please note that information should always be reported in absolute terms if possible, even if it deviates from public reporting. - If GHG emissions are only reported and tracked as combined Scope 1 and Scope 2 emissions, the combined figures should be indicated in the previous question (EP- Direct Greenhouse Gas Emissions (Scope 1), the corresponding box should be ticked and this question, should be marked as Not Applicable. General Data Requirements Environmental performance data should cover the activities of the entire company with the same consolidation as used in financial reporting and must refer to the financial year (e.g., 01/01 to 31/12 for both financial and environmental data) and be aligned with the figures reported in the Company Information section. Target: we require the absolute target for the most recent reporting year. If your company has a multiple-year and/or relative target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well towards achieving the target by the end of the target period. If you report a combined Scope 1 + Scope 2 target, please extrapolate the share equivalent to the absolute Scope 2 emissions for inclusion in the table. Environmental performance data should only cover the indirect emissions/resource use, i.e., resource use/emissions caused by the company and its consolidated activities. Emissions and resource use of suppliers and customers should be excluded. In particular, the environmental data of group companies should follow the following rules: - Environmental data of companies that are consolidated proportionally must be considered to the proportion at which they are consolidated financially. - Environmental data of companies that are fully consolidated must be fully considered irrespective of the proportion to which they belong to the group. - Environmental data of business travel other than by owned and/or operated fleet should not be included unless specifically asked for. - Environmental data should refer to the specific company structure of each particular year. There should be no pro-forma backward consolidation of the current company structure. - Environmental data of companies that are sold or no longer consolidated should be excluded from environmental data as of the reporting period in which the company has not been consolidated anymore. - Environmental data of companies that have been bought should only be included as of the reporting period in which the company is consolidated financially for the first time. - Where environmental data does not cover all consolidated activities of the company, the scope should be indicated together with the environmental data that is known. - For indicators where a company has no emissions/resource use, 0 should be filled. - Where the reported environmental data deviates from these definitions you are asked to explain in what way the data provided differs from the definitions. - If a company publicly reports on long-term but not annual targets, an annual target has to be estimated based on internal target setting or a linear distribution. - The data must be provided in the unit indicated in the question. If the company is tracking the specific indicator in a different unit, the unit converter must be used to convert the data into the preferred unit. - Please ensure that the Company Information section has been correctly filled in, and that the coverage in the table below is based on the same denominator. References GHG Protocol Scope

2 Guidance, An amendment to the GHG Protocol Corporate Standard (2015), page 59. CDP Technical Note: Accounting of Scope 2 emissions, updated in March 2022, page 20-21

**2.2.3 Indirect Greenhouse Gas Emissions (Scope 3)**

**Additional credit may be granted for publicly available evidence.**

Please provide your company's total indirect greenhouse gas emissions from your upstream and downstream value chain (IGHG Scope 3) as the sum of the 15 Scope 3 categories calculated using the GHG Protocol Corporate Value Chain Standard. Please refer to the information button for clarification. For each row in the table, it is mandatory that the values provided are in the same unit.

○ IGHG (Scope 3)	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Total indirect GHG emissions (Scope 3)	metric tonnes of CO2 equivalents					

Please provide your company's Scope 3 emissions split based on the 15 Scope 3 categories of the GHG Protocol Corporate Value Chain Standard. Please use the latest available data to calculate Scope 3 emissions. Disclose any information about the methodology used to calculate the emissions in each Scope 3 category and whether any emissions in each Scope 3 category has been excluded. Please refer to the information button for additional clarifications and requirements. For each row in the table, it is mandatory that the values provided are in the same unit.

Scope 3 Category	Emissions in the reporting year (Metric tons CO2e)	Emissions calculation methodology and exclusions
1. Purchased Goods and Services		
2. Capital Goods		
3. Fuel-and-energy-related-activities (not included in Scope 1 or 2)		
4. Upstream transportation and distribution		
5. Waste generated in operations		
6. Business travel		
7. Employee commuting		
8. Upstream leased assets		
9. Downstream transportation and distribution		
10. Processing of sold products		
11. Use of sold products		
12. End of life treatment of sold products		
13. Downstream leased assets		
14. Franchises		
15. Investments		

Scope 3 Category	Emissions in the reporting year (Metric tons CO2e)	Emissions calculation methodology and exclusions
Other upstream		
Other downstream		

- The majority of our company's revenues is generated through Royalties

**PUBLIC REPORTING**

- Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted]

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

[Redacted]

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.

- We do not track indirect greenhouse gas emissions (Scope 3)
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale The purpose of this question is to capture indirect emissions from the value chain (Scope 3 emissions) and assess the overall trend. Scope 3 emissions represent the majority of emissions for most industries, so it is crucial for companies to measure all relevant sources of Scope 3 emissions in their value chain to identify climate risks and opportunities, provide transparency to the markets, and comply with regulatory requirements. Key Definitions GHG Scope 3: Scope 3 refers to indirect emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company. The GHG Protocol divides Scope 3 emissions in 15 Scope 3 categories that cover the upstream and downstream value chain activities of the company. Examples of upstream Scope 3 activities are the extraction and production of purchased materials and transportation of purchased fuels. Examples of downstream activities are the use of sold products and services and the transportation of sold goods. Relevance: This refers to one of the five principles of the GHG Protocol’s Corporate Value Chain Accounting and Reporting Standard, which states that the scope 3 inventory should be based on the assumption that it ensures the GHG inventory appropriately reflects the GHG emissions of the company and serves users’ decision-making needs– both within and beyond the company. Companies should use the principle of relevance when determining whether to exclude activities from the inventory boundary. Companies should also use the principle of relevance as a guide when selecting data sources. According to the GHG Protocol, companies may use two types of data to calculate scope 3 emissions: primary and secondary data. Primary data: includes data provided by suppliers or others that directly relate to specific activities in the reporting company’s value chain. Primary activity data may be obtained through meter readings, purchase records, utility bills, engineering models, direct monitoring, mass balance, stoichiometry, or other methods for obtaining data from specific activities in the company’s value chain. Secondary data: includes industry average data (e.g., from published databases, government statistics, literature reviews, and industry associations), financial data, proxy data, and other generic data. In specific cases, companies may use specific data from one activity in the value chain to estimate emissions for another activity in the value chain. This type of data (i.e., proxy data) is considered secondary data, since it is not specific to the activity for which emissions are being calculated. Source: GHG Protocol Data Requirements For this question, our expectations are aligned with the guidelines of the GHG Protocol Corporate Value Chain

(Scope 3) Accounting and Reporting Standard. That means that we expect companies to account for all scope 3 emissions and disclose and justify any exclusions (Completeness Principle of the GHG Protocol Scope 3 Standard). Emissions calculation methodology and exclusions: please provide a short description of the types and sources of data used to calculate emissions (e.g. activity data, emission factors and GWP values), along with a description of the methodologies, assumptions and allocation methods used. Please also describe what has been excluded from the emissions calculation of each reported Scope 3 category (e.g. exclusions of specific suppliers/clients, of specific business units, countries, offices, plants, or exclusions of specific types of greenhouse gases, etc.) and justify the reasons for exclusion. Specific data requirements for Greenhouse gas emissions: Greenhouse gas emissions should be reported as metric tons of CO<sub>2</sub>-equivalents. Data on greenhouse gas emissions should include CO<sub>2</sub> and all other greenhouse gas emissions weighted according to greenhouse gas potential. All greenhouse gas emissions emitted in the upstream and downstream value chain of the company should be reported, if these are material/relevant. Companies should not exclude any activity that is expected to contribute significantly to the company's total Scope 3 emissions. GHG emissions reported in the first table and within each Scope 3 category should be as complete as possible, even if considerable estimations were needed. In the second table we expect Scope 3 emissions to be disclosed for at least 5 distinct categories. Industry-Specific Guidance - Companies in all industries are expected to disclose Scope 3 emissions for category 1 "Purchased Goods and Services". - Companies operating in the industry groups of Energy (COL, OGX, OGR, GAS, PIP industries), Automobiles & Components (AUT and ATX industries) and in the Homebuilding industry (HOM) are expected to disclose Scope 3 emissions for category 11 "Use of sold products". - Royalty companies and other franchisors (i.e., companies that grant licenses to other entities to sell or distribute its goods or services in return for payments) are expected to account for emissions that occur from the operation of franchises (i.e., the scope 1 and 2 emissions of franchisees) in Scope 3 category 14: Franchises. Disclosure requirements for partially public question Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Indirect greenhouse gas emissions (Scope 3) figure for either the most recent reported year or the most recent reported year -1, or of at least one individual Scope 3 category with value different from 0. Third-party verification: We expect that data in the most recent reported year or the most recent year -1 has been third-party verified and that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Please note that it is not necessary that all individual Scope 3 categories are third-party verified to check the relevant checkbox. It is sufficient that the total Scope 3 value, or values for a few relevant categories are third party verified. Data consistency: - If the environmental performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all. - If there is a temporary reduction in coverage due to a corporation action, the corresponding box should be marked and the reduction should be explained. - If it is not possible to report the figures in absolute terms, the data should be reported in relative terms and the corresponding box should be ticked. Please note that information should always be reported in absolute terms if possible, even if it deviates from public reporting. General data requirements Environmental performance data should cover the activities of the entire company with the same consolidation approach as used in financial reporting and must refer to the financial year (e.g., 01/01 to 31/12 for both financial and environmental data) and be aligned with the figures reported in the Company Information section. Target: We require the absolute target for the most recent reporting year. If your company has a multiple-year and/or relative target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well towards achieving the target by the end of the target period. If you report a combined Scope 1+2+3 target, please extrapolate the share equivalent to the absolute Scope 3 emissions for inclusion in the table. Environmental performance data should cover the emissions of suppliers and customers, and of other entities in the upstream and downstream value chain (e.g. franchisees, lessees and lessors, third-party logistics providers, retailers, etc.). In particular, the environmental data of group companies should follow the following rules: - Environmental data of companies that are consolidated proportionally must be considered to the proportion at which they are consolidated financially. - Environmental data of companies that are fully consolidated must be fully considered irrespective of the proportion to which they belong to the group. - Environmental data should refer to the specific company structure of each particular year. There should be no pro-forma backward consolidation of the current company structure. - Environmental data of companies that are sold or no longer consolidated should be excluded from environmental data as of the reporting period in which the company has not been consolidated anymore. - Environmental data of companies that have been bought should only be included as of the reporting period in which the company is consolidated financially for the first time. - Indicators, where a company has not calculated emissions, should be left blank. Zeros should be entered only when the company has calculated its emissions and their emissions are zero. - Where the reported environmental data deviates from

these definitions you are asked to explain in what way the data provided differs from the definitions. - If a company publicly reports on long-term but not annual targets, an annual target has to be estimated based on internal target setting or a linear distribution. - The data must be provided in the unit indicated in the question. References This question contains categories of Scope 3 emissions and definitions of the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard, published in September 2011.

### 2.2.4 MSA Emissions

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

**Info Text:**

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2.3 Resource Efficiency and Circularity

In the last century there has been an unprecedented increase in the use of natural resources and materials. Producing more with less material is essential for many industries affected by the increasing scarcity of natural resources. Resource efficiency and circularity can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. The key focus of this criterion is to identify trends across the company's energy consumption, efficiency, and circularity across business operations.

### 2.3.1 Energy Consumption

**Additional credit may be granted for publicly available evidence.**

Please complete the following table about total energy consumption. For each row in the table, it is mandatory that the values provided are in the same unit. Please see the Information Button for definitions of the cost options. Also, please ensure that you have correctly filled in the Company Information section at the beginning of the questionnaire, and that the coverage in the table below is related to the denominator relevant for your company as indicated in that section.

Total energy consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Total non-renewable energy consumption	MWh					

Total energy consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Total renewable energy consumption	MWh					
Data coverage (as % of denominator)	percentage of:					

**PUBLIC REPORTING**

- Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

\_\_\_\_\_

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

\_\_\_\_\_

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.

- No, we do not track energy consumption.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** In the last century, there has been an unprecedented increase in the use of natural resources and materials. Producing more with less material is essential for many industries affected by the increasing scarcity of natural resources. Resource efficiency and circularity can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. In this question, we are capturing the total non-renewable and total renewable energy consumption, assessing the overall trend of consumption, as well as the target set for the current financial year. **Key Definitions** Total non-renewable energy consumption: This is the sum of non-renewable consumption of fuel (excluding feedstocks), consumption of non-renewable purchased or acquired electricity, and consumption of non-renewable purchased or acquired heat, steam and cooling. Total renewable energy consumption: This is the sum of consumption of renewable fuel (excluding feedstocks), consumption of renewable purchased or acquired electricity, consumption of renewable purchased or acquired heat, steam and cooling and consumption of self-generated non-fuel renewable energy. Renewable energy: This is energy taken from sources that are inexhaustible such as wind, solar, hydropower, geothermal, biomass and marine (tidal and wave energy), as defined in the GHG Protocol. Please note hydrogen should not be included if it is derived from fossil fuels. Similarly, waste energy should not be included if it is derived from fossil fuels. Non-Renewable energy: This is all energy not identified as deriving from renewable sources, e.g. coal, oil, natural gas, etc. Please note that blended fuels deriving from both renewable and non-renewable sources should be split by the proportion contained from each source. Nuclear energy is not considered as renewable energy and should be reported under total non-renewable energy. Please note that direct consumption of nuclear fuel should not be included. Fuels (excluding nuclear) should be covered, including fleet fuel. Consumption of purchased or acquired electricity, steam heat, and/or cooling from nuclear sources should be included. Self-generated non-fuel renewable energy: If your organization produces renewable energy



that is not based on fuel (such as solar, wind, hydro, geothermal, marine), then any consumption of this energy should be entered under total renewable energy. All forms of non-fuel renewable energy- electricity, heat, steam, or cooling should be included under total renewable energy. Excluding feedstocks: Fuels consumed as feedstocks are fuels that are not combusted for energy purposes. All fuel consumed for energy purposes inside the organizational boundary should be included, regardless of whether the fuel was purchased or produced by the organization. If a fuel is consumed as a feedstock for the production of another fuel, then the feedstock should not be included, but combustion of the produced fuel should be included. Ultimately, if a fuel is combusted, i.e. consumed for energy purposes and not as a feedstock, then it should be included. For example, naphtha and ethane are feedstocks that may be converted into petrochemical products such as ethylene, and should not be included. The steel industry is a special case because coke and fuel injectants consumed at the blast furnace serve as feedstocks and a source of energy. These fuels are considered feedstocks and should not be counted. (Such as coke used as a reducing agent) However, all fuels consumed for energy, i.e. combusted, that are derived from fuel feedstocks, e.g. blast furnace gas, should be counted. This table is for gross energy consumption data only. You should not provide net consumption nor deduct for energy produced or exported from the organizational boundary. Because feedstock fuels are excluded from this question, this approach should not lead to double counting. Companies shall use the total—or gross—electricity purchases from the grid rather than grid purchases “net” of generation for the scope 2 calculation. A company’s total energy consumption would therefore include self-generated energy (any emissions reflected in scope 1) and total electricity purchased from the grid (electricity). It would exclude generation sold back to the grid.

Purchased or acquired electricity, steam, heat, cooling: - This includes the consumed electricity, heat, steam, and/or cooling that was purchased or acquired, i.e. brought into the organizational boundary. This excludes the consumption of electricity, heat, steam, or cooling that was produced by the organization, i.e. from inside the organizational boundary. It also excludes purchased or acquired electricity, heat, steam, or cooling that is not consumed inside the organizational boundary. Purchased or acquired electricity, heat, steam, or cooling that is wasted should still be counted as consumption. - Purchased or acquired electricity, steam, heat, and cooling are aligned with the boundary for scope 2 emissions. The consumption of fuel (excluding feedstocks) should be entered if the fuel was consumed inside your organizational boundary in the last fiscal year and is aligned with the boundary for scope 1 emissions. Therefore, in this question, we would like to capture your energy consumption for scope 1 and scope 2. - Specific information on these energy carriers can be found in section 5.3.1 and Appendix A of the GHG Protocol Scope 2 Guidance. - The terms ‘purchased’ and ‘acquired’ are used when your organization has received the energy from a third party. This rules out energy that is sourced from within the organizational boundary. It should be noted that purchased or acquired heat does not include the heat content, or calorific value, of fuels that are purchased or acquired by the organization. This is accounted for at the point of fuel consumption, which falls inside the Scope 1 boundary. You should also be aware that steam, heat or cooling received via direct line as ‘waste’ from a third party’s industrial processes, should still be accounted for if it is consumed. - If your organization produces renewable energy that is not based on fuel (such as solar, wind, hydro, geothermal, marine), this energy consumption should be included in total renewable energy consumption. Consumption of renewable fuels (such as solid and liquid biofuels and biogas) also should be included. All forms of non-fuel renewable energy - electricity, heat, steam, or cooling - shall be included under non-renewable energy. Leased Assets: Guidance for how to handle leased assets and spaces can be found on page 36 of the GHG Scope 2 Protocol, (5.2.1). Renewable Energy Credits: These should fall under MWh from renewable sources. RECs, RECs from Power Purchase Agreements, energy attribute certificates, contractual instruments, TIGRs, and unbundled certificates should be reflected under MWh from renewable sources. Units and conversion: - The most common unit for electricity is Watt-hours. 1 MWh is equal to 1,000,000 Watt-hours, which is equal to 1,000 kWh (kilo-Watt-hours). - If your raw data is in energy units other than MWh, such as Giga-Joules (GJ) or British Thermal Units (Btu), then you should convert to MWh. For example, 1 Giga-Joule (GJ) = 0.277778 MWh, so if your data is in GJ then you should multiply your data by 0.277778. If your data is in million Btu, then you need to multiply your data by 0.29307. - Conversion factors from other energy units are available from a variety of online calculation tools, including from IEA and OnlineConversion.com, or from conversion tables such as those in EPA AP-42 (Annex A). - If your raw data is in volume units, e.g. cubic feet or gallons, or in mass units, e.g. kilograms (kg) or pounds (lb), then you should convert to energy units using factors for fuel heating/calorific values. These are available from numerous sources, some of which are listed below: IPCC Guidelines for National GHG Inventories (Volume 2, Table 1.2, p1.18-1.19) EPA AP-42 (Annex A) IEA Statistics Manual (Annex 3, p180-183) API Compendium (Table 3-8, p3.20-3.21) - If your raw data for steam is in physical units, such as pounds (lb) or kilograms (kg), then you should convert to energy units. The energy content of steam varies with temperature and pressure. Organizations can refer to The Climate Registry’s General Reporting Protocol, Chapter 15, section 15.2, step 1, which explains how to calculate the energy content of steam. - Cooling is frequently purchased in refrigeration-

ton hours; 1 ton-hour is equal to 12,000 Btu, which is equally to 0.003516 MWh. Data Requirements Disclosure requirements for partially public questions. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Total non-renewable energy consumption for at least the most recent reported year. Third-party verification: For third-party verification, we expect that data in the most recent year reported has been third-party verified and that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Please note: In case the company has reported a value of zero in the table, third-party verification or supporting evidence is required (e.g., comprehensive comment, internal documentation or public reporting) to substantiate the zero reported. For this question, we encourage you to provide evidence that is publicly available and may grant additional credit for publicly available evidence.

### 2.3.2 MSA Resource Efficiency and Circularity

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2.4 Waste

The proper handling of waste can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. The key focus of this criterion is to identify trends of waste across business operations.

### 2.4.1 Waste Disposal

**Additional credit may be granted for publicly available evidence.**

Please provide a breakdown of your company's **total solid waste recycled/reused and disposed**, disaggregated by the type of disposal method, for the part of your company's operations for which you have a reliable and auditable data acquisition and aggregation system. If you don't use a specific waste disposal method, please indicate "0". If you only have the breakdown of your waste disposed for some methods, please report these values in the respective rows and leave the other rows blank.

For each row in the table, it is mandatory that the values provided are in the same unit. Please also ensure that you have correctly filled in the "Company Information" section at the beginning of the questionnaire and that the coverage in the table below is related to the denominator relevant for your company as indicated in that section.

If you have the **EP - Hazardous Waste, EP – Ash & Gypsum Waste and/or EP - Mineral Waste** questions in your industry questionnaire, please report information pertaining to these types of waste in those separate

questions. If you **do not** have those questions in your industry questionnaire, please include all types of data here (e.g., including hazardous waste).

	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
<input type="radio"/> Total waste recycled/reused	metric tonnes					
<input type="radio"/> Total waste disposed	metric tonnes					
<input type="radio"/> - Waste landfilled	metric tonnes					
<input type="radio"/> - Waste incinerated with energy recovery	metric tonnes					
<input type="radio"/> - Waste incinerated without energy recovery	metric tonnes					
<input type="radio"/> - Waste otherwise disposed, please specify:	metric tonnes					
<input type="radio"/> - Waste with unknown disposal method	metric tonnes					
<input type="radio"/> Data coverage (as % of denominator)	percentage of:					

**PUBLIC REPORTING**

- Our data on total waste disposed and/or waste generated and recycled/ reused (for at least the most recent financial year reported) is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

\_\_\_\_\_

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

\_\_\_\_\_

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.
- We do not track solid waste disposed.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** The proper handling of waste can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. This question addresses trends in waste disposal and recycling, specific to each industry, as well as the target set for the current financial year.

**Key Definitions** Total waste recycled/reused: This includes the part of the waste generated as a result of a company's operations (e.g., during extraction and processing of raw materials, manufacturing, consumption of final products or any other human activity), which has been diverted from disposal through preparation for reuse, recycling, composting or other recovery operations (i.e., processing of waste products, components or materials to be reused in place of new products, components or materials that should otherwise have been used for that purpose). This does not include waste incinerated with energy recovery (which is expected to be captured as part of the specific row under total waste disposed), or waste handled by third-parties (e.g., municipal waste management companies) unless it is clear that the waste is being recycled, prepared for reuse or composted by the third-party (see additional clarification in 'Special data requirement for Waste'). Total waste disposed: This is the total of all waste directed to disposal, including waste landfilled, incinerated with energy recovery, incinerated without energy recovery or otherwise disposed (e.g., deep well injection). It also captures waste with 'unknown disposal methods', such as waste handled by municipal waste management companies without any information available on the disposal methods used. For each method of disposal, the value includes both on and off-site disposal.

**Data Requirements** Specific data requirements for waste Waste should be reported in dry metric tons of waste, disaggregated by the amount recycled/reused and the specific disposal method (waste landfilled, waste incinerated with or without energy recovery, waste otherwise disposed or waste with unknown disposal method), respectively. - In case the company reports zero total waste disposed, third-party verification or supporting evidence is required (e.g., comprehensive comment, internal documentation or public reporting) to substantiate zero waste disposed - If you only have information available on the waste disposed by some or no specific disposal methods (waste landfilled, waste incinerated with or without energy recovery, otherwise disposed), please report the total waste disposed and the values for those disposal methods for which you have reliable data. The rows for disposal methods without available data should be left blank. The difference between total waste disposed and the sum of the specific disposal methods will be automatically captured in the row 'waste with unknown disposal method'. Please note that the company will not lose points if no detailed breakdown of the disposal methods used is available For companies who have the questions 'Hazardous Waste', 'Ash and Gypsum Waste' or 'Mineral Waste' in their questionnaire, please do not report information on these types of waste here but rather, report relevant data for these types of waste separately in those questions. For example: if a company has the question on 'Waste Disposal' and the question on 'Hazardous Waste' in the questionnaire, non-hazardous waste should be captured in the question on 'Waste Disposal' and hazardous waste in the question on 'Hazardous Waste', respectively. If you do not have those questions in your industry questionnaire, please include all types of waste in this question. If a company sets long-term but not annual targets, an annual target can be estimated based on internal target setting or a linear distribution. If a company does not have a specific target on waste disposed but specific (internal or public) targets on waste generated and/or recycled, the conversion to a waste disposed target is acceptable. Waste from extraordinary activities should not be considered. The definition of what is considered to be extraordinary should be consistent with financial reporting. Example: we would not expect a pharmaceutical company building its new headquarters to report the resulting construction waste. Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Total waste disposed figure (or alternatively, total waste generated and recycled figures) for at least the most recent reported year. The specific breakdown of the disposal methods used is not required to be publicly available. Third-party verification: For third-party verification, we expect that data in the most recent year reported has been third-party verified and that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Data Consistency - If the environmental performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option

should not be indicated if the information is not publicly reported at all. - If there is a temporary reduction in coverage due to, for example, a major acquisition, the corresponding box should be marked and the reduction should be explained. - If it is not possible to report the figures in absolute terms, the data should be reported in relative terms and the corresponding box should be ticked. Please note that information should always be reported in absolute terms if possible, even if it deviates from public reporting. - If the data reported are not consistent with the definition provided above, the data should be provided in the table, the option should be marked, and an explanation of how it differs should be provided in the comment box. General Data Requirements Environmental performance data should cover the activities of the entire company with the same consolidation as used in financial reporting and must refer to the financial year (e.g., 01/01 to 31/12 for both financial and environmental data) and be aligned with the figures reported in the Company Information section question. In particular, environmental data of group companies should follow the following rules: - Environmental data of companies that are consolidated proportionally must be considered to the proportion at which they are consolidated financially. - Environmental data of companies that are fully consolidated must be fully considered irrespective of the proportion to which they belong to the group. - Environmental data should refer to the specific company structure of each particular year. There should be no pro-forma backward consolidation of the current company structure. - Environmental data of companies that are sold or no longer consolidated should be excluded from environmental data as of the reporting period in which the company has not been consolidated anymore. - Environmental data of companies that have been bought should only be included as of the reporting period in which the company is consolidated financially for the first time. - Where environmental data does not cover all consolidated activities of the company, the scope should be indicated together with the environmental data that is known. - Where the reported environmental data deviates from these definitions you are asked to explain in what way the data provided differs from the definitions. - Please ensure that the Company Information section has been correctly filled in, and that the coverage in the table below is based on the same denominator. References Directive 2008/98/EC of the European Parliament and of the Council (Waste Framework Directive)

## 2.4.2 MSA Waste

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2.5 Water

Water is becoming increasingly scarce, and such scarcity serves a considerable risk to many sectors. Consideration of water consumption, and exposure to water risks along the value chain of business operations can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. The key focus of this criterion is to identify trends of water use and the extent to which companies have considered their risks and exposure to water-related issues.

## 2.5.1 Water Consumption

Additional credit may be granted for publicly available evidence.

Please provide your company's total net fresh water consumption, including data for fresh water extraction and consumption. Please refer to the information button for additional information. For each row in the table, it is mandatory that the values are provided in the same unit. Also, please ensure that you have correctly filled in the Company Information section at the beginning of the questionnaire, and that the coverage in the table below is related to the denominator relevant for your company as indicated in that section. **If your company's final product is water (e.g. water utilities), please mark "Not applicable" in this question.**

Water Consumption	Unit	Financial Year 2019	Financial Year 2020	Financial Year 2021	Financial Year 2022	Please indicate what was your target for the FY 2022
A. Withdrawal: Total municipal water supplies (or from other water utilities)	Million cubic meters					
B. Withdrawal: Fresh surface water (lakes, rivers, etc.)	Million cubic meters					
C. Withdrawal: Fresh groundwater	Million cubic meters					
D. Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to B and C)	Million cubic meters					
<b>E. TOTAL NET FRESH WATER CONSUMPTION (A+B+C-D)</b>	Million cubic meters					

Water Consumption	Unit	Financial Year 2019	Financial Year 2020	Financial Year 2021	Financial Year 2022	Please indicate what was your target for the FY 2022
Data Coverage (as % of denominator)	percentage of					

**PUBLIC REPORTING**

- Our data is publicly available. Please provide supporting evidence or web link.

**THIRD PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted]

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

[Redacted]

- We are not able to report this information in absolute terms, the information provided in the table above is normalized data. For the purpose of this question, please always provide absolute figures if available.

- We do not track water withdrawal.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Water is becoming increasingly scarce, and such scarcity serves as a considerable risk to many sectors. Consideration of water withdrawal, consumption and discharge practices can enhance companies' competitiveness through reduced costs and environmental liabilities. It can also mean companies are better prepared for future environmental regulations. Key Definitions Total net fresh water consumption (E): = Municipal water (A) + Fresh surface water (B) + Fresh ground water (C) - Water returned to the source of extraction at similar or higher quality as raw water extracted (D). Please do not include salt or brackish water into the reported figures. Rainwater collected and waste water should not be reported. Only water used for cooling and returned to the source at equal or higher quality should be reported under item D. Total municipal water supplies: All water supplied directly by the municipality and/or other public or private water utilities. Fresh surface water (lakes, rivers, etc.): It includes water from wetlands, rivers, lakes. Do not include sea water. Fresh ground water: Fresh water from below the surface. Do not include brackish ground water Water quality: To define the levels of water quality, we consider the quality categorization of the Minerals Council of Australia (MCA) as a good approach to be followed: Category 1: Water is of a high quality and may require minimal and inexpensive treatment (for example water disinfection and pond settlement of solids) to raise the quality to appropriate drinking water standards. Category 2: Water is of a medium quality with individual constituents encompassing a wide range of values. It would require moderate level of treatment such as disinfection, neutralization, removal of solids and chemicals to meet appropriate drinking water standards. Category 3: Water is of a low quality with individual constituents encompassing high values of total dissolved solids, elevated levels of dissolved metals or extreme levels of pH. It would require significant treatment to remove dissolved solids and metals, neutralize and disinfect to meet appropriate drinking water standards. Data Requirements Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Total net fresh water consumption for at least the most recent reported year. Third-party verification: For third-party verification, we expect that data in the most recent year reported has been third-party verified and

that relevant documentation is attached showing this verification. Internal audits or verification will not be considered. Please note: In case the company has reported a value of zero in the table, third-party verification or supporting evidence is required (e.g., comprehensive comment, internal documentation or public reporting) to substantiate the zero reported. Data Consistency - If the environmental performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all. - If there is a temporary reduction in coverage due to, for example, a major acquisition, the corresponding box should be marked and the reduction should be explained. - If it is not possible to report the figures in absolute terms, the data should be reported in relative terms and the corresponding box should be ticked. Please note that information should always be reported in absolute terms if possible, even if it deviates from public reporting. General Data Requirements Environmental performance data should cover the activities of the entire company with the same consolidation as used in financial reporting and must refer to the financial year (e.g., 01/01 to 31/12 for both financial and environmental data) and be aligned with the figures reported in the Company Information section Target: We require the absolute target for the most recent reporting year. If your company has a multiple year and/or relative target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well towards achieving the target by the end of the target period. In particular, environmental data of group companies should follow the following rules: - Environmental data of companies that are consolidated proportionally must be considered to the proportion at which they are consolidated financially. - Environmental data of companies that are fully consolidated must be fully considered irrespective of the proportion to which they belong to the group. - Environmental data of business travel other than by owned and/or operated fleet should not be included unless specifically asked for. - Environmental data should refer to the specific company structure of each particular year. There should be no pro-forma backward consolidation of the current company structure. - Environmental data of companies that are sold or no longer consolidated should be excluded from environmental data as of the reporting period in which the company has not been consolidated anymore. - Environmental data of companies that have been bought should only be included as of the reporting period in which the company is consolidated financially for the first time. - Where environmental data does not cover all consolidated activities of the company, the scope should be indicated together with the environmental data that is known. - Where the reported environmental data deviates from these definitions you are asked to explain in what way the data provided differs from the definitions. - If a company publicly reports on long-term but not annual targets, an annual target has to be estimated based on internal target setting or a linear distribution. - The data must be provided in the unit indicated in the question. If the company is tracking the specific indicator in a different unit, the unit converter must be used to convert the data into the preferred unit. - Please ensure that the Company Information section has been correctly filled in, and that the coverage in the table below is based on the same denominator. References Minerals Council of Australia (MCA), Water Accounting Framework, User Guide Version 2.0, 2022. <https://minerals.org.au/wp-content/uploads/2022/12/MCA-Water-Accounting-Framework-User-Guide-2.0-2022.pdf>

## 2.5.2 MSA Water

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and



proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 2.6 Climate Strategy

Most industries are likely to be impacted by climate change, albeit to a varying degree; consequently, they face a need to design strategies commensurate to the scale of the challenge for their industry. While most focus on the risks associated with a changing climate, some seek to identify and seize the business opportunities linked to this global challenge. Most of the questions in this criterion have been developed in alignment with the CDP methodology as part of a collaboration between us and CDP (<https://www.cdproject.net>).

Additionally, some questions in this criterion are aligned with the Task Force on Climate-related Financial Disclosure (TCFD, <https://www.fsb-tcf.org/>), which published in 2017 a set of recommendations for voluntary and consistent climate-related financial risk disclosures in mainstream reporting. While the developed disclosure recommendations are voluntary, investors demand for companies to report in line with TCFD is growing exponentially and governments are starting to move toward requiring TCFD disclosures through regulation.

Finally, the EU action plan on sustainable finance and its EU Taxonomy Regulation on the establishment of a framework to facilitate sustainable investment have also been considered in the further development of this criterion. (Regulation (EU) 2020/852).

### 2.6.1 Climate Governance

**This question requires publicly available information.**

Is your company's board of directors and/or executive management responsible for the oversight and management of climate-related issues? Please specify where this is available in your public reporting or corporate website.

Yes, there is board-level oversight and/or management-level responsibility of climate-related issues

#### **Board Oversight**

Yes, there is a board level committee with oversight of climate-related issues

Please select the committee from the drop-down list

Climate/Sustainability/ESG Committee

Risk Committee

Audit Committee

Other committee with clear oversight on climate-related issues

There is no board level committee with oversight of climate-related issues

Climate issues are on the agenda of the board of directors. Please specify the frequency with which climate-related issues are scheduled agenda items

At least annually

Less frequent than annually, or not specified

#### **Management Responsibility**

Yes, there is a management position or committee with responsibility for climate-related issues.

Please select the appropriate option from the drop-down list.

Chief Climate/Sustainability/ESG Officer

Executive level climate or sustainability-specific committee

- Chief Risk Officer or another C-suite executive with climate responsibility (not CEO)
- Another committee with clear responsibility for management of climate-related issues
- Below C-suite management position with clear responsibility for management of climate-related issues
- There is no management position or committee with responsibility for climate-related issues.
- No, we do not publicly report on board oversight and/or executive management responsibility of climate-related issues.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

**Question Rationale** The purpose of this question is to assess whether a company's board of directors and management carry direct responsibility for the oversight and management of climate risks and opportunities. This information helps investors and other stakeholders understand whether climate-related issues receive sufficient attention at the highest levels of governance. This can be indicated by public disclosure of board oversight and management responsibility assigned to certain roles or committees, as well as the frequency of discussions on climate issues. This question is aligned with TCFD which recommends organizations disclose information on board's oversight of climate-related issues as well management's role in assessing and managing climate-related issues. **Key Definitions** Board-level committee with oversight: Assigned committee, formed of board members only, with responsibility for overseeing climate-related issues. Management position: Highest ranking individual with dedicated management responsibility for assessing and managing climate-related issues. Management-level committee: A management-level committee responsible for assessing and managing climate-related issues. **Data Requirements** Board Oversight: Board oversight refers to a board-level committee responsible for overseeing climate-related issues. Evidence that the committee oversees climate-related issues should be available in the relevant section in TCFD, CDP or other reports. Please select the correct option from the drop-down list. If the board committee is different from a climate or sustainability-specific committee, the climate responsibility needs to be clearly described within public reporting. In order to accept the committee as a board-level committee, all members must be part of the board. If the committee is made up of both board members and management, please record this committee in the 'Management Responsibility' section of the question. For two-tier boards, the board-level committee must be formed of members of the supervisory board. **Management responsibility:** Management responsibility refers to the highest level of management with dedicated responsibility for managing climate-related issues. This can either be an individual or a management-level committee. The individual or committee should not be part of the board of directors. Please select the correct option from the drop-down list. If you have both a Chief Climate/Sustainability/ESG Officer and a Chief Risk Officer who manage climate-related risks, please select Chief Climate/Sustainability/ESG Officer. For two-tier boards, management responsibility can be at the management board level. This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website.

**2.6.2 TCFD Disclosure**

**This question requires publicly available information.**

Does your organization apply the TCFD framework in the management of climate-related risks and opportunities? Please indicate where this information is available in your public reporting.

- Yes, we integrate the TCFD or are in the process of integrating it and publicly address the following requirements:

**Governance**

- a) Describe the board's oversight of climate related risks and opportunities.
- b) Describe management's role in assessing and managing climate-related risks and opportunities.

**Strategy**

- a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
- b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.
- c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

#### Risk Management

- a) Describe the organization's processes for identifying and assessing climate-related risks.
- b) Describe the organization's processes for managing climate-related risks.
- c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

#### Metrics & Targets

- a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
  - b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
  - c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.
- We have publicly committed to integrating TCFD, but we do not yet report on any of the requirements. Please indicate the timeframe when you plan to disclose on the requirements:
- 2023
  - 2024 or later
- No, we do not apply the TCFD framework in our risk management. Please explain the reason.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

**Question Rationale** This question focuses on whether a company applies the TCFD framework in the management of climate-related risks and opportunities. Demand for climate-related disclosure from investors has increased significantly since the release of the TCFD recommendations in 2017. In addition, public sector leaders have also noted the importance of transparency on climate-related issues within financial markets. Climate-related risk is increasingly the subject of new reporting requirements, such as the European Non-financial Reporting Directive 2014/95/EU, which embeds regulatory guidance based on the TCFD recommendations. Many national governments and public sector organizations formally support the TCFD and some have started to issue regulations making TCFD disclosure mandatory. Delays in applying the TCFD framework may not only result in not meeting investors' needs but also in compliance costs. **Data Requirements** This question requires public evidence. Please indicate where in your public reporting you report information about applying the TCFD framework.

### 2.6.3 Climate-Related Management Incentives

**This question requires publicly available information.**

Does your company provide incentives for the management of climate change issues, including the attainment of targets? Please indicate where this information is available in your **public reporting** or **corporate website**.

- Yes, we provide details on the climate change-related incentives starting from the highest management level and the information is **publicly available**.

Who is entitled to benefit from this incentive? Select each option only once	Type of incentive	Incentivized KPIs: Please provide a description of the KPI and how it is incentivized
<input type="radio"/> Chief Executive Officer (CEO) <input type="radio"/> Other Named Executive Officers <input type="radio"/> Business Unit Managers <input type="radio"/> Employees <input type="radio"/> Other, please specify	<input type="radio"/> Monetary <input type="radio"/> Recognition <input type="radio"/> Other	<input type="radio"/> Emissions reduction <input type="radio"/> Energy reduction <input type="radio"/> Efficiency <input type="radio"/> Purchasing <input type="radio"/> Supply chain engagement <input type="radio"/> Other, please specify
<input type="radio"/> Chief Executive Officer (CEO) <input type="radio"/> Other Named Executives Officers <input type="radio"/> Business Unit Managers <input type="radio"/> Employees <input type="radio"/> Other, please specify	<input type="radio"/> Monetary <input type="radio"/> Recognition <input type="radio"/> Other	<input type="radio"/> Emissions reduction <input type="radio"/> Energy reduction <input type="radio"/> Efficiency <input type="radio"/> Purchasing <input type="radio"/> Supply chain engagement <input type="radio"/> Other, please specify
<input type="radio"/> Chief Executive Officer (CEO) <input type="radio"/> Other Named Executives <input type="radio"/> Business Unit Managers <input type="radio"/> Employees <input type="radio"/> Other, please specify	<input type="radio"/> Monetary <input type="radio"/> Recognition <input type="radio"/> Other	<input type="radio"/> Emissions reduction <input type="radio"/> Energy reduction <input type="radio"/> Efficiency <input type="radio"/> Purchasing <input type="radio"/> Supply chain engagement <input type="radio"/> Other, please specify

- No, we do not publicly report on the incentives provided for the management of climate change issues
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale This question aims to capture how rewards are associated with the management of climate change issues, including attainment of targets. This ensures that climate-related ambitions and goals are embedded throughout the company and that management is held accountable for the achievement of these goals. Key Definitions Incentives: Please note that incentives can be positive (i.e. giving access to something) or negative (i.e. preventing access to something). Examples of incentive types include: - Monetary: a bonus or some form of financial remuneration. - Recognition (non-monetary): employee award (e.g. employee of the year) or career progression scheme, but not tied directly to any form of financial remuneration. - Other non-monetary rewards: including increased holiday allowances, special assignment, etc. Data Requirements If several types of incentives are used in your company, please select the incentive that is most commonly employed and include the fact that your company also uses other incentives in the comment box. Each employee group should only be selected once. When you select an incentive for a certain employee group, it is not necessary for all employees in this group to be entitled to benefit from this incentive. For example, you can select the category "Business Unit Managers" even if only one manager is entitled to the incentive. Supporting evidence: - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company

publications, separate fuel efficiency strategy document) or corporate website. - Any response that cannot be verified in the attached public document(s) will not be accepted.

#### 2.6.4 Climate Risk Management

This question requires publicly available information.

Does your company have a Climate Risk Management process? Please specify where this is available in your public reporting or corporate website.

- Yes, we publicly report on our Climate Risk Management process

##### **Climate Risk Management**

- Integrated into multi-disciplinary company-wide risk management processes, i.e. a documented process where climate change risks and opportunities are integrated into the company's centralized enterprise risk management program covering all types/sources of risks and opportunities
- A specific climate change risk management process, i.e. a documented process which considers climate change risks and opportunities separate from other business risks and opportunities

##### **Types of climate-related risk included in risk assessment**

- Current Regulation
- Emerging Regulation
- Technology Risk
- Legal Risk
- Market Risk
- Reputational Risk
- Acute Physical Risk
- Chronic Physical Risk

##### **Value chain stages covered by climate risk assessment**

- The assessment includes our own operations
- The assessment includes our upstream activities
- The assessment includes our downstream activities and/ or clients

##### **Time horizon(s) covered by climate risk assessment**

- Short-term
- Medium-term
- Long-term

- We do not publicly report on our climate risk management process
- Not applicable. Please provide explanations in the comment box below.

##### **Info Text:**

Question Rationale The purpose of this question is to assess whether your company has a climate risk management process – that is, a process for identifying, assessing, and responding to climate-related risks. Although nearly all organizations are affected by climate change-related risks, the most significant effects of climate change are likely to emerge over the medium to longer term, while the precise timing and magnitude of these impacts remain uncertain. Climate risk assessments covering different climate risk types, different value chain stages and time-horizons can be helpful to understand the potential effects of climate change on companies' businesses, strategies, and financial performance. This question is aligned with the TCFD Risk Management recommendations which include recommended disclosures on the organization's processes for identifying and assessing climate-related risks, and on how processes for identifying, assessing,

and managing climate-related risks are integrated into the organization's overall risk management. This question is also aligned with the European Non-financial Reporting Directive 2014/95/EU, which demands that when reporting on their climate-related risks and opportunities, companies consider their whole value chain. Risks of negative impacts on an organization and risks of negative impacts on the climate may arise from companies' own operations and may also occur throughout the value chain, both upstream in the supply chain and downstream. Key Definitions Risk Assessment: Systematic process for an organization to evaluate potential risks that may impact its assets and operations. (TCFD (2017), Recommendations of the Task Force on Climate-related Financial Disclosures) Physical risks: Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for organizations, such as direct damage to assets and indirect impacts from supply chain disruption. Organizations' financial performance may also be affected by changes in water availability, sourcing, and quality; food security; and extreme temperature changes affecting organizations' premises, operations, supply chain, transport needs, and employee safety. - Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods. - Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves. TCFD (2017) <https://www.tcfddhub.org/Downloads/pdfs/E06%20-%20Climate%20related%20risks%20and%20opportunities.pdf> Transition risks: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations. Transition risks can be divided into four categories: policy and regulatory risks, technological risks, market risks, and reputational risks. - Policy, regulation and legal risks include implementing carbon-pricing mechanisms to reduce GHG emissions, shifting energy use toward lower-emission sources, and adopting energy-efficiency solutions. The risk associated and financial impact of policy changes depend on the nature and timing of the policy change. Another important risk is litigation risk, which can occur as a result of litigation by for example property owners, municipalities, states, insurers, shareholders, and public interest organizations. - Current regulations include current laws and regulation related to carbon pricing mechanisms, emissions reporting, existing products and services, the supervision of climate risks in the financial sector (Financial services only) - Emerging regulations include emerging laws and regulation related to carbon pricing mechanisms, emissions reporting, existing products and services, the supervision of climate risks in the financial sector (Financial services only) - Technological risks result from technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economy. For example, the development and use of emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage will affect the competitiveness of certain organizations, their production and distribution costs, and ultimately the demand for their products and services from end-users. - Market risks can impact companies in various ways. One of the major ways is through shifts in supply and demand for certain commodities, products, and services. - Reputational risks may arise from changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy. TCFD (2017), Technical Supplement: The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities) Value Chain: Terminology used to describe the upstream and downstream life cycle of a product, process, or service, including material sourcing, production, consumption, and disposal/recycling. - Upstream activities include operations that relate to the initial stages of producing a good or service, e.g. material sourcing, material processing, and supplier activities. - Own operations include operations related to the direct stages of producing a good or service, such as manufacturing or processing the materials into a finished product. - Downstream activities include operations that relate to processing the materials into a finished product, delivering it to the end user, and the customer use phase (e.g. transportation, distribution and consumption). (TCFD (2017), Technical Supplement: The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities) Time Horizon: Terminology used to describe what your organisation considers to be short-, medium- and long-term horizons (from year to year) considering the expected lifetime of the assets or activities. Data Requirements For the first part of the question, please select the option that best describes the risk management procedures with regard to climate change risks and opportunities. If you have more than one climate risk management process in place in your organization, please select the one that is most commonly employed. Please include in your response which types of physical and transition risks are considered in your risk assessment, along with the value chain stages covered and the time horizons considered. Value chain stages considered may differ depending on which types of physical and transition risks are considered. Please select all the value stages considered and time horizons included if they were used to assess at least one of the physical or transition risk types selected. Time horizons must be available for at least one of the physical or transition risk types selected. Supporting evidence: - The document(s) you

attached will be used to verify your response. - The supporting documents must be available in the public domain. - Any response that cannot be verified in the attached document(s) will not be accepted  
References  
TCFD (2017), Technical Supplement: The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities <https://www.fsb-tcfd.org/publications/final-technical-supplement/>  
CDP (2017), CDP Technical Note on Scenario Analysis – Conducting and disclosing scenario analysis  
EU, Technical Expert Group (TEG) (2020) Technical Annex on technical screening criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation. [https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities\\_en](https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en)  
European Commission, Guidelines on reporting climate-related information [https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines\\_en.pdf](https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines_en.pdf)

**2.6.5 Climate-Related Scenario Analysis**

**This question requires publicly available information.**

Has your company conducted climate-related scenario analysis? Please specify where this is available in your public reporting or corporate website.

- Yes, we have conducted climate-related scenario analysis
  - We use qualitative climate-related scenario analysis
  - We use quantitative climate-related scenario analysis
  - We use qualitative and quantitative climate-related scenario analysis

Please select any climate-related scenarios your organization has used in their climate-related scenario analysis

Scenario Type	2°C or below 2°C	Above 2°C
Transition Scenario	<input type="checkbox"/> IEA NZE 2050 <input type="checkbox"/> IEA 2DS <input type="checkbox"/> IEA B2DS <input type="checkbox"/> IEA 450 <input type="checkbox"/> IEA SDS <input type="checkbox"/> IEA APS or Nationally determined contributions (NDCs) <input type="checkbox"/> Greenpeace <input type="checkbox"/> DDP <input type="checkbox"/> IRENA <input type="checkbox"/> BNEF NEO <input type="checkbox"/> NGFS (2°C and below scenarios)	<input type="checkbox"/> IEA STEPS (previously IEA NPS) <input type="checkbox"/> IEA CPS <input type="checkbox"/> NGFS (Above 2°C scenarios)
Physical Scenario	<input type="checkbox"/> RCP 1.9 (or SSP1 1.9) <input type="checkbox"/> RCP 2.6 (or SSP1 2.6)	<input type="checkbox"/> RCP 3.4 (or SSP4 3.4) <input type="checkbox"/> RCP 4.5 (or SSP2 4.5) <input type="checkbox"/> RCP 6.0 (or SSP4 6.0) <input type="checkbox"/> RCP 7.0 (or SSP3 7.0) <input type="checkbox"/> RCP 8.5 (or SSP5 8.5)

- Our analysis covers at least one 2°C or below 2°C scenario that is not listed in the table, please provide further details.

████████████████████

- Our analysis covers at least one above 2°C scenario that is not listed in the table, please provide further details.

████████████████████

- No we do not publicly report on our climate-related scenario analysis.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

Question Rationale Companies need to consider a broad range of assumptions, uncertainties, and potential future states to understand the potential effects of climate change on their businesses, strategies, and financial performance across different time horizons and different temperature pathways. One way to do this is through conducting climate-related scenario analysis. This question is aligned with the TCFD recommendations, which include a recommended disclosure on the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. Key Definitions Scenario Analysis: Process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. In the case of climate change, for example, scenarios allow an organization to explore and develop an understanding of how the physical and transition risks of climate change may impact its businesses, strategies, and financial performance over time. Climate-related scenario analysis should consider climate risks that are material to companies' operations and value chain. (TCFD (2017), Recommendations of the Task Force on Climate-related Financial Disclosures) Qualitative scenario analysis explores relationships and trends for which little or no numerical data is available. This is generally a high-level, narrative approach to scenario analysis, suitable for organizations that are familiarizing themselves with the process. For example, relying on industry trends and applying them to a specific organization or business activity, or undertaking quantitative research into a specific trend. Quantitative scenario analysis assesses measurable trends and relationships using quantitative models, data sets and other analytical techniques to illustrate potential pathways or outcomes. This is a more detailed approach to conducting scenario analysis. External, third-party scenarios or data sets can be used, or companies can develop in-house modeling capabilities considering specific assumptions or parameters. 2°C or below 2°C, and above 2°C: Under the 2015 Paris Agreement, nearly 200 countries agreed to limit global warming to no more than 2 degrees Celsius by 2100, and to aim for a no more than 1.5 degrees Celsius increase. The 2-degree scenario is widely seen as the global community's accepted limitation of temperature growth to avoid significant and potentially catastrophic changes to the planet. 2-degree or below scenarios can also be referred to as 'Paris Aligned'. Scenarios for above 2°C warming show a potential situation where this agreement is not met. <https://www.spglobal.com/en/research-insights/articles/what-s-the-deal-with-the-2-degree-scenario> IPCC RCP/SSP: The United Nations Intergovernmental Panel on Climate Change (IPCC) produces physical risk scenarios under a variety of warming pathways. Within its sixth-assessment report (AR6), new scenarios were developed called 'Shared Socio-Economic Pathways' (SSPs), which aim to replace Representative Concentration Pathways (RCPs) although RCPs still form the basis of SSPs and are widely used. <https://www.ipcc.ch/assessment-report/ar6/> International Energy Agency (IEA): The IEA produces various energy and transition risk-related scenarios, details of which can be used for transition risk scenario analysis. <https://www.iea.org/reports/global-energy-and-climate-model> Other listed transition scenarios: - Network for Greening the Financial System (NGFS): <https://www.ngfs.net/ngfs-scenarios-portal/> - Greenpeace: <https://www.greenpeace.org/usa/wp-content/uploads/legacy/Global/usa/report/2009/4/energy-r-evolution-a-sustain.pdf> - Deep Decarbonization Pathways (DDP): <https://ddpinitiative.org/display/> - International Renewable Energy Agency (IRENA): <https://www.irena.org/publications/2020/Sep/Scenarios-for-the-Energy-Transition-Global-experience-and-best-practices> - BloombergNEF New Energy Outlook (BNEF NEO): <https://about.bnef.com/new-energy-outlook/> Data Requirements Please select all the climate scenarios you have used to assess physical and transition risks. In line with the TCFD recommended disclosure, at least two scenarios are required for full scoring. One of these scenarios should be a 2 °C or lower scenario, the other should be an above 2 °C scenario. If your company conducts climate scenario analysis with scenarios that are not listed in the question table, please describe the following elements in the text box below the selected option. Please note that this information should be available in the public domain. - A description of the scenarios used, and whether the scenarios used are 2°C or lower scenarios or above 2°C scenarios. Supporting evidence: - The document(s) you attached will be used to verify your response. - The supporting documents must be available in the public domain. - Any response



that cannot be verified in the attached document(s) will not be accepted References TCFD (2017), Technical Supplement: The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities <https://www.fsb-tcfd.org/publications/final-technical-supplement/> CDP (2017), CDP Technical Note on Scenario Analysis – Conducting and disclosing scenario analysis European Commission, Guidelines on reporting climate-related information [https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines\\_en.pdf](https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines_en.pdf)

## 2.6.6 Physical Climate Risk Adaptation

### Additional credit may be granted for publicly available evidence.

Based on your climate risk assessment, has your company set up a plan to adapt to the identified physical climate risks? Please provide supporting evidence and indicate where this is available in the public domain.

- Yes, we have a **context-specific plan** to adapt to physical climate risks in existing and/or new operations. Please provide supporting evidence and indicate if this is available in the public domain.
  - We publicly report on our context-specific plan to adapt to physical risks
  - The risk assessment and plan to adapt to physical climate risks cover the following share of our **existing operations** (Percentage of total revenues):
 
 The plan includes a target to implement relevant adaptation measures within the following timeline for existing operations:
    - Less than 5 years
    - 5 to 10 years
    - More than 10 years
  - The risk assessment and plan to adapt to physical climate risks cover the following share of our **new operations** (Percentage of new operations):
  - We have no new asset planned.
- Yes, we have an **overall plan** to adapt to potential physical climate risks. Please provide supporting evidence and indicate if this is available in the public domain.
  - We publicly report on overall plan to adapt to physical risks
 The plan includes a target to implement relevant adaptation measures within the following timeline:
  - Less than 5 years
  - 5 to 10 years
  - More than 10 years
- No, we have no existing plan to adapt to physical climate risks.
- Not applicable. We have performed a climate risk assessment for physical risks, but do not consider our company's assets and operations to be exposed to any material physical risks. Please provide a detailed explanation in the comment box below.
- Not known

#### Info Text:

Question Rationale The climate risk assessment of physical and transition risks builds the basis for companies to plan adaptation and mitigation measures in response to those risks. Adaptation and mitigation measures are ideally planned so that context-specific factors are considered for all relevant assets and operations, since climate-related hazards are location and context-specific. This question focuses specifically on adaptation measures for physical risks. Climate change adaptation can be understood as anticipating the adverse

effects of climate change and taking appropriate action to prevent or minimize the damage it can cause. It includes business opportunities such as new technologies to use scarce water resources more efficiently, or the building of new flood defenses. Climate change mitigation and adaptation is a central part of the EU taxonomy for sustainable activities. The information on risk assessment of physical impacts is required for evaluating compliance with the EU Taxonomy Do No Significant Harm criteria on climate change adaptation. The EU taxonomy demands that an activity integrates physical and non-physical measures aimed at reducing all material risks that have been identified through a climate risk assessment. For existing activities, the implementation of those physical and non-physical measures may be phased and executed over a period of time of up to five years. For new activities, implementation of these measures must be met at the time of design and construction. (EU Technical Expert Group, Taxonomy Report, Technical Annex). Key Definitions Adaptation: Anticipating the adverse effects of climate change and taking appropriate action to prevent or minimize the damage they can cause or taking advantage of opportunities that may arise. Context-specific: Adaptation responds to physical climate risks that are mostly location and context-specific. Due to this nature, organizations can best assess climate-related risks and mitigate them based on a context-specific plan. For example, there are in principle several engineering and non-engineering options available to a coastal city to respond to the risk resulting from increased sea level. Responses will vary according to where the city is located, its size, the institutional and financial capacity of the city administration to deal with climate risk, the technical and engineering expertise available, the priority of the city, the perception of the citizens, and other factors. The adaptation responses will benefit the city that adopts them and possibly the systems that depend on or interact with the city. A context-specific plan integrates physical and non-physical measures aimed at reducing - to the extent possible and on a best-effort basis - all material risks that have been identified through a climate risk assessment (EU Technical Expert Group, Taxonomy Report, Technical Annex) New operations: refers to assets planned, under construction or put in use after the current reporting cycle (i.e. after 2021 for the 2022 CSA). Data Requirements Additional credit will be granted for public disclosure of a context-specific or an overall plan to adapt to physical climate risks. If your company has performed a climate risk assessment for physical risks and no material physical risks were identified, please select "not applicable" to this question and provide a detailed explanation. References EU, Technical Expert Group (TEG)(2020) Technical Annex on technical screening criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation. [https://ec.europa.eu/info/sites/info/files/business\\_economy\\_euro/banking\\_and\\_finance/documents/200309-sustainable-finance-teg-final-report-taxonomy-annexes\\_en.pdf](https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf) European Commission, Guidelines on reporting climate-related information [https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines\\_en.pdf](https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines_en.pdf)

### 2.6.7 Emissions Reduction Targets

This question requires publicly available information.

Does your company have any corporate-level emissions reduction targets **publicly** available?

If your company also answers the question Net-Zero Commitment, please do not provide your Net-Zero target in this question, but provide details of your related near-term emissions reduction target.

- Yes, we have a company-wide absolute emissions target and/or an emissions intensity target publicly available that covers Scope 1, Scope 2, and/or Scope 3 emissions. Please provide details in the table below.

#### Target Type and Metric

- Absolute targets

- Intensity targets

Intensity Metric

- Metric tons CO<sub>2</sub>e per square meter
- Metric tons CO<sub>2</sub>e per metric ton of aluminum
- Metric tons CO<sub>2</sub>e per metric ton of steel
- Metric tons CO<sub>2</sub>e per metric ton of cement
- Metric tons CO<sub>2</sub>e per metric ton of cardboard

- Grams CO2e per kilometer
- Metric tons CO2e per unit revenue
- Metric tons CO2e per unit FTE employee
- Metric tons CO2e per unit hour worked
- Metric tons CO2e per metric ton of product
- Metric tons of CO2e per liter of product
- Metric tons CO2e per unit of production
- Metric tons CO2e per unit of service provided
- Metric tons CO2e per square foot
- Metric tons CO2e per kilometer
- Metric tons CO2e per passenger kilometer
- Metric tons CO2e per megawatt hour (MWh)
- Metric tons CO2e per barrel of oil equivalent (BOE)
- Metric tons CO2e per vehicle produced
- Metric tons CO2e per metric ton of ore processed
- Metric tons CO2e per ounce of gold
- Metric tons CO2e per ounce of platinum
- Metric tons of CO2e per metric ton of aggregate
- Metric tons of CO2e per billion (currency) funds under management
- Grams CO2e per revenue passenger kilometer
- Metric tons CO2e per USD(\$) value-added

Scope covered by the target	Target Timeframe	Baseline year emissions covered and as a % of total base year emissions	% reduction target from base year	Is this target validated by the Science-based Targets Initiative?
<input type="radio"/> Scope 1 + 2 combined <input type="radio"/> Scope 1 + 2 + 3 combined	Base Year  Target Year	Base year emissions  Percentage of total base year emissions		<input type="radio"/> Yes <input type="radio"/> No, but we have publicly committed to seek validation to the target by the SBTi <input type="radio"/> No, but we consider the target to be science-based <input type="radio"/> No, the target is not science-based

Scope covered by the target	Target Timeframe	Baseline year emissions covered and as a % of total base year emissions	% reduction target from base year	Is this target validated by the Science-based Targets Initiative?
<input type="checkbox"/> Scope 1	Base Year  Target Year	Base year emissions  Percentage of total base year emissions		<input type="radio"/> Yes <input type="radio"/> No, but we have publicly committed to seek validation to the target by the SBTi <input type="radio"/> No, but we consider the target to be science-based <input type="radio"/> No, the target is not science-based
<input type="checkbox"/> Scope 2	Base Year  Target Year	Base year emissions  Percentage of total base year emissions		<input type="radio"/> Yes <input type="radio"/> No, but we have publicly committed to seek validation to the target by the SBTi <input type="radio"/> No, but we consider the target to be science-based <input type="radio"/> No, the target is not science-based
<input type="checkbox"/> Scope 3	Base Year  Target Year	Base year emissions  Percentage of total base year emissions		<input type="radio"/> Yes <input type="radio"/> No, but we have publicly committed to seek validation to the target by the SBTi <input type="radio"/> No, but we consider the target to be science-based <input type="radio"/> No, the target is not science-based

No, we do not have any company-wide absolute emissions target or emissions intensity target publicly available.

Not applicable. Please provide explanations in the comment box below.

**Info Text:**

**Question Rationale** Most industries are likely to be impacted by climate change, albeit to a varying degree. Consequently, they need to design strategies which are adapted to the size of the challenge for their industry. Whilst the majority of the companies focus on risks associated with the changing climate, some seek to identify and seize the business opportunities linked to these global challenges. Setting emission reduction targets enables companies to adopt a systematic and disciplined approach towards reducing their emissions. With this question, we aim to find out if a company has set absolute or relative corporate targets to reduce greenhouse gas emissions. **Key Definitions** Absolute target: a target that describes a reduction in actual emissions in a future year when compared to a base year. Intensity target: a target that describes a future reduction in emissions that have been normalized to a business metric when compared to normalized emissions in a base year. Intensity measure: Grams CO<sub>2</sub>e or Metric tons CO<sub>2</sub>e per kilometer, per USD(\$) value-added, square meter, per unit revenue, per unit FTE employee, per unit hour worked, per unit of production, per unit of service provided etc. Science-based targets: "Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C." Source: Science-based targets Initiative Data Requirements - We expect companies to set absolute or intensity emission targets. If your company has both absolute and intensity targets, please prioritize your absolute target. - If you provide the intensity target in this question, please select the intensity measure used (metric). Scopes covered by the target: Scopes covered by the company's emissions reduction target and reduction of emissions to be achieved in the target year compared to the base year. - If you report a target which covers Scope 1+2 combined, please complete the first row and tick "Scope 1+2 combined". You can also add a separate Scope 3 target in the last row. - If you report a target which covers Scope 1+2+3 combined, please complete the first row, tick "Scope 1+2+3 combined" and leave the last 3 rows blank. - If you report a target which covers Scope 1, 2 and 3 separately, please complete the Scope 1, Scope 2 and Scope 3 rows. - If you report a target which only covers Scope 3, please complete the last row only. - If you report both combined and individual targets for all 3 scopes, please only provide individual targets in the table. Supporting evidence: - The document(s) you attached will be used to verify your response. - The supporting documents must be available in the public domain. - Any response that cannot be verified in the attached document(s) will not be accepted Industry-Specific Guidance: Financial Institutions (BNK/FBN/INS) - We expect short-term emission targets to focus on operational emissions. - Category 15 Financed emissions targets should be accounted for under the Net-Zero Targets for Financed Emissions under the Decarbonization Strategy Criteria. References <https://sciencebasedtargets.org/>

### 2.6.8 Internal Carbon Pricing

Please indicate if your company uses an internal price of carbon. If yes, please specify your company's objective to implement an internal carbon price and provide details of how this is being used within the organization and what the internal carbon price is. **In case your company uses more than one type of internal carbon prices, please report the price that has the greatest impact on your organization ( i.e. price \* quantity of emissions generated).**

- Yes, we use an internal price of carbon. Please specify your company's objective to implement an internal carbon price and fill out the table below. Please attach supporting evidence.
- Navigate GHG regulations
  - Stakeholder expectations
  - Change internal behavior
  - Drive energy efficiency
  - Drive low-carbon investments
  - Stress test investments
  - Identify and seize low-carbon opportunities

- Supplier engagement
- Other, please specify:

GHG Scope	Type of internal carbon price	Application	Price (per metric tonne CO2e)	Price setting approach
<input type="checkbox"/> Scope 1 <input type="checkbox"/> Scope 2 <input type="checkbox"/> Scope 3	<input type="checkbox"/> Shadow price <input type="checkbox"/> Internal fee <input type="checkbox"/> Internal trading <input type="checkbox"/> Implicit price <input type="checkbox"/> Offsets <input type="checkbox"/> Other, please specify:	<input type="radio"/> Company-wide (with local variations accepted) <input type="radio"/> Selected business units <input type="radio"/> Selected regions <input type="radio"/> Ad-hoc	Currency:	<input type="radio"/> External resources <input type="radio"/> Benchmarking against peers <input type="radio"/> Internal consultation <input type="radio"/> Technical analyses

- No, we do not use an internal price of carbon
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Many major publicly-traded companies have integrated an “internal carbon price” as a core element in their ongoing business strategies. Such carbon pricing has become a standard operating practice in business planning as a means of testing strategic and investment assumptions' vulnerability to ever-stronger climate-related regulation and the broader emergence (explicitly or implicitly) of a cost of carbon. Through this question, we aim to assess how robustly companies are using this approach to anticipate an eventual regulatory approach in some form to address climate change. Key Definitions Internal carbon price: Internal assumptions of a carbon price as a planning tool to help identify revenue opportunities, risks, and as an incentive to drive maximum energy efficiencies to reduce costs and guide capital investment decisions. Price setting approaches: - External resources: such as price projections from climate-related regulation (e.g. the expected future Emissions Trading Systems (ETS) or carbon tax price and/or implicit carbon price) or the social cost of carbon - Benchmarking against peers: such as by looking at carbon prices set by other companies within its own sector. - Internal consultation: at a price to be material enough to change business decisions and behavior. - Technical analyses of the required measures to achieve the targets on reducing its carbon footprint and the associated investments needed. Type of internal carbon price: - Most companies utilize a shadow price – attaching a hypothetical cost of carbon to each tonne of CO2e – as a tool to reveal hidden risks and opportunities throughout its operations and supply chain and to support strategic decision-making related to future capital investments. - Some companies with emissions reduction or renewable energy targets calculate their ‘implicit carbon price’ by dividing the cost of abatement/procurement by the tonnes of CO2e abated. This calculation helps quantify the capital investments required to meet climate-related targets and is frequently used as a benchmark for implementing a more strategic internal carbon price. - Internal fee mechanisms take this approach a step further by charging responsible business units for their carbon emissions. These programs frequently reinvest the collected revenue back into clean technologies and other activities that help transition the entire company towards lower-carbon operations and investments. Some companies establish an internal trading mechanism – allowing the business units to trade allocated carbon credits. - Some companies utilize the voluntary carbon markets to offset their emissions - internalizing this cost per tonne of CO2e. Data Requirements In case your company uses more than one type of internal carbon price, please report the price that has the greatest impact on your organization (i.e. price \* quantity of emissions generated). Price (per metric tonne CO2e): Please report the value of the price per metric tonne you use for your analysis and not the total value of your analysis. Diversified mining companies (MNX) that do not have oil & gas or coal operations may mark "not applicable" in this question. Supporting evidence: - The document(s) you attached will be used to verify the qualitative part of your response. If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document.

Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - Quantitative figures provided in the response do not need supporting evidence. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. - The supporting documents do not need to be available in the public domain. References Ecofys, the Generation Foundation and CDP (2017), "How to guide to corporate internal carbon pricing – Four dimensions to best practice approaches", Consultation Draft

**2.6.9 Net-Zero Commitment**

**This question requires publicly available information.**

Has your company publicly committed to reaching net-zero GHG emissions and set targets and programs to fulfil the commitment? *Please note that this question should only be answered if a near-term absolute or relative emission reduction target is reported in the previous question Emissions Reduction Targets.*

- Yes, we have publicly committed to reaching net-zero emissions across our value chain. Please provide details of a long-term emission reduction target linked to your net-zero commitment and indicate where this is available in your public reporting.

Target Time Frame	Target scope & related emission reduction target (as % of base year emissions)	Is the target validated by Science-Based Targets initiative?
Base Year	Scope 1 & 2	<input type="radio"/> Yes  <input type="radio"/> No, but we have publicly committed to seek validation to the target by SBTi  <input type="radio"/> No, but we consider the target to be science-based  <input type="radio"/> No, the target is not science-based
Target Year	Scope 3	

Net-zero Strategy:

- We have defined or already implemented programs or activities to achieve the emission reduction targets.
  - Scope 1 & 2
  - Scope 3
- We intend to neutralize residual emissions and/or further mitigate emissions beyond our value chain with the following activities:
  - Offsetting, e.g., purchasing carbon credits
  - Investing in permanent carbon removal
- No, we don't have a public net-zero commitment.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Companies are increasingly adopting net-zero targets in order to align their activities with the aim of limiting global temperature rise to 1.5°C above pre-industrial levels. Due to the lack of common understanding of the definition of net-zero, the Science Based Targets initiative (SBTi) has developed a global science-based standard for companies to set net-zero targets. The purpose of this question is to find out if a company has made a net-zero commitment, how well it is aligned with the science-based targets and what activities are planned to reach the target. This question follows the criteria and definitions of the SBTi Net-

Zero Standard. Key Definitions Net-zero commitment: A credible corporate net-zero commitment includes commitments to: - Reducing scope 1, 2, and 3 emissions to zero or to a level that is consistent with reaching net-zero emissions at the global or sector level in eligible 1.5°C-aligned pathways. - Neutralizing any remaining emissions that could not be reduced at the net-zero target year and any GHG emissions released into the atmosphere thereafter. Science-based targets: "Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C." Source: SBTi Science Based Targets initiative (SBTi): A global body that defines and promotes best practices in emissions reductions and net-zero targets in line with climate science. It provides technical assistance, expert resources to companies who set science-based targets, and independent assessment and validation of those targets. The SBTi process for target setting and validation is as follows: - Committing to a Science Based Target via a letter of intent - Developing a target in line with SBTi criteria - Presenting target to SBTi for official validation (within 2 years of committing) - Communicating this validation to stakeholders - Reporting progress against these targets annually Base Year: Companies should use the same base year for near-term targets and long-term net-zero targets. Target Year: To limit global warming to 1.5°C above pre-industrial levels we must reach net-zero GHG emission by 2050. Hence, companies are expected to set their own net-zero targets by 2050 or sooner. Residual emissions: Emissions sources that remain after a company has included all technically or economically feasible emission reductions to their target. Beyond value chain mitigation: Mitigation action or investments that fall outside a company's value chain. This includes activities outside of a company's value chain that avoid or reduce greenhouse gas emissions, such as carbon credits or other "offsetting", or measures that remove greenhouse gases from the atmosphere and permanently store them. Data Requirements This question requires public evidence. As public evidence, we can accept the company's own website and reporting, public CDP reports, or information disclosed in the Science Based Targets initiative's website: <https://sciencebasedtargets.org/companies-taking-action>. Please note that we will not accept targets without Target Year specified. Target scope & related emission reduction target (as % of base year emissions): We require the emission reduction target as a percentage of the base year emissions. This question should only be answered if a near-term emission reduction target is reported in the previous question.

#### 2.6.10 MSA Climate Strategy

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective to verify the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

##### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3 Social Dimension

### 3.1 Labor Practice Indicators

Employees represent one of a company's most important assets. Maintaining good relations with employees is essential for the success of businesses' operations, particularly in industries characterized by organized



labor. Beyond providing a safe and healthy working environment, companies should support fair treatment practices such as guaranteeing diversity, ensuring equal remuneration and supporting freedom of association. In accordance with international standards on labor and human rights, companies are increasingly expected to adhere to and apply these standards equally across all operations within the organization. Furthermore, growing customer awareness leads to higher expectations from companies in their role as global corporate citizens and their ability to drive sustainable business practices forward.

The key focus of the criterion is on gender diversity in management, equal remuneration, and freedom of association.

### 3.1.1 Discrimination & Harassment

This question requires publicly available information.

Does your company have a public group-wide non-discrimination and anti-harassment policy, and what are the measures in place to effectively deal with discrimination and harassment in the workplace?

- Our policy and measures include the following:
  - Explicit statement prohibiting harassment:
    - Sexual harassment
    - Non-sexual harassment
  - Zero tolerance policy for discrimination
  - Trainings for all employees on discrimination and harassment in the workplace
  - Defined escalation process for reporting incidents
  - Corrective or disciplinary action taken in case of discriminatory behavior or harassment
- We do not have a public group-wide non-discrimination and anti-harassment policy.
- Not applicable. Please provide explanations in the comment box below.

#### Info Text:

**Question Rationale** The purpose of this question is to evaluate the quality of the company's non-discrimination and anti-harassment policy. According to the International Labor Organization (ILO), discrimination based on the mentioned identity markers is a violation of human and labor rights. Furthermore, diverse companies with strong non-discriminatory practices have been proven to perform better in terms of innovation, efficiency, productivity, employee engagement, and talent attraction and retention, thus making anti-discrimination practices a key strategic topic for companies. **Key Definitions** **Discrimination:** Discrimination is defined as the act and the result of treating people unequally by imposing unequal burdens or denying benefits, instead of treating each person fairly on the basis of individual merit. Discrimination can also include harassment. **Harassment:** Harassment is defined as a course of comments or actions that are unwelcome, or should reasonably be known to be unwelcome, to the person towards whom they are addressed. **Non-sexual harassment** includes but is not exclusive to mobbing and bullying, while **sexual harassment** includes a sexual component. **Zero tolerance:** Zero-tolerance policies against harassment and discrimination dictate that any allegations are taken seriously and handled confidentially and sympathetically. If allegations are confirmed, remedial action, disciplinary action, dismissal, or legal action will be taken. **Defined escalation process:** System consisting of specific procedures, roles, and rules for receiving complaints and providing remedy. **Grievance mechanisms** are also accepted here. It should be specified in the company's public domain that discrimination and harassment incidents are to be reported through the defined escalation process. **Corrective action:** Corrective action is a process of communicating with the employee and taking active measures to improve unacceptable behavior. **Disciplinary action:** A disciplinary action is a reprimand or corrective action in response to employee misconduct, rule violation, or poor performance. Depending on the severity of the case, a disciplinary action can take different forms, including a verbal warning, a written warning, a poor performance review or evaluation, a reduction in rank or pay, and termination. **Data Requirements** This question requires publicly available information. We expect companies to have a statement explicitly prohibiting both sexual

and non-sexual harassment. We expect the company's policies and measures to be explicitly relevant to discrimination and harassment. A simple mention of discrimination in the Codes of Conduct is not considered sufficient. If discrimination and harassment are included in trainings, escalation processes, and disciplinary actions together with other breaches of the Codes of Conduct, it should be mentioned that each aspect also covers discrimination and harassment specifically. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. References ILO: Convention no. 111 ILO: Business, Discrimination and Equality

### 3.1.2 Workforce Breakdown: Gender

**Additional credit may be granted for publicly available evidence.**

Does your company monitor the following indicators regarding workforce gender diversity? If so, please complete the table. Please provide the coverage reported on as a percentage of FTEs and attach supporting public evidence where indicated if available.

Please also indicate whether you have set a public target for women representation. We expect companies to have set at least one public target for one representation level in order to meet our requirements for the targets. We do not expect companies to have targets for each level of representation.

- Yes, we monitor the following indicators:  
Please select the coverage of the data reported on as a % of FTEs:
  - >75% of FTEs
  - 50-75% of FTEs
  - 25-50% of FTEs
  - <25% of FTEs

Diversity Indicator	Percentage (0 - 100 %)	Public Target
Share of women in total workforce (as % of total workforce)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:

Diversity Indicator	Percentage (0 - 100 %)	Public Target
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:
Share of women in STEM-related positions (as % of total STEM positions)	<input type="checkbox"/> Public reporting available:	Target year:  <input type="checkbox"/> Public reporting:

- No, we do not monitor the gender breakdown of our workforce.
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

**Question Rationale** We assess various Labor KPIs of an organization to determine not only the quality, but also the transparency of its reporting on diversity issues. Gender diversity can improve a company's performance as it increases the likelihood of bringing people with different types of knowledge, views and perspectives together. This diversity results in better innovative and problem-solving skills, improves talent attraction and retention, increases employee engagement and results in higher efficiency. Several initiatives have already been taken by shareholders and governments to increase the share of women in the workforce and in leadership positions. Companies who are early adopters of inclusive hiring and retention practices will therefore benefit from positive recognition and lower compliance costs in the future. This question specifically assesses workforce gender diversity by asking about the proportion of women at different levels of responsibility. We expect companies to also commit to gender balance across the talent pipeline by setting targets for the levels of representation where they face the greatest challenges. This question looks at the companies' ability to disclose this data, as well as its performance compared to its industry peers and its ability to retain women talent.

**Key Definitions** The definitions provided below are guidelines that should be followed as closely as possible. If a different definition is used, this should be explained accordingly and a consistent definition should be used in any other questions that may require information about organizational structures.

**Gender identity:** Each person's deeply felt internal and individual experience of gender, which may or may not correspond to the sex assigned at birth, including the personal sense of the body (which may involve, if freely chosen, modification of bodily appearance or function by medical, surgical or other means) and other expressions of gender, including dress, speech and mannerisms (European Institute for Gender Equality). In this question, we refer to employees who self-identify as women, i.e. who consider their gender identity to be woman.

**Management positions:** This refers to all levels of management, including junior, middle and senior level management.

**Junior management positions:** refer to first-line managers, junior managers and the lowest level of management within a company's management hierarchy. These individuals are typically responsible for directing and executing the day-to-day operational objectives of organizations, conveying the directions of higher level officials and managers to subordinate personnel.

**Middle management positions:** refer to managers who head specific departments (such as accounting, marketing, production) or business units, or who serve as project managers in flat organizations. Middle managers are responsible for implementing the top management's policies and plans and typically have two management levels below them.

**Top management positions:** refer to management positions with a reporting line at most two levels away from the CEO. They include individuals who plan, direct, and formulate policies, set strategy, and provide the overall direction of enterprises/organizations for the development and delivery of products or services, within the parameters approved by boards of directors or other governing bodies.

**Revenue-generating functions:** refer to line management roles in departments such as sales, or that contribute directly to the output of products or services. It excludes support functions such as HR, IT, Legal. May also be referred to as roles that have P&L responsibility.

**STEM:** Science, technology, engineering and mathematics. STEM workers use their knowledge of science, technology, engineering or mathematics in their daily responsibilities. To be classified as a STEM employee, the employee should have a STEM-related qualification and make use of these skills in their operational position. Positions include, but are not limited to, the following: Computer programmer,

web developer, statistician, logistician, engineer, physicist, scientist. Coverage: The coverage corresponds to the scope of the data reported on. For example, if a company only reports on its employees in one country, and these employees represent X% of the total workforce, then the company should select the bracket which includes this X%. Please use a consistent coverage for all indicators. Data Requirements Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering each of the following aspects of this question: - Women in the total workforce - Women in all management positions - Women in junior management positions - Women in top management positions - Women in revenue-generating positions - Women in STEM-related positions We expect companies to have set at least one public target for one representation level in order to meet our requirements for the targets. We do not expect companies to have public targets for each level of representation, but only for one level. This target needs to be publicly available or will not be considered as relevant in the scoring of this question. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. References - The gender equality questions were developed in collaboration with EDGE, leveraging its robust research on gender equality. EDGE is the leading global assessment methodology and business certification standard for gender equality. It measures where organizations stand in terms of gender balance across their pipeline, pay equity, effectiveness of policies and practices to ensure equitable career flows as well as inclusiveness of their culture. Launched at the World Economic Forum in 2011, EDGE has been designed to help companies not only create an optimal workplace for women and men, but also benefit from it. EDGE stands for Economic Dividends for Gender Equality and is distinguished by its rigor and focus on business impact. EDGE Certification’s diverse customer base consists of 200 large organizations in 44 countries across five continents, representing 29 different industries and employing globally more than 2.4 million employees - ILO convention No. 111

**3.1.3 Workforce Breakdown: Race/ Ethnicity & Nationality**

**Additional credit may be granted for publicly available evidence.**

Does your company provide a breakdown of its workforce according to racial and ethnic self-identifications, or nationality? Please refer to the information button for further guidance on which option to select. Please provide the coverage reported on as a percentage of FTEs and attach supporting public evidence where indicated if available.

- At least 20% of our workforce is based in the US and we monitor the breakdown of our workforce according to ethnic and racial indicators.  
Please select the coverage of the data reported on as a % of FTEs:
  - >75% of FTEs
  - 50-75% of FTEs
  - 25-50% of FTEs
  - <25% of FTEs

Breakdown	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Asian		
Black or African American		
Hispanic or Latino		
White		
Indigenous or Native		

Breakdown	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Other, please specify:		

This information is publicly available. Please provide supporting evidence:

Less than 20% of our workforce is based in the US and we monitor the breakdown of our workforce according to under-represented and structurally disadvantaged ethnic and racial minorities. If you are not able or allowed to provide such a breakdown, please report on the breakdown of your workforce based on nationality. Please fill in the table below with the relevant categories used.

We report on the breakdown of our workforce based on ethnic and racial minorities. Please specify the ethnic and racial categories in the table below.

We are not able or allowed to report on ethnic and racial minorities, and therefore provide a breakdown based on nationality. Please specify the nationalities which make up the highest percentage of your workforce in the table below.

This information is publicly available. Please provide supporting evidence:

Please select the coverage of the data reported on as a % of FTEs:

>75% of FTEs

50-75% of FTEs

25-50% of FTEs

<25% of FTEs

Breakdown based on, please specify:	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce)
Category name:		
Category name:		
Category name:		
Category name: <input type="checkbox"/> Not relevant		
Category name: <input type="checkbox"/> Not relevant		
Category name: <input type="checkbox"/> Not relevant		

No, we do not monitor the breakdown of our workforce according to ethnic or racial minorities.

- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Provisions on equality and non-discrimination are enshrined in international human rights law and in the constitutions and legislations of most countries. Nonetheless, many people continue to face prejudice, harassment, and discrimination because of their ethnic or racial origins. According to the OECD, the collection of accurate and comprehensive data on diversity is therefore central to providing information on the racial and ethnic breakdown to implementing, monitoring, and evaluating practices and policies that aim to address disadvantages and promote equal opportunities in all sectors of society. To achieve the optimum mix of skills, backgrounds, and experience, workforce diversity needs to go beyond discussing the percentage of women to also include other diversity indicators. Collecting and analyzing data on racial and ethnic diversity is difficult but not impossible. This question seeks to encourage companies to measure the racial and ethnic composition of their workforce in order to understand whether it fairly represents the broader demographic composition of their geographical locations. Collecting and disclosing this data is key to identifying any practices of discrimination or unequal opportunities and provides an important indicator to shareholders that diversity and inclusion are considered as high on the corporate agenda. Indeed, the attention of shareholders and regulatory agencies is now expanding to include diversity factors such as ethnic and racial diversity. Companies that are early adopters of inclusive hiring and retention practices and are transparent about these indicators will therefore benefit from positive recognition and lower compliance costs in the future.

**Key Definitions**

**Self-identification:** This refers to the assigning of a particular characteristic or categorization to oneself. In this question, we ask for the proportion of employees who self-identify as such, meaning that they have expressed their identification with this characteristic rather than having been assigned it by others based on physical or other attributes.

**Structurally disadvantaged racial and ethnic minorities:** Minorities that experience a higher risk of poverty, social exclusion, discrimination, and violence than the general population, based on race or ethnicity.

**Structural disadvantage** refers to disadvantages experienced as a result of the way society functions, for example how institutions are organized, who has power, how resources are distributed, how people relate to each other, etc. This question focuses on such minorities.

**Race:** In the absence of any internationally agreed definition, race is most often statistically characterized in terms of phenotype and appearance (e.g. skin colors), or with regard to ancestry. This should not be understood as an attempt to trace the definition of race to biological, anthropological, or genetic factors but rather to (somewhat artificially) distinguish it from the concept of ethnicity. (OECD, 2018)

**Ethnicity:** Describes a shared culture: the practices, values, and beliefs that characterize those belonging to a community. This multidimensional concept acts as an umbrella term encompassing language, religious traditions, and others (United Nations, 2017). A number of related concepts, including ancestry, citizenship, and nationality, may overlap with ethnicity. However, ethnicity is not the same as nationality or citizenship, nor it is a measure of biology or genes. (OECD, 2018)

**Indigenous identity:** While no universal definition exists in international law, the term is used to refer to “tribal peoples whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated (wholly or partially) by their own customs or traditions or by special laws or regulations; and to peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country (or a geographical region thereof) at the time of conquest, colonization or establishment of present state, and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions” (ILO, 1989).

**Migrant background/origin:** A person who has migrated into their present country of residence; and/or previously had a different nationality from their present country of residence; and/or at least one of their parents previously entered their present country of residence as a migrant (European Commission). In some countries, migrant origins are used as a proxy for ethnicity.

**Foreign origin:** A person who was born outside of the country of residence; and/or holds another nationality from their present country of residence; and/or at least one of their parents were born outside of the country of residence or hold nationality from another country. In some countries, foreign origins are used as a proxy for ethnicity.

**Nationality:** Generally defined as being a member of a given state. Nationality can be acquired by birth or adoption, marriage, descent, or naturalization. Based on international conventions, every sovereign state is entitled to determine who can be a national of their country.

**Coverage:** The coverage corresponds to the scope of the data reported. For example, if a company only reports on its employees in one country, and these employees represent X% of the total workforce, then the company should select the bracket which includes this X%. If the company gave the opportunity to self-report to its employees, but a proportion of these employees have actively decided to refrain from providing this personal data, the proportion of these employees can still be included as part of the coverage.

**Data Requirements** In Europe, according to Article

9 of the GDPR, it is prohibited to process personal data revealing racial or ethnic origin, except if the data subject has given explicit consent to the processing of those personal data, provided this is not prohibited by national law. Other exemptions exist, such as reasons of substantial public interest which might include statistical research purposes for equality of opportunity and treatment. However, if as a result, your company does not collect racial or ethnic data, please report on the nationalities which make up the highest percentage of your employees, providing the name of each nationality in each “category name” text box. Not Applicable will not be accepted, as we expect companies to report on the breakdown of nationalities. We expect companies to report on at least three different categories (racial or ethnic categories, or nationalities) in order to score full points for this question. The coverage provides an indication of the scope of the data reported on but is not considered in the scoring of this question as we recognize that the data is complex to consolidate at the global level. Disclosure requirements for partially public question: Additional credit will be granted for relevant publicly available evidence covering at least one level of responsibility for at least three minority groups. If your company has more than 20% of its workforce in the US, then we require you to select the first option and report according to the categories defined in the table. We expect public disclosure in at least three categories. If more than 20% of your workforce is in the US, but you also have employees in other parts of the world, please select the coverage bracket which covers your employees in the US. You will not be penalized for not reporting on the full coverage of your FTEs as we recognize that the data is complex to consolidate at the global level. If your company has less than 20% of its workforce in the US, please select the second option and fill in the table according to the relevant categories for the highest share of your workforce. We expect public disclosure in at least three categories. Please select the coverage bracket which covers the scope of employees you are reporting on. You will not be penalized for not reporting on the full coverage of your FTEs as we recognize that the data is complex to consolidate at the global level. If your company has less than 20% of its workforce in the US and you are unable or not allowed to report on ethnic and racial indicators, please select the second option and report on the nationalities which make up the highest share of your workforce. Please note that this is not the preferred option as nationality is an imperfect proxy for the diversity indicator assessed in this question. We do not accept disclosure on the geographical spread of the workforce, here we refer to the nationalities of the employees rather than their geographical location. We expect disclosure on at least three different nationalities. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. References ILO convention No. 111 GDPR Article 9

### 3.1.4 Gender Pay Indicators

**Additional credit may be granted for publicly available evidence.**

Does your company monitor and disclose the results of your gender pay gap or equal pay assessment? If your company conducts both, please select the option with the highest coverage.

- We monitor and disclose the results of our equal pay analysis.

Currency:

Please provide the coverage reported on (as a % of FTEs):

- >75% of FTEs
- 50-75% of FTEs
- 25-50% of FTEs
- <25% of FTEs

Employee Level	Average Women Salary	Average Men Salary
Executive level (base salary only)		
Executive level (base salary + other cash incentives)		
Management level (base salary only)		

Employee Level	Average Women Salary	Average Men Salary
Management level (base salary + other cash incentives)		
Non-management level (base salary only)		

- If the equal pay information (or the ratios) is publicly reported, please provide the relevant URL.
- Our equal pay assessment is third-party verified. Please provide supporting evidence:
- We monitor and disclose the results of our gender pay gap analysis.
- If the gender pay gap information is publicly reported, please provide the relevant URL.  
Please provide the coverage reported on (as a % of FTEs):
- >75% of FTEs
- 50-75% of FTEs
- 25-50% of FTEs
- <25% of FTEs

Indicator	Difference between men and women employees (%)
Mean gender pay gap	
Median gender pay gap	
Mean bonus gap	
Median bonus gap	

- Our gender pay gap assessment is third-party verified. Please provide supporting evidence:
- We conduct gender pay assessments but do not disclose the results. Please provide supporting qualitative evidence:
- We do not conduct gender pay assessments.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

**Question Rationale** This question assesses a company's pay practices by evaluating the results of its gender pay assessments. An increasing number of countries are adopting regulations which require companies to conduct such pay assessments and to disclose the results, making this topic of high strategic importance. Furthermore, unequal remuneration and gender pay gaps pose a threat to a company's ability to attract and retain women talent, lowers employee engagement, and can lead to reputationally damaging controversies.

**Key Definitions** Executive level: Employees who have an executive function and play a strategic role within an organization. They hold senior positions and impact company-wide decisions. Executives usually report directly to the CEO and the CEO is included in the definition of executive level. Management level: All management-level positions from first-line/junior managers up to top/senior managers with a reporting line 2 levels or less from the CEO, but excluding executive-level positions. Managerial functions are those that involve planning, policy-making, strategizing, leading, and controlling. Non-management level: Employees in charge of executionary functions, such as production and administrative positions. These employees have limited or no managerial role. Other cash incentives: These are monetary incentives paid on top of the employee's regular salary to reward employees for job performance or longevity. These incentives have an explicit monetary value and can include rewards such as bonuses and stock options. Equal pay: Equal pay compares the salary of men and women who have the same or equivalent positions to assess whether they are paid the same for equal work. Gender pay gap: The gender pay gap is the difference in average gross hourly earnings between women and men – it therefore assesses the difference in pay at the aggregated level. Calculated this way, the gender pay gap does not take into account all the different factors that may play a role, for example, education, hours worked, type of job, career breaks, or part-time work. However, it reflects the work that women do and their



position in the company hierarchy, therefore also providing an indicator of equality of opportunities to develop one’s career and access higher-paid positions. Mean gender pay gap: The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. Median gender pay gap: The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. Mean bonus gap: The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees. Median bonus gap: The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees. Coverage: Please select the coverage range on which you are reporting. For example, if you are reporting on your employees in country ABC, and these employees make up 80% of your total workforce, please select the coverage range “>75%”. Data Requirements Disclosure requirements for partially public question: Additional credit will be granted for relevant publicly available evidence disclosing the metrics requested either for equal remuneration or for the gender pay gap. If your company conducts both equal pay and gender pay gap assessments, please select the option for which you have data for the highest proportion of your employees. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. References International standards: ILO convention No. 111 The gender equality questions were developed in collaboration with EDGE, leveraging its robust research on gender equality. EDGE is the leading global assessment methodology and business certification standard for gender equality. It measures where organizations stand in terms of gender balance across their pipeline, pay equity, effectiveness of policies and practices to ensure equitable career flows as well as inclusiveness of their culture. Launched at the World Economic Forum in 2011, EDGE has been designed to help companies not only create an optimal workplace for women and men but also benefit from it. EDGE stands for Economic Dividends for Gender Equality and is distinguished by its rigor and focus on business impact. EDGE Certification’s diverse customer base consists of 200 large organizations in 44 countries across five continents, representing 29 different industries and employing globally more than 2.4 million employees. The study “Do Firms Respond to Gender Pay Gap Transparency?” (January 2019) examined the effect of pay transparency on the gender pay gap and firm outcomes by examining a 2006 policy change in Denmark that required firms to provide gender dis-aggregated wage statistics. Using detailed data and a differences-in-differences statistical approach, Bennedsen et al. found that the law indeed reduced the gender pay gap.

3.1.5 Freedom of Association

This question requires publicly available information.

What percent of your total number of employees are represented by an independent trade union or covered by collective bargaining agreements? Please indicate where this is available in your public reporting.

**Please note:** employees who are eligible but are not actually covered by collective bargaining agreements should be excluded from the count.

<input type="radio"/> % of employees represented by an independent trade union or covered by collective bargaining agreements:	Link to public reporting
<input type="radio"/> We do not track freedom of association metrics.	

- We do not track freedom of association metrics.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale We assess various Labor KPIs at an organization to determine the quality and transparency of its reporting. In line with ILO Convention No. 87 and No. 98, this question assesses if your company allows employees to join an independent trade union. Key Definitions Collective bargaining agreements: Written legal contracts between an employer and a union representing the employees. These agreements can be at the sector, national, regional, organizational, or workplace level. An independent trade union: A trade union which is not under the control of an employer or group of employers or of one or more employers' associations, and is free from interference by an employer or any such group or association. Data Requirements Percentage of employees covered by collective bargaining agreements: Employees who are eligible but are not actually

covered by collective bargaining agreements should be excluded from the count. This question requires public evidence. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

### 3.1.6 MSA Labor Practice Indicators

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.2 Human Rights

The questions in this criterion aim to assess whether or not companies are meeting the implementation requirements of the UN guiding principles for business and human rights.

### 3.2.1 Human Rights Commitment

**This question requires publicly available information.**

Do you have a publicly available, company-specific policy in place for your commitment to respect human rights? The policy must be **company-wide, covering all company operations**. Please indicate where this information is available in your public reporting or corporate website.

- Yes. We have a publicly available policy for our commitments to human rights. The policy covers/contains the following:
- A statement of commitment to respect human rights in accordance with internationally accepted standards
  - A statement of commitment to prevent/respect at least:
    - human trafficking
    - forced labor
    - child labor
    - freedom of association
    - the right to collective bargaining
    - equal remuneration
    - discrimination

other rights
 

The policy also covers the following:

- Requirements for our own operations (employees, direct activities, products or services)
  - Requirements for our suppliers
  - Requirements for our partners
- No, we do not have a human rights policy.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

**Question Rationale** The purpose of this question is to identify companies that have an active commitment to respect human rights in their business relationships in line with the UN Guiding Principles or another internationally accepted standard. The policy needs to be company-specific with a company-wide commitment and not just for a single site, business unit, or project. Following the most recent international developments in the field of corporate non-financial disclosures, we want to know not only the coverage of business human rights policies but what are the specific human rights issues considered within them and whether they highlight particular human rights for attention, whether the commitment is limited to a particular set of rights, encompasses all internationally recognized human rights, or encompasses all internationally recognized human rights but highlights some as needing particular attention according to the context in which the company operates. This input will reinforce the understanding of a company's approach to human rights, building increased trust with different stakeholders and demonstrating international good business practices.

**Key Definitions**

**Respecting human rights:** - Avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur - Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services by their business relationships, even if they have not contributed to those impacts.

**Suppliers:** Include brokers, consultants, contractors, distributors, franchisees or licensees, home workers, independent contractors, manufacturers, primary producers, sub-contractors, and wholesalers.

**Partners:** Include agents, lobbyists and other intermediaries, joint venture and consortia partners, governments, customers, clients, and local communities.

**Human trafficking:** The recruitment, transport, transfer, harboring, or receipt of a person by such means as threat or use of force or other forms of coercion, abduction, fraud, or deception for the purpose of exploitation.

**Forced labor:** Forced labor can be understood as work that is performed involuntarily and under the menace of any penalty. It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers, or threats of denunciation to immigration authorities.

**Child labor:** Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that: - is mentally, physically, socially, or morally dangerous and harmful to children; and/ or - interferes with their schooling by depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.

**Freedom of association:** The right of workers and employers to form and join organizations of their own choosing

**Right to collective bargaining:** The right of workers to bargain freely with employers is an essential element in freedom of association. Collective bargaining is a voluntary process through which employers and workers discuss and negotiate their relations, in particular terms and conditions of work.

**Equal remuneration:** This means the principle of equal remuneration for men and women workers for work of equal value.

**Right to non-discrimination:** The principle of non-discrimination seeks "to guarantee that human rights are exercised without discrimination of any kind based on race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status such as disability, age, marital and family status, sexual orientation and gender identity, health status, place of residence, economic and social situation.

**Data Requirements** This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website. Only referring to or being a signatory to external entities such as the UN Global Compact (UNGC) or International Labour Organization (ILO) is not sufficient for the statement of commitment. A letter from your company to the UNGC is also not sufficient. We require a company-specific statement of commitment. Also, Modern Slavery Statements won't be accepted as human rights commitments.

**References**

Office of the High Commissioner for Human Rights: [https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

Business & Human Rights Resource Center:

<https://www.business-humanrights.org/en/big-issues/un-guiding-principles-on-business-human-rights/>  
UN Global Compact guide to developing a policy: [https://www.unglobalcompact.org/docs/issues\\_doc/human\\_rights/Resources/HR\\_Policy\\_Guide\\_2nd\\_Edition.pdf](https://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/HR_Policy_Guide_2nd_Edition.pdf)

### 3.2.2 Human Rights Due Diligence Process

This question requires publicly available information.

Has your company developed a **company-wide** due diligence process to proactively identify and assess potential impacts and risks relating to respecting human rights?

Yes, and our process covers the following:

Please provide public supporting evidence of a risk mapping or other forms of assessment to identify areas of potential risk:

- Risk identification in our own operations
- Risk identification in our value chain or other activities related to our business
- Risk identification in new business relations (mergers, acquisitions, joint ventures, etc.)
- We do a systematic periodic review of the risk mapping of potential issues

Please indicate the issues and vulnerable groups covered or identified in your due diligence risk identification process. Please attach public supporting evidence for all of the aspects covered.

**Actual or potential human rights issues covered/identified:**

Check all that apply and provide relevant evidence for each issue covered. We expect at least four issues to be covered.

- Forced labor
- Human trafficking
- Child labor
- Freedom of association
- Right to collective bargaining
- Equal remuneration
- Discrimination
- Others, please specify:  
[REDACTED]

**Groups at risk of human rights issues covered/identified:**

Check all that apply and provide evidence for each group covered. We expect at least four groups to be covered.

- Own employees
- Women
- Children
- Indigenous people
- Migrant workers
- Third-party employees
- Local communities
- Others, please specify  
[REDACTED]

- We are developing a process, but we have not yet conducted any assessments. Please provide information indicating the status and expected completion date.
- No, we do not have a process.
- Not applicable. Please provide an explanation in the comment box below.

**Info Text:**

**Question Rationale** The purpose of this question is to assess whether your company has a due diligence process to proactively and systematically identify potential human rights impacts and where they could occur. Here we ask about the scope of your due diligence risk identification process, whether it covers only your own operations or also your value chain and other activities, and whether you perform a human rights due diligence process before entering into new business relationships (mergers, acquisitions, joint ventures, etc.). We also focus on the type of issues you've specifically addressed when carrying out the due diligence process and what type of vulnerable groups you've clearly considered throughout the process. A passive approach such as a whistle-blowing or confidential reporting system is not sufficient for this question. There is an increasing number of studies addressing the link between good corporate performance, human rights, and financial returns. For example, some studies indicate that businesses that properly address human rights issues are likely to have a more productive and more profitable workforce and avoid costly risks. (Baglayan, Basak & Landau, Ingrid & McVey, Marisa & Wodajo, Kebene. Good Business: The Economic Case for Protecting Human Rights, 2018)

**Key Definitions** Adverse human rights impact: An "adverse human rights impact" occurs when an action removes or reduces the ability of an individual to enjoy his or her human rights. Human rights risks: The risks that a company's operations/activities/products pose to people's fundamental human rights. Human rights due diligence: Understood as the process through which enterprises can identify, prevent, mitigate, and account for how they address their actual and potential adverse impacts as an integral part of business decision-making and risk management systems. Due diligence can be included within broader enterprise risk management systems, provided that it goes beyond simply identifying and managing material risks to the enterprise itself, to include the risks of adverse impacts related to human rights.

**Data Requirements** Supporting documentation should be recent, provide a clear description of the due diligence process, indicate the coverage of business activities, and demonstrate that it is an ongoing activity. The information should be available in the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website. For the actual or potential human rights issues identified, we expect evidence that some of the listed issues were identified or covered as part of the risk identification process. For the groups at risk, we expect public evidence on the vulnerable groups you have taken into account in the risk identification process (we expect public proof of having considered the specific risks faced by those groups or of having considered them as relevant stakeholders through the process). We do not expect all issues and all groups to be covered. The outcomes of conducting the risk identification process should be provided in the following "Human Rights Assessment" question. A passive approach such as a whistleblowing or confidential reporting system is not sufficient for this question. References OECD Guidelines for Multinational Enterprises, Chapter IV. <https://www.oecd.org/daf/inv/mne/48004323.pdf> OECD Due Diligence Guidance for Responsible Business Conduct. <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

**3.2.3 Human Rights Assessment**

Has your company conducted an assessment of potential human rights issues across your business activities in the past three years?

- Yes. We have proactively conducted an assessment of potential human rights issues in the last 3 years. Please complete the table below related to the portion of activities assessed, the portion of activities where risks have been identified, and the portion of activities with mitigation actions taken. If any of the business categories are not material to your company, select "Not relevant" and provide an explanation.  
**If an entity has been assessed multiple times in the last three years, it should only be counted once.**  
Supporting evidence:

Category	A. % of total assessed in last three years	B. % of total assessed (column A) where risks have been identified	C. % of risk (column B) with mitigation actions taken
<input type="radio"/> <b>Own Operations</b> (including Joint Ventures where the company has management control) <b>Please select the basis for reporting (denominator): as a % of</b> <input type="radio"/> FTEs <input type="radio"/> Revenues <input type="radio"/> Clients <input type="radio"/> Investment Portfolio <input type="radio"/> Sites <input type="radio"/> Products <input type="radio"/> Not relevant <input type="text"/>			
<input type="radio"/> <b>Contractors and Tier I Suppliers</b> (as a % of contractors or Tier I Suppliers) <input type="radio"/> Not relevant <input type="text"/>			
<input type="radio"/> <b>Joint Ventures</b> (including stakes above 10%) (as a % of joint ventures) <input type="radio"/> Not applicable. We do not have any joint ventures at stakes above 10%. <input type="text"/>			

- No, we have not conducted a human rights assessment in the last three years.
- Not applicable. Please provide an explanation in the comment box below.
- Not known

**Info Text:**

Question Rationale The purpose of this question is to assess the extent your company is proactively identifying where risks are and managing them. The process should consider the country contexts in which the organization operates, the potential and actual human rights impacts resulting from the organization’s activities, and the relationships connected to those activities. (source: [https://www.unglobalcompact.org/docs/news\\_events/8.1/human\\_rights\\_translated.pdf](https://www.unglobalcompact.org/docs/news_events/8.1/human_rights_translated.pdf)). Key Definitions Own Operations: Include direct activities, own employees, own sites, own products/services Contractors and Tier I Suppliers: Include brokers,

consultants, contractors, distributors, franchisees or licensees, home workers, independent contractors, manufacturers, primary producers, sub-contractors, and wholesalers. Joint ventures (including stakes above 10%): all joint ventures not included in Own Operations as defined above. Percentage of suppliers assessed in the last 3 years: This refers to the number of entities across the different categories of business activities that have been assessed in the last three years, divided by the total absolute number of entities within the different categories of business activities in the current year. If an entity has been assessed multiple times in the last three years, it should only be counted once. Data Requirements For information on their own operations, companies may choose the basis for reporting from the following options: % of FTEs, % of revenues, % of clients, % of investment portfolio, % of sites, or % of products. For information on contractors and Tier I suppliers, the basis for reporting should be the % of contractors and Tier I suppliers. For information on joint ventures, the basis for reporting should be the % of joint ventures. Supporting evidence: No document is required to support your response. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. References Office of the High Commissioner for Human Rights: [https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf) Business & Human Rights Resource Center: <https://www.business-humanrights.org/en/big-issues/un-guiding-principles-on-business-human-rights/>

### 3.2.4 Human Rights Mitigation & Remediation

This question requires publicly available information.

Does your company **publicly disclose** on the following measures?

- Yes, our company publicly reports on human rights mitigation and remediation actions. The following are publicly available:
  - Processes implemented to mitigate human rights risks
  - The number of sites with mitigation plans
  - The type of remediation actions taken
- No, we do not publicly report about mitigation and remediation actions
- Not applicable. Please provide an explanation in the comment box below.

#### Info Text:

**Question Rationale** The purpose of this question is to know through concrete examples, what the reporting company has done during the reporting period to reduce the likelihood of negative impacts related to each human rights risk and what actions has it taken when the impact has already happened. In assessing human rights impacts, companies will have searched for both actual and potential adverse impacts. Potential impacts should be prevented or mitigated through the horizontal integration of findings across the business enterprise, while actual impacts—those that have already occurred – should be a subject for remediation. **Key Definitions** **Mitigation actions:** The mitigation of a negative human rights impact refers to actions taken to reduce the extent of the impact. The mitigation of a human rights risk refers to actions taken to reduce the likelihood that a potential negative impact will occur. **Remediation actions:** Here they are understood as processes that apply when the company has caused or contributed to a negative human rights impact (an actual violation has already happened) and through which it is able to help ensure that the people who were impacted receive an effective remedy. The remediating action aims to restore individuals or groups that have been harmed by a business’s activities to the situation they would have been in had the impact not occurred. Where this is not possible, it can involve compensation or other forms of remedy that try to make amends for the harm caused. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition. This should not be confused with ‘remediation’ in the context of social audits, where the concept includes and typically focuses on forward-looking actions to prevent non-compliance from recurring. **Data Requirements** Information should be specifically related to human rights issues, general information on ESG or sustainability

would not be accepted unless it concretely states the specific human rights topics considered within a more general approach. We require supporting evidence to be available in the public domain. Note: For the number of sites with mitigation plans, information on the general number of mitigation plans or the number of mitigation plans for operations/business units/business operations/products/investment portfolio/clients will also be accepted. For remediation actions, in case the company has been involved directly or indirectly in a human rights impact, information should be provided on the type of remediation actions taken. The information should always be linked with an existing impact or violation. In case the company has not caused nor contributed to any human rights violation, this should be stated in the public domain. In this case, the option can be ticked as no remediating actions would be expected. Note for companies in BNK, FBN, INS: Number of sites: The number of sites can be interpreted as the number of portfolios, client relationships or products with mitigation actions in place. Mitigation actions: The following types of mitigation actions could also be considered when they specifically refer to human rights in case of indirect involvement in a potential adverse human rights impact: - specific human rights requirements in investment mandates or clear human rights conditions precedent to investments, - due diligence requirements with respect to investee companies, - use of leverage in case of investee company breach of covenants, - exclusions (maintaining a no-go list) of high-risk companies or companies that are in breach/violation of human rights principles, - active engagement with the investee, - divestment decisions. Remediation actions: As for remediation actions, companies within the BNK, FBN, and INS would frequently only be indirectly linked with the adverse impact. In those cases, where the company has not contributed to the impact but is still directly linked to the harm through its business relationships, information about the efforts to persuade the investee company/business relationship to remediate the harm and about its participation in dialogue or mediation processes regarding the remediation of the adverse impact is expected. Also, information about cooperation with judicial and non-judicial mechanisms would be expected for companies involved in judicial or non-judicial proceedings related to human rights issues. Besides, an entity acknowledging the harm suffered and demonstrating efforts to improve its processes to ensure that similar adverse impacts will not reoccur is also acceptable. In addition, information on direct mitigation and remediation actions is expected when the company has directly caused or may have caused an adverse human rights impact. References Doing business with respect for human rights, A guidance tool for companies, 2nd edition, 2016, Shift, Global Compact Network Netherlands, Oxfam. [https://www.businessrespecthumanrights.org/image/2016/10/24/business\\_respect\\_human\\_rights\\_full.pdf](https://www.businessrespecthumanrights.org/image/2016/10/24/business_respect_human_rights_full.pdf)

### 3.2.5 MSA Human Rights

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.



#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.3 Human Capital Development

Human capital can make up a significant part of a company's intangible assets and for many industries, human capital development is one of the most financially material sustainability factors. Considering the drivers in technological disruption and innovation, demographic shifts, and societal developments, companies need to focus on developing their human capital and make sure that their employees have the necessary skill set



needed to perform well and execute the business strategy. To address the skills gap challenge, companies must carefully consider their investments in training, upskilling and reskilling their workforce.

### 3.3.1 Training & Development Inputs

Additional credit may be granted for publicly available evidence.

Please fill out the following table for the related training & development data for the last fiscal year and attach supporting evidence of where this information is reported.

- Please indicate the percentage of global FTEs the data in the table below represents:
  - > 75% of all FTEs globally
  - 50-75% of all FTEs globally
  - 25-50% of all FTEs globally
  - < 25% of all FTEs globally

	FY 2022
Average hours per FTE of training and development <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:	
Average amount spent per FTE on training and development. <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:	Currency:

#### DATA BREAKDOWN

We break down the data for either of the KPIs above based on the following categories. Please select any that apply and attach supporting evidence:

- Age group
- Gender
- Management level (e.g. junior/low level, middle, senior/top level management)
- Race, ethnicity, nationality, country of origin, cultural background
- Type of training
- We do not track these metrics related to employee training and development.
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

Question Rationale To address the skills gap challenge and remain competitive in attracting and retaining talents, companies must carefully assess their investments in training, upskilling, and reskilling their workforce. Training & development can lead to positive outcomes such as reduced turnover, reduced external hiring costs, and a more engaged and committed workforce. This question assesses whether companies are leveraging their current workforce capabilities by investing in their training & development and whether these investments are made fairly across the entire employee base. Key Definitions FTEs: Full-Time Equivalents is the number of working hours that represents one full-time employee during a fixed time period, such as one month or one year. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. Average hours of training and development per FTE: it refers to the total number of hours of training and development provided in the last fiscal year divided by the total number of FTEs. Average amount spent on training and development per FTE: it refers to the total amount spent on

training and development in the last fiscal year divided by the total number of FTEs. This figure should not include the 'learning and development' team operational cost like that team's employee salaries. By type of training: Here different types of training may include but are not limited to "on-the-job" training, coaching, mentorship, leadership training, compliance training, cultural diversity training, IT training, OHS training, etc. Data Requirements Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'. Disclosure Requirements - Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: "Average hours of training spent per FTE" and/or "Average amount spent per FTE on training and development programs". - Difference in coverage of the different KPIs: This question asks for two different KPIs. In case the reporting coverage of these KPIs is different, e.g. a company can provide data for "Average hours of training spent per FTE" for 70% of FTEs, but "Average amount spent per FTE" for only 30% of FTEs, then for consistency reasons, the company should provide data for both KPIs for 30% of FTEs. - Difference between publicly and privately available data: Companies should report information in line with their public reporting. That means in case a company publicly reports on "Average hours of training and development per FTE" for 50% of FTEs but could answer the question with a larger coverage that it is only privately available (e.g. for 100% of FTEs), the company should fill out the question only based on the information publicly reported and hence verifiable. Data breakdown: - Companies can provide data breakdown for either of the two KPIs asked, i.e. "Average hours of training spent per FTE" and/or "Average amount spent per FTE on training and development programs". - We don't expect companies to break down the data by all the categories mentioned in the question, but full points for this section will be granted for having a breakdown for at least 2 categories. The purpose of this section is to assess whether companies are able to track these KPIs in a way that allows them to evaluate and reassure fair treatment of all employees. - In Europe, according to Article 9 of the GDPR, it is prohibited to process personal data revealing racial or ethnic origin, except if the data subject has given explicit consent to the processing of those personal data, provided this is not prohibited by national law. Other exemptions exist, such as reasons of substantial public interest which might include statistical research purposes for equality of opportunity and treatment. We therefore expect companies to report on only two different categories in order to not penalize companies that do not report data breakdown on race. - For this section, companies can attach either private or public evidence and we expect to see the specific data broken down by these categories e.g. "x% average hours of training spent per FTE" for junior employees, y% for mid-level managers and z% for senior managers.

### 3.3.2 Employee Development Programs

This question requires publicly available information.

Does your company have employee development programs that have been developed to upgrade and improve employee skills? Please indicate where this information is available in your **public reporting** or **corporate website**.

For further clarifications on the information asked below, please consult the information text.

- Yes, We have employee development programs that have been developed to upgrade and improve employee skills and are **publicly** available.

	Program 1	Program 2
<b>Name &amp; Description of the program</b>	<input type="checkbox"/> Please provide description of the program: <div style="background-color: #cccccc; height: 15px; width: 100%;"></div>	<input type="checkbox"/> Please provide description of the program: <div style="background-color: #cccccc; height: 15px; width: 100%;"></div>
<b>Description of program objective/ business benefits</b>	<input type="checkbox"/> Please provide objective/ business benefits of the program: <div style="background-color: #cccccc; height: 15px; width: 100%;"></div>	<input type="checkbox"/> Please provide objective/ business benefits of the program: <div style="background-color: #cccccc; height: 15px; width: 100%;"></div>

	Program 1	Program 2
<b>Quantitative impact of business benefits (monetary or non-monetary)</b>	<input type="checkbox"/> Please provide quantitative impact of business benefits: <div style="background-color: #cccccc; width: 100px; height: 15px; margin: 5px 0;"></div> <div style="background-color: #cccccc; width: 50px; height: 15px; margin: 5px 0;"></div>	<input type="checkbox"/> Please provide quantitative impact of business benefits: <div style="background-color: #cccccc; width: 100px; height: 15px; margin: 5px 0;"></div> <div style="background-color: #cccccc; width: 50px; height: 15px; margin: 5px 0;"></div>
<b>% of FTEs participating in the program</b>		
<b>Supporting Evidence</b>		

- No, we do not offer any employee development program.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale One of the challenges companies face is to fully understand the positive business and financial effects of investing in employees and whether the investments they are making are having the desired impact on their people and their organizations. This question measures how and to what degree companies can measure the benefits to their businesses of their investments in human capital by describing two examples of employee development programs, demonstrating their benefits to the business, and asking whether companies are able to quantify these benefits. For investors, understanding whether companies are maximizing the benefits of their investments in people can be key to understanding how efficiently capital is deployed across the organization and how companies are making forward-looking, strategic investments in their people. Key Definitions Employee development programs: these refer to programs that have been developed to enhance or improve your employees’ skills. They can be functional, leadership, on the job-trainings such as leadership or management development programs, young talent development programs, sales training for sales executives, green or black belt certifications, project management training etc. This does not cover programs providing employees with the basic skills they need to carry out their daily work or to help them reach certain minimum requirements, such as mandatory compliance training, annual recertification programs, basic OHS or workplace security training, board training for new board members, training programs that are necessary to bring new employees up to a minimum standard in order to fulfill their job requirements, graduate/ trainee or apprenticeship programs. Name & Description of the program: companies are expected to provide specific examples of programs and explain how they can provide business benefits. A general reference to the existence of a Learning Academy or Institute or a purchase of a LinkedIn Learning license is not sufficient. Description of program objective/business benefits: it refers to the benefits that the company derives as a result of providing the training, not the benefits for the employee undertaking the training. Of course, programs may result in benefits to both the company and the employees. This should not be a description of the employee development program but rather an explanation of how the program aids the company’s overall performance or helps it meet its strategic targets. Quantitative impact of business benefits: they refer to either monetary or non-monetary metrics that a company uses to track and measure the impacts of its development programs. These metrics should be directly linked to the employee development program described in terms of a measurable outcome as a relevant indicator of more effective business performance. Examples include but are not limited to quantitative information showing changes in employee engagement, employee turnover, efficiency, productivity, revenue generation cost savings, sales, internal employee promotions, employee retention etc. (i.e. specific statements of x% increase in employee engagement, x% decrease in employee turnover etc.) This does not refer to the number of trainees/ participants or any qualitative description of the beforementioned metrics (i.e. statements like “increased number of trainees”, “increase in employee engagement” etc.) FTEs: Full-Time Equivalent is the number of working hours that represents one full-time employee during a fixed time period, such as one month or one year. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. Percentage of FTEs participating in the program: it refers to the percentage of FTEs actively participating/ made use of the program, not the number of people that are eligible or have access to the program, out of the total amount of FTEs in the latest reporting year. Data Requirements - Companies should select the programs they will report on based on their strategic importance. Companies should select programs that can sufficiently demonstrate their business impact than select the programs that have simply higher employee coverage; “% of FTEs participating in the program” field is appraised only on disclosure and therefore greater values of employee coverage will not necessarily lead to a better scoring performance for this

question. - Quantitative impact of business benefits: The quantitative impact reported should be linked to the program’s business benefit described in the previous field and not unrelated. - Supporting Evidence: Please share a public document or weblink and indicate the relevant page where the information related to selected programs are described. Disclosure Requirements - The public document(s) or weblink(s) you attached will be used to verify the qualitative part of your response. Any qualitative response that cannot be verified in the attached public document(s) will not be accepted. - Quantitative figures provided in the response also require public supporting evidence. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

### 3.3.3 Human Capital Return on Investment

This question requires publicly available information.

Do you **publicly** report the following information on a standard Human Capital Return on Investment metric, serving as a global measure of the return on your Human Capital programs.

- Yes, we report on a standard Human Capital Return on Investment metric. Please indicate where the information is available in your **public** reporting.

	FY 2019	FY 2020	FY 2021	FY 2022
a) Total Revenue, as specified in the "Denominator" question Currency:				
b) Total Operating Expenses Currency:				
c) Total employee-related expenses (salaries + benefits) Currency:				
<b>Resulting HC ROI (a - (b-c)) / c</b>				
Total Employees, as specified in the "Denominator" question.				

- No, we do not track any of the above metrics.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale The Human Capital Return on Investment provides a means of measuring a company’s profitability in relation to total employee costs. It is derived by removing non-employee costs from overall operating costs and deriving the resulting operating profitability. This metric provides a view into the degree to which economic value is derived by looking at profitability solely in relation to human capital costs.

Key Definitions Total Revenue: it refers to the amount your company has received in revenues before any deductions are made. Total operating expenses: it refers to all the expenses your company has from its operations. It should be in line with accepted financial accounting and reporting standards including everything

a company will have defined in its income statement. Total employee-related expenses (salaries + benefits): this includes training and development programs, pensions, hiring, etc., as it covers all costs directly related to employees. Data Requirements - By subtracting Total Operating Expenses (b) less Total employee-related expenses (salaries + benefits) (c) from Total Revenue (a), your company's profitability prior to human capital costs is calculated. Dividing this figure by Total employee-related expenses (salaries + benefits) (c) then leads to the ratio that examines your company's level of profitability in relation to the total human capital expenses. Supporting evidence: - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. - Any response that cannot be verified in the attached public document(s) will not be accepted. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'.

### 3.3.4 MSA Human Capital Development

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.4 Talent Attraction & Retention

Successful talent attraction & retention management is a powerful enabler for companies to maintain their competitive advantage and to execute their corporate strategies. Employee engagement, satisfaction or wellbeing surveys and the evaluation of metrics such as employee turnover continue to be essential tools to evaluate employee experience and measure the impact of corporate development. Offering robust health and wellbeing programs is essential to ensuring employee satisfaction, productivity and retention which can improve a company's overall financial and non-financial performance. Further, measuring individuals' performance and providing long-term incentives and internal career mobility opportunities remain core practices to attract and retain top talent.

### 3.4.1 Hiring

**Additional credit may be granted for publicly available evidence.**

Please indicate the total number of new employee hire rates and the percentage of open positions filled by internal candidates. Please also report the average hiring cost/FTE for the last fiscal year.

**Please note: The average hiring cost/FTE should specifically relate to the number of employees hired last year, not average cost for all employees.**

	FY 2019	FY 2020	FY 2021	FY 2022
Total number of new employee hires <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:				
Percentage of open positions filled by internal candidates (internal hires) <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:				
Average hiring cost/ FTE Currency:				

**DATA BREAKDOWN**

We break down the new employee hires and/or internal hires data based on the following categories. Please provide supporting evidence:

- Age group
- Gender
- Management level (e.g. junior/low level, middle, senior/top level management)
- Race, ethnicity, nationality, country of origin or cultural background

- We do not report this information
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Employees are one of the most important intangible assets for companies. The ability to attract qualified and talented employees, as well as retain and nurture internal talents is pivotal for corporate success. Companies focused on attracting the best talents should not forget about their internal talents who have grown with the company and understand the organization, its mission and culture. Companies need to build organized internal career mobility processes to retain talents and reduce external hiring costs. This question asks for the number of new employee hires, the percentages of positions filled by internal candidates, the hiring cost, and data breakdown by age, gender, race/ ethnicity, and management level. Key Definitions FTEs: Full-Time Equivalents is the number of working hours that represents one full-time employee during a fixed time period, such as one month or one year. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. Total number of new employee hires: refers to the number of new full-time equivalents (FTEs) hired in the reporting year. It should not include internal candidates i.e. existing employees that have been hired in different positions or internally promoted. Percentage of open positions filled by internal candidates (or internal hires or promotions): refers to the total number of open positions filled by a company’s own employees divided by the total number of

vacancies in the company in the reporting year. This metric provides a mean of determining the effectiveness of human capital development by providing employees with the skills required for promotion, and it also demonstrates how proactive organizations are in providing their employees with new challenges for growth and development throughout their careers. Average hiring cost/FTE: refers to the average cost of hiring a new full-time equivalent (FTE) in the reporting year. This figure should be calculated based on the costs of hiring all new FTEs in the reporting period and not based on the costs of hiring FTEs who were already at the company before the last fiscal year started. The average hiring cost includes internal and external recruiting costs e.g. recruiter salaries, interviews, agency fees, advertising, job fairs, travel, and relocation costs. Disclosure Requirements Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question, for at least the most recent reported year. - Total number of new employee hires - Percentage of open positions filled by internal candidates (internal hires) IMPORTANT if you are prefilling data from previous assessments: Please note that for technical reasons, the data from the fiscal year 2019 is being prefilled in all 4 years for the “percentage of open positions filled by internal candidates” and the “average hiring cost/FTE”. Please make sure to review the prefilled data and update it accordingly for each fiscal year. Duplicated data which is not supported by an explanation in the comment box will be removed. Data Breakdown: - We don't expect companies to break down the data by all the categories mentioned in the question, but full points will be granted for this section for having a breakdown for at least 2 categories. The purpose of this section is to assess whether companies are able to track these metrics in a way to be able to evaluate and reassure fair treatment of all employees. - In Europe, according to Article 9 of the GDPR, it is prohibited to process personal data revealing racial or ethnic origin, except if the data subject has given explicit consent to the processing of those personal data, provided this is not prohibited by national law. Other exemptions exist, such as reasons of substantial public interest which might include statistical research purposes for equality of opportunity and treatment. We therefore expect companies to report on only two different categories, in order to not penalize companies that do not report data breakdown on race. - For this section, companies can attach either private or public evidence and we expect to see the specific quantitative data broken down by these categories Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

### 3.4.2 Type of Performance Appraisal

This question requires publicly available information.

Does your company conduct individual and/or team-based performance management appraisals and publicly share this information?

Yes, our type(s) of individual and/or team-based performance management appraisals are publicly available and include the following: (Click all that apply)

- Management by objectives
- Multidimensional performance appraisal (e.g. 360 degree feedback)
- Team-based performance appraisal
- Agile conversations

#### Performance Appraisal Frequency:

Please indicate the frequency at which performance appraisals take place, for at least one type of performance appraisal

- Ongoing
  - Quarterly/ Twice a year
  - At least yearly
  - Not reported
- No, we do not have any of these types of performance appraisals in place
- Not applicable. Please provide explanations in the comment box below

**Info Text:**

**Question Rationale** The purpose of this question is to assess the various methods that companies use to measure performance and how often performance appraisals take place. This aids the personal development of individual employees and ensures a holistic approach to team management. It also contributes to skills management and to the development of human capital within the organization. Regular performance and career development reviews can also enhance employee satisfaction, which correlates with improved business performance.

**Key Definitions**

- Employees:** Refers to full-time and part-time employees.
- Management by objectives:** Refers to a systematic process in which employees have pre-defined and measurable goals that are set in a collaborative manner on at least a yearly basis together with their line manager and routinely followed up on.
- Multidimensional performance appraisal:** Refers to a system in which the employee's performance is assessed using a variety of inputs, not just the targets set by a manager. This can include an assessment of how the employee meets the values and objectives of the department or company, receiving feedback from their peers, direct reports, and other employees where a "360-degree" view of the employee's performance is provided and/or receiving client or external feedback.
- Team-based performance appraisal:** Refers to a system where employees are assessed as part of a team rather than only as individuals. It is likely that companies will use a two-pronged approach e.g. team goals and employees' personal goals are set and weighting applied to an individual review and team review.
- Agile conversations:** Agile performance management is an unstructured approach to managing employee performance and development throughout the year as opposed to on an annual or bi-annual basis. It is collaborative, involving regular conversations and continuous feedback. Agile performance management isn't solely focused on the destination (i.e. an annual performance outcome or rating) — it is more about the process of getting there, which involves regularly re-addressing objectives and barriers to effective performance.
- Ongoing:** Refers to "more than quarterly". Having a conversation with a superior/manager/senior leader about professional development. These can be formal reviews and regular check-ins. We can also accept this if the company is carrying them out for the first time but with the explicit intention of conducting them on an ongoing basis.

**Data Requirements** Supporting evidence can be provided to support your response. This can be a reference to an integrated report, sustainability report, or weblink. This question requires publicly available evidence covering the following aspects of this question, for at least the most recent reported year.

- The type of performance appraisal.
- How often a type of performance appraisal was carried out

Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'.

**3.4.3 Long-Term Incentives for Employees**

Does your company provide long-term incentives for **employees below the senior management level**? Long-term incentive programs are programs tied to an employee's performance. The performance can be measured during one or multiple years. These incentive programs do not include employee benefits (please see the information button definitions for more information).

**Please note:** senior management includes employees that are at most two management levels from the CEO (or equivalent). Below senior management level refers to all employees that are more than two management levels away from the CEO. If your company uses a different definition for "below senior management level" please provide the definition in your answer.

Long-term incentives for the executive management and/or senior management are not accepted in this question.



<p><input type="radio"/> Please describe the following aspects (both): 1) the type of long-term incentive program (e.g. stock options, restricted stock units, cash incentives, etc.); 2) the type of employees below the senior management level the program applies to:</p>	<p>Our long-term incentives for employees below the senior management level are on average paid out after:</p>	<p>Please report the percentage of your workforce below senior management level (max. two levels from the CEO) that this program applies to:</p>	<p>Do the long-term incentives include targets associated with sustainability performance? Please explain in the comment box below:</p>
<p>Please provide supporting evidence: <input type="checkbox"/> Please provide relevant information below: [Redacted]</p>	<p><input type="radio"/> 2 years <input type="radio"/> 3 years <input type="radio"/> Longer than 3 years</p>	<p>% of our employees</p>	<p><input type="checkbox"/> Please provide relevant information below: [Redacted]</p>

- No, we do not offer long-term incentive programs for employees below the senior management level.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Long-term incentive programs can be essential for companies to retain well-qualified employees over time. Such programs serve to orient key decisions throughout the organization around longer-term goals and strategic objectives, giving companies a greater likelihood of success over time. This question assesses the long-term incentive programs the company has in place, the time frame for which performance incentives are paid out, the extent to which these programs apply to employees across the organization, and the extent to which they are associated with sustainability principles. Key Definitions Long-term incentives: Variable compensation that is tied to the performance of an employee. The performance can be measured during one or multiple years. This can include deferred cash bonuses, stock options, and restricted stock units. Employee benefits, such as pension contributions (whether mandatory or voluntary) or extra vacation days, should not be included as these are not linked to employee performance. Sustainability performance: It can relate to any sustainability goals set by your company, whether they are related to environmental issues, social issues such as occupational health and safety, or any other sustainability issue defined as material by your company. Senior management level: Refers to employees that are within two levels of the CEO as a maximum. "Employees below senior management" thus refers to all employees that are below the "senior management level". Please note that the definition of "senior management level" is up to the company as we allow the company to choose the best definition according to its business plan and company structure. If your definition differs from our definition due to your business model, please explain this in the question. Data Requirements Average time period for performance: The average pay-out time period on which these incentive programs are based. If different pay-out time periods are used for different employee categories, please use a weighted average of the pay-out time periods for long-term incentive programs that exist. Percentage of your workforce below senior management level (max. two levels from the CEO): Refers to the percentage of employees that are not considered senior management that are part of the long-term incentives program. For example, if your company has 100 employees, 10 are senior management (a maximum of two levels from the CEO in the organizational structure) and 10 employees below senior management are part of the long-term incentives program, then 11% (=10/90\*100) of employees below senior management level are covered in the program. Long-term incentives for executive management and/or senior management are not accepted in this question. Supporting evidence: - The document(s) you attached will be used to verify the qualitative part of your response. If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - Quantitative figures provided in the response do not need supporting evidence. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to

compile the provided quantitative information. - The supporting documents do not need to be available in the public domain. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

### 3.4.4 Employee Support Programs

This question requires publicly available information.

Does your company provide special training and/or measures to foster employees' health and well-being in the following areas? Please indicate where this information is available in your public reporting or corporate website.

Yes, we have the following programs and policies in place:

Please provide supporting evidence:

#### Employee Benefits

Workplace stress management

Sport & health initiatives

#### Work Conditions

Flexible working hours

Working-from-home arrangements

Part-time working options

#### Family Benefits

Childcare facilities or contributions

Breast-feeding/lactation facilities or benefits

Paid parental leave for the primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees):

\_\_\_\_\_

Paid parental leave for the non-primary caregiver (please enter total number of paid leave in weeks offered to the majority of your employees):

\_\_\_\_\_

Paid family or care leave beyond parental leave (care for a child, spouse, partner, dependent, parent, sibling, or other designated relation with a physical or mental health condition)

We do not publicly report on programs or policies.

Not applicable. Please provide an explanation in the comment box below.

#### Info Text:

Question Rationale Employee health and well-being are essential to ensuring employee satisfaction, productivity, and retention. While flexible work arrangements allow employees to adapt their work schedule to their individual needs and personal commitments, paid parental and care leave, as well as childcare facilities and lactation rooms, ensure that employees have the possibility to balance work and care responsibilities. This flexibility and these benefits boost employee morale, increase productivity, reduce absenteeism, and help to attract and retain top talent while reducing turnover. As a result, companies can improve their financial and non-financial performance indicators. This question assesses the company's programs and policies that aim to foster employee health & well-being. To reward greater flexibility and equality for both caregivers, the question considers the % of parental leave for the non-primary caregiver compared to the total number of weeks provided for the primary caregiver. Key Definitions Workplace stress management: This refers to programs, information, or training offered, targeted at helping employees manage their stress levels. This relates to both work and non-work-related stress. Examples of workplace stress management programs include, for example, meditation classes, mental health benefit programs, and other wellness programs or education that aim to help employees reduce stress. Sport & health initiatives: This refers to programs or

initiatives that help promote the overall health of employees involving physical activity, mental well-being, and/or nutrition goals. Such programs could include onsite fitness facilities, virtual exercise classes, fitness tracking and biometrics, or gym reimbursement. Flexible working hours: This refers to a schedule which allows employees to decide when to start and/or finish their workday according to their individual needs. Flexible working hours may give the employee total freedom over their working schedule or may require employee presence for a core set of hours in the day/week and manage the rest of their working hours as best suits them. Working-from-home arrangements: This refers to a working arrangement by which employees can work from their own homes or other locations of their choice outside of the company facilities. Part-time work: Part-time work is a form of employment by which the employee works fewer hours in the week than what is deemed full-time employment. Childcare facilities: This refers to on-site childcare centers or services which allow parents to drop off their children to qualified caregivers during their working hours. Childcare contributions: This refers to the financial support provided to parents specifically designed to ensure that they have access to qualified childcare services to take care of their children during working hours. Breast-feeding/lactation facilities: This refers to a dedicated lactation room or facility so that new mothers can breastfeed or breast-pump for their newborn child. This space should be located at the workplace and offer privacy, comfort, storage, and hygiene. Breast-feeding/lactation benefits: This refers to benefits provided to new mothers to ensure they have the capacity and support to allow them to breastfeed or breast-pump for their newborn child at work. These benefits include, but are not limited to, paid break times for feeding or pumping (15-20 minutes every 2-3 hours depending on individual needs), subsidies for the purchase of portable breast-feeding or breast-pumping equipment. Paid parental leave for the primary caregiver: This refers to paid leave which is offered on top of normal paid vacation time in order to specifically support primary caregivers during pregnancy, after birth or for the adoption or fostering of a child. This paid leave is separate from other types of leave such as sick leave or paid time off. The primary caregiver is the person primarily responsible for the care and upbringing of a child. Paid parental leave for the non-primary caregiver: This refers to paid leave which is offered on top of normal paid vacation time in order to specifically support non-primary caregivers during pregnancy, after birth or for the adoption or fostering of a child. This paid leave is separate from other types of leave such as sick leave or paid time off. A non-primary caregiver is a person with parental responsibility for a child that does not have primary responsibility for the care and upbringing of the child. Paid family or care leave beyond parental leave: This refers to paid leave granted to the employee in order to take care of a spouse, domestic partner, child, dependent, parent, parent-in-law, grandparent, grandchild, sibling or other designated relation when this person has a physical or mental health condition which requires additional care. This is separate from paid parental leave which is granted to parents who have a new child. Data Requirements Disclosure requirements for public questions: Supporting evidence available in the public domain is required for each aspect of this question. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'. References - WELL Certification C08, C09 and C10

**3.4.5 Employee Turnover Rate**

**Additional credit may be granted for publicly available evidence.**

Please indicate your company's total and voluntary turnover rates for the last four years as a percentage of total number of employees in the table below.

○	FY 2019	FY 2020	FY 2021	FY 2022
Total employee turnover rate <input type="checkbox"/> This data is publicly available. Please provide supporting evidence:				

	FY 2019	FY 2020	FY 2021	FY 2022
Voluntary employee turnover rate <input type="checkbox"/> This data is publicly available. Please provide supporting evidence:				
Data coverage (as % of all FTEs globally)				

**DATA BREAKDOWN**

We break down the data of the total employee turnover rate based on the following categories. Please provide supporting evidence:

- Age group
- Gender
- Management level (e.g. junior/low level, middle, senior/top level management)
- Race, ethnicity, nationality, country of origin or cultural background
- We do not report this information
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale People are one of the main drivers of corporate growth and play an essential role in the successful execution of companies’ strategies. In this question, we assess both total and voluntary turnover. Total turnover may fluctuate and reflect industry trends or economic cycles. Voluntary turnover is a better indicator to evaluate a company’s ability to retain its employees. This indicator may reflect high levels of uncertainty or dissatisfaction among employees or structural organizational changes. High turnover may impact employee productivity and lead to increased costs due to higher expenses for employee recruitment. Finally, it is very important to evaluate turnover patterns by age, gender, or other employee groups as this can be an indication of incompatibility or potential inequity in the workplace. Key Definitions Total employee turnover: Refers to the proportion of employees who leave an organization over a set period (often a year), expressed as a percentage of the total employees. The figure should be calculated using the total number of employees at the end of the latest reporting year. The total employee turnover rate number should be the sum of the voluntary employee turnover and the involuntary employee turnover rate. Voluntary employee turnover: Refers to the proportion of employees who choose to leave an organization (such as resignation, retirement, early retirement etc.) over a set period (often a year), expressed as a percentage of the total employees. The figure should be calculated using the total number of employees at the end of the latest reporting year. Data Requirements - If the company doesn't have a lot of FTEs because they outsource all their activities to contractors, then contractors are to be considered employees and the question will be applicable. - If the company's definition of the turnover rates does not match our definition, then mark “Not Applicable” for this question Disclosure requirements: Additional credit will be granted for relevant publicly available evidence covering the following aspects of this question, for at least the most recent reported year. - Total employee turnover rate - Voluntary employee turnover rate Data Breakdown: - We don’t expect companies to break down the data by all the categories mentioned in the question, but full points will be granted for this section for having a breakdown for at least 2 categories. The purpose of this section is to assess whether companies are able to track these metrics in a way to be able to evaluate and ensure fair treatment of all employees. - In Europe, according to Article 9 of the GDPR, it is prohibited to process personal data revealing racial or ethnic origin, except if the data subject has given explicit consent to the processing of those personal data, provided this is not prohibited by national law. Other exemptions exist, such as reasons of substantial public interest which might include statistical research purposes for equality of opportunity and treatment. We therefore expect companies to report on only two different categories, in order to not penalize companies that do not report data breakdown on race. - For this section, companies can attach either private or public evidence and

we expect to see the specific quantitative data broken down by these categories. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'.

### 3.4.6 Trend of Employee Wellbeing

Additional credit may be granted for publicly available evidence.

Please indicate if your company conducts an employee survey.

- Yes, we conduct an annual employee survey

Please indicate in the following table the percentage of employees that are for example **highly engaged, with highly positive experience or a high level of wellbeing as found through your company's scaled employee surveys**. Please select only the core focus of your survey as well as its coverage. Please note: If your company only conducts its primary employee survey every two years, please duplicate the value of the previous year in the table and provide the target for the most recent year the primary survey was conducted.

Core Focus	Unit	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
<input type="radio"/> Employee Engagement <input type="radio"/> Employee Satisfaction <input type="radio"/> Employee Wellbeing <input type="radio"/> Employee Net Promoter Score (eNPS)	% of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (eNPS)					
Data coverage	% of employees who responded to the survey					

#### Public Reporting

- The results of our annual employee surveys are publicly available. Please provide supporting evidence or web link.

In tracking **employee metrics**, which of the following **aspects** are addressed in your employee surveys (select all that apply). Please provide supporting evidence.

- Job satisfaction (external motivation, e.g. I am satisfied with my job)
- Purpose (internal motivation, e.g., my work has a clear sense of purpose)
- Happiness (e.g., I feel happy at work most of the time)
- Stress (e.g., I feel stressed at work most of the time)

- No, we do not conduct an annual employee survey.
- Not applicable. Please provide explanations in the comment box below.
- Not known

Info Text:

**Question Rationale** Employee engagement, satisfaction, and well-being surveys are crucial tools for evaluating employee conditions and developing policies to attract, retain and develop the best employees and identify areas for improvement. In this question, we determine whether companies conduct regular employee surveys and in how far metrics on Job satisfaction, Purpose, Happiness and Stress are addressed in the employee surveys. The four aspects Job satisfaction, Purpose, Happiness and Stress have been recommended by the World Wellbeing Movement as evidence-informed employee wellbeing outcome measures developed by the University of Oxford's Wellbeing Research Centre. They capture the complementary dimensions of wellbeing at work as experienced by the employee and align with how statistical agencies across the OECD are measuring general wellbeing. Research indicates there is a strong link between employee wellbeing and business outcomes such as employee productivity, retention, recruitment, and firm performance.

**Key Definitions**

**Top level engagement or score:** The top level based on a classification where for example "highly engaged" is 7-10 on a 10 point scale, or equivalent. While companies might conduct multiple surveys, in this question we ask for the top level engagement or score only on the core focus of the survey. Depending on the core focus of the survey, top level can refer to the highest category of either engagement, satisfaction, well-being, or top level of employee Net Promoter Score (eNPS).

**% Of employee survey respondents:** Refers to the percentage of FTE employees who responded to the survey. This should not be the percentage of employees invited to participate in the survey.

**Target:** Targets can be the precise, stated target for the year in which the survey was conducted, or if the target is long-term for a specific future year, it can be linearly extrapolated. For instance, if the company reported 70% of employees were engaged or satisfied in FY2020, and set a two-year target of reaching 80% by FY2022, the linearly extrapolated target for FY2021 would be 75% (e.g. 10% improvement divided by two years equals 5% per year).

**Employee Engagement:** definitions of employee engagement may vary, but the following are representative:

- Gallup: Those who are involved in, enthusiastic about, and committed to their work and workplace.
- Utrecht Work Engagement Scale (UWES-9): "A positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption."
- Grovo: "A deep, personal, and empowered investment in work." Deep because the employee cares about the quality of their work. Personal because the work and its contribution to the success of the company matter to the employee. And empowered because "the employee is capable of delivering a quality that will reward their investment of time, talents, effort, and care."

**Employee Satisfaction:** Refers to external motivation. How happy employees feel about their job; specifically concerning external incentives such as employment benefits.

**Employee Wellbeing:** Gallup: Wellbeing refers to "all of the things that are important to each of us and how we experience our lives. Key wellbeing measures include how employees rate their current and expected future lives (life evaluation) and how strongly employees believe their organization cares about their wellbeing."

**Employee Net Promoter Score (eNPS):** Refers to the question "on a scale of 0 to 10, how likely would you be to recommend this company to a friend or colleague as a place to work?" Responses which fall in between 9-10 are considered promoters or a company's most positive, motivated, and satisfied people. Those who fall between 7-8 are passives or employees who are neutral, or generally content but not fully committed to the organization. Employees who answer between 0-6 are considered detractors or those who wouldn't recommend your company and are unhappy and disengaged to varying degrees.

**Aspects addressed in employee surveys:** The four aspects included in the question involve metrics related to the complementary dimensions of wellbeing at work as experienced by the employee. They align with how statistical agencies are measuring general wellbeing and how Indeed surveys workplace wellbeing.

- Job satisfaction: Refers to questions in the survey aiming at measuring evaluative wellbeing (e.g. "I feel completely satisfied with my work")
- Purpose: Refers to questions in the survey aiming at measuring eudemonic wellbeing (e.g. "My work has a clear sense of purpose")
- Happiness: Refers to questions in the survey aiming at measuring positive affect (e.g. "I feel happy at work, most of the time")
- Stress: Refers to questions in the survey aiming at measuring negative affect (e.g. "I feel stressed at work, most of the time")

**Data Requirements**

- If your company only conducts an employee survey every two years, please duplicate the value of the previous year in the table and provide the target for the most recent year a survey was conducted
- For the employee metric aspects section of the question, companies can attach either private or public evidence, however only information that can be verified will be accepted.

**Disclosure requirements for partially public question:** Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question:

- The results of the annual employee survey (i.e., the % of employees with top level of engagement, satisfaction, wellbeing, or employee net promoter score (NPS) figure for at least the most recent reported year). Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

### 3.4.7 MSA Talent Attraction & Retention

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.5 Occupational Health & Safety

Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Moreover, it can also affect a company's reputation, impact staff morale or increase operating costs through fines and other contingent liabilities. Our key questions focus on Key Performance Indicators (KPIs) for a company's own operations, and for its suppliers and their performance against industry benchmarks. Industry-specific questions additionally focus on training, audits and transparency. Industries operating in areas where HIV/AIDS is widespread are also expected to support their employees and minimize the risks of disruption to their business activities.

### 3.5.1 OHS Policy

**This question requires publicly available information.**

Does your company have an OHS policy/ commitment?

- Yes, we have a publicly available commitment on Occupational Health and Safety and it includes the following elements:
  - Is applicable to the company's entire operations/ employees as well as contractors or individuals under the company's supervision.
  - Compliance with relevant OHS international standards and regulations, voluntary programs and/or collective agreements on OHS.
  - Consultation with and participation of workers, and, where they exist, workers' representatives.
  - A commitment to continually improve the performance of the OHS management system.
  - Setting up prioritization and action plans.
  - Establishment of quantitative targets for improving OHS performance metrics.
  - Endorsement of the implementation of the OHS policy. Please select the highest endorsing decision-making body:
    - Board of directors
    - Executive management

- No, we do not have a public Occupational Health and Safety policy.
- Not applicable. Please provide an explanation in the comment box below.

**Info Text:**

**Question Rationale** The purpose of this question is to identify companies that have an active commitment to occupational health and safety in line with the most relevant international OHS standards. The policy needs to be company-specific with a company-wide commitment and not just for a single site, business unit, or project. The OHS policy should cover a set of commitments that capture the long-term direction of the organization in terms of health and safety. It sets the company's approach to health and safety and establishes in a clear way what the company's expectations towards employees and other interested parties are. The OHS policy provides an overall commitment, as well as a necessary framework for the organization to set its objectives and take action to achieve the intended outcomes of the OHS management system. The commitments included in the policy are then reflected in the processes companies establish to ensure a robust, credible, and reliable OHS management system. Therefore, an OHS commitment is a precious and necessary step on what to build further measures. The OHS policy should set the direction for effective health and safety management. Board members need to establish a health and safety policy that is much more than a document – it should be an integral part of the organization's culture, of its values, and performance standards. **Data Requirements** This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. **References** ISO 45001 ILO Occupational Safety and Health Convention, 1981 (No. 155)

**3.5.2 OHS Programs**

**This question requires publicly available information.**

Does your company have an OHS management system?

- Yes, we have an OHS management system that covers the following elements:  
Please provide public supporting evidence
  - OHS risk and hazard assessments to identify what could cause harm in the workplace.
  - Prioritization and integration of action plans with quantified targets to address those risks.
  - Integration of actions to prepare for and respond to emergency situations.
  - Evaluation of progress in reducing/preventing health issues/risks against targets.
  - Internal inspections.
  - Independent external verification of health, safety and well-being: please provide the names and standards used (such as ISO 45001):  
████████████████████
  - Procedures to investigate work-related injuries, ill health, diseases and incidents.
  - OHS training provided to employees and/or other relevant parties to raise awareness and reduce operational health & safety incidents.
  - OHS criteria introduced in procurement and contractual requirements.
- No such measures in place to ensure effective management of health risks/issues.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

**Question Rationale** Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Lower performance not only poses a threat to a company's reputation and staff morale but also results in increased operating costs in the form of fines and other contingent



liabilities. With this question, we aim to find out how a company ensures effective management of health risks/ issues and to identify companies that have dedicated programs for Occupational Health and Safety. The OHS programs should cover a set of actions that ensure a robust, credible, and reliable OHS management system. It aims at providing tools to assess and improve performance in the prevention of workplace incidents and accidents via the effective management of hazards and risks in the workplace. Disclosure Requirements This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications) or corporate website. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. References ISO 45001 ILO Occupational Safety and Health Convention, 1981 (No. 155)

**3.5.3 Fatalities**

**Additional credit may be granted for publicly available evidence.**

Please complete the following table with the number of **work-related fatalities** for employees and contractors.

Fatalities	FY 2019	FY 2020	FY 2021	FY 2022
Employees <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:				
Contractors <input type="checkbox"/> This data is publicly available. Please provide supporting evidence or web link:				

**THIRD-PARTY VERIFICATION**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted comment box]

- We do not track employee and contractor fatalities.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Keeping track of work-related injuries and fatalities should cover a company's entire operations, covering both internal employees and external contractors. This is crucial for ensuring that legal requirements are met, that problematic and/or dangerous operations can be identified and that safety measures can be improved. Key Definitions Work-related fatalities: The death of a worker arising from an occupational disease or injury sustained or contracted while performing work that is controlled by the

organization or that is being performed in workplaces that the organization controls. Contractor: Persons or organizations working onsite or offsite on behalf of an organization. A contractor can contract their own workers directly, or contract sub-contractors or independent contractors. Data Requirements Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Number of work-related fatalities for employees and contractors for at least the most recent reported year. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.

**3.5.4 Lost-Time Injury Frequency Rate (LTIFR) - Employees**

**This question requires publicly available information.**

Please provide your company's lost-time injury frequency rate for employees (per one million hours worked). For each row in the table, it is mandatory that the values provided are in the same unit. If your company's LTIFR for employees is equal to zero for one or more fiscal years, this data will only be accepted if evidence of third-party verification is provided. Please indicate where this information is available in your public reporting or corporate website.

If you only track LTIFR on a consolidated basis, without distinguishing between employees and contractors, please use this question to report the consolidated number.

LTIFR	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Employees <input type="radio"/> LTIFR <input type="radio"/> LTIR	LTIFR (n/million hours worked) LTIR (n/200,000 hours worked)				
Data coverage (as % of employees, operations or revenues)	percentage of: <input type="radio"/> Employees <input type="radio"/> Operations <input type="radio"/> Revenues				

**THIRD-PARTY VERIFICATION**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

\_\_\_\_\_

We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

\_\_\_\_\_

We only track lost-time injury frequency rate (LTIFR) on a consolidated basis. Please provide the combined figures in the table above and mark "Not applicable" in the next question (Lost-Time Injuries Frequency Rate (LTIFR) - Contractors).

**Alternative Metric**

Please provide your company's Lost Workday Rate (LWR) or Days Away/Restricted or Transfer Rate (DART) for employees (per 200,000 hours worked). For each row in the table, it is mandatory that the values provided are in the same unit. If your company's LWR or DART for employees is equal to zero for one or more fiscal years, this data will only be accepted if evidence of third-party verification is provided.

Alternative Metric	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Employees <input type="radio"/> Lost Workday Rate <input type="radio"/> Days Away Restricted Transfer Rate	n/200,000 hours worked				
Data coverage (as % of employees, operations or revenues)	percentage of: <input type="radio"/> Employees <input type="radio"/> Operations <input type="radio"/> Revenues				

**THIRD-PARTY VERIFICATION**

- Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

- We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted]

- We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:

[Redacted]

- We only track DART or LWR on a consolidated basis.  
Please provide the combined figures in the table above and mark "Not applicable" in the next question (Lost-Time Injuries Frequency Rate (LTIFR) - Contractors).

We do not track any of these metrics (LTIFR, DART or LWR) for our employees.

Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Lower performance not only poses a threat to a company’s reputation and staff morale but also results in increased operating costs in the form of fines and other contingent liabilities. We expect companies to keep track of the lost time injuries of their employees and to prevent exacerbation of the injuries. Key Definitions Lost-time injuries frequency rate (LTIFR): Any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled work day/shift. The LTIFR is the number of lost-time injuries per million hours worked, calculated using the formula:  $LTIFR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period}) \times 1'000'000$  Lost- Time Injury Rate (LTIR) Any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled workday/shift. The LTIR is the number of lost-time injuries per 200,000 hours worked, calculated using the formula:  $LTIR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period}) \times 200'000$  DART (Days Away/Restricted or Transfer Rate): A mathematical calculation that describes the number of recordable injuries and illnesses per 100 full-time employees that resulted in days away from work, restricted work activity and/or job transfer that a company has experienced in a fiscal year. Dart rate formula:  $\text{total number of DART incidents} \times 200,000 / \text{number of employee labor hours worked in the fiscal year}$ . LOST WORKDAY RATE (LWD): A mathematical calculation that describes the number of lost workdays per 100 full-time employees in the last fiscal year. LWD Rate formula:  $\text{Total Number of Lost Days} \times 200,000 / \text{Number of Employee Labor Hours Worked}$  A Lost Workday Incident takes into account the number of days of missed work, not days that involved restricted tasks. The day the illness or injury occurred is not counted as a lost workday, and the total number possible for lost days due to a single incident is capped at 180. Data Requirements If your company combines LTIFR for

employees and contractors, then please answer this question combining the two figures and mark the question "Lost-Time Injuries Frequency Rate (LTIFR) - Contractors" as "Not Applicable". Disclosure requirements for public question: Publicly available evidence covering the following aspect of this question must be included: - Employee Lost-Time Injury Frequency Rate (LTIFR) for at least the most recent reported year OR - Employee Days Away/Restricted or Transfer Rate (DART) for least the most recent reported year OR - Employee Lost Workday Rate (LWD) for least the most recent reported year. Please note: if Lost-Time Injury Frequency Rate (LTIFR) is only tracked on a consolidated basis (employees and contractors combined) the combined rate for at least the most recent reported year should be provided. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'. Data Consistency If the occupational health & safety performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all. Please note that we only expect your company to report ONE metric only. If your company reports both LTIFR and one of the alternative metrics, please use the LTIFR as this is the preferred metric. If your company reports one metric for employees and another for contractors, this is acceptable. Please note that Lost Time Injury Rate (200,000 hours) can be selected in the Standard Metric table as the figure can be multiplied by 5 to reach the calculation of LTIFR (1 million).

**3.5.5 Lost-Time Injury Frequency Rate (LTIFR) - Contractors**

**Additional credit may be granted for publicly available evidence.**

Please provide your company's lost-time injury frequency rate for contractors (per one million hours worked). For each row in the table, it is mandatory that the values provided are in the same unit. If your company's LTIFR for contractors is equal to zero for one or more fiscal years, this data will only be accepted if evidence of third-party verification is provided.

If you only track LTIFR on a consolidated basis, without distinguishing between employees and contractors, please mark this question as "**Not applicable**" and use the LTIFR - Employees question to report the consolidated number.

LTIFR	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Contractors <input type="radio"/> LTIFR <input type="radio"/> LTIR	LTIFR (n/million hours worked) LTIR (n/200,000 hours worked)				
Data coverage (as % of contractors, operations or revenues)	percentage of: <input type="radio"/> Contractors <input type="radio"/> Operations <input type="radio"/> Revenues				

**PUBLIC REPORTING**

Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:

[Redacted comment box]

We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:



**Alternative Metric:**

Please provide your company's Lost Workday Rate (LWR) or Days Away/Restricted or Transfer Rate (DART) for contractors (per 200,000 hours worked). For each row in the table, it is mandatory that the values provided are in the same unit. If your company's LWR or DART for contractors is equal to zero for one or more fiscal years, this data will only be accepted if evidence of third-party verification is provided.

Alternative Metric	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Contractors <input type="radio"/> Lost Workday Rate <input type="radio"/> Days Away Restricted Transfer Rate	n/200,000 hours worked				
Data coverage (as % of employees, operations or revenues)	percentage of: <input type="radio"/> Contractors <input type="radio"/> Operations <input type="radio"/> Revenues				

**PUBLIC REPORTING**

Our data is publicly available. Please provide supporting evidence or web link.

**THIRD-PARTY VERIFICATION**

Our data has been third-party verified in the most recent financial year reported. Please provide supporting evidence.

**DATA CONSISTENCY**

We report publicly on this information, but the data in the table above differs from our publicly reported figures. Please provide an explanation in the comment box for this difference:



We have a temporary coverage reduction or target challenge due to corporate actions. Please briefly explain if a merger, acquisition, divestment, etc. has temporarily caused a reduction in your ability to report optimal coverage or caused your target to appear abnormal:



- We do not track any of these metrics (LTIFR, DART or LWR) for our contractors.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Lower performance not only poses a threat to the company's reputation and staff morale but also results in increased operating costs in the form of fines and other contingent liabilities. We expect companies to keep a track of the lost time injuries of their contractors to restrict the occurrence of such events and ensure overall safety across the supply chain. Key Definitions Lost-time injuries frequency rate (LTIFR): A lost-time injury is defined as any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled work day/shift. LTIFR ONLY counts the lost time on the company's premises for contractors. The LTIFR is the number of lost-time injuries per million hours worked, calculated using the formula:  $LTIFR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period}) \times 1'000'000$  Lost-Time Injury Rate (LTIR) Any work-related injury that results in the company employee or third-party contractor employee not being able to return to work the next scheduled workday/shift. The LTIR is the number of lost-time injuries per 200,000 hours worked, calculated using the formula:  $LTIR = (\text{Number of lost-time injuries}) / (\text{Total hours worked in accounting period})$

x 200'000 DART (Days Away/Restricted or Transfer Rate): A mathematical calculation that describes the number of recordable injuries and illnesses per 100 full-time employees that resulted in days away from work, restricted work activity and/or job transfer that a company has experienced in a fiscal year. Dart rate formula: total number of DART incidents x 200,000 / number of employee labor hours worked in the fiscal year. LOST WORKDAY RATE (LWD): A mathematical calculation that describes the number of lost workdays per 100 full-time employees in the last fiscal year. LWD Rate formula: Total Number of Lost Days x 200,000 / Number of Employee Labor Hours Worked A Lost Workday Incident takes into account the number of days of missed work, not days that involved restricted tasks. The day the illness or injury occurred is not counted as a lost workday, and the total number possible for lost days due to a single incident is capped at 180. Contractor: Persons or organizations working onsite or offsite on behalf of an organization. A contractor can contract their own workers directly, or contract sub-contractors or independent contractors. Data Requirements If your company combines LTIFR for employees and contractors, then please answer "Lost-Time Injuries Frequency Rate (LTIFR) - Employees" combining the two figures, mark "Lost-Time Injuries Frequency Rate (LTIFR) - Contractors" as "Not Applicable" and explain in the comment box. Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Contractor Lost-Time Injury Frequency Rate (LTIFR) for at least the most recent reported year. - Contractor Days Away/Restricted or Transfer Rate (DART) for least the most recent reported year OR - Contractor Lost Workday Rate (LWD) for least the most recent reported year. Please note: If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not Applicable'.. Data Consistency If the occupational health & safety performance data reported in the questionnaire do not correspond to the publicly reported figures, the corresponding option should be marked and the discrepancy should be explained. This option should not be indicated if the information is not publicly reported at all. Please note that we only expect your company to report ONE metric only. If your company reports both LTIFR and one of the alternative metrics, please use the LTIFR as this is the preferred metric. If your company reports one metric for employees and another for contractors, this is acceptable. Please note that Lost Time Injury Rate (200,000 hours) can be selected in the Standard Metric table as the figure can be multiplied by 5 to reach the calculation of LTIFR (1 million).

### 3.5.6 MSA Occupational Health & Safety

In this section we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.6 Customer Relationship Management

Strong relationships with customers lead to increased customer loyalty. Harvard Business School research revealed that a 5% increase in retention can result in a profit increase of up to 75%, depending on the industry. The value of retaining customers makes perfect business sense when one considers that a consumer retained for life is more cost effective, requires less service, provides more business and contributes to new customer acquisition by offering positive referrals. Additionally, customer relationship management tools provide important data which allows the company to target relevant customer groups, develop specific products, and

ensure that it has all relevant information to strengthen customer relationships. Online presence and channels have reshaped customer relationships: companies need to be present on several platforms to reach out to customers, and for some sectors today it is strategic development to develop strong online capabilities. In some industries, customer data privacy and safety risks have emerged and companies need to ensure strong policies to avoid increasing costs of breaches and negative reputational impact. The key focus of the criterion is on the tools a company has implemented or is using to manage customers, online strategy, sales and distribution channels, customer satisfaction and customer protection.

### 3.6.1 Online Strategies & Customers Online

Please provide information regarding the use of your online services by customers and revenues derived from online services.

**Please note that if your company earned more than 95% of its revenues online in the previous fiscal year this question should be marked as 'Not applicable' and an explanation should be provided in the comment box.**

- We are able to provide information regarding the use of our online services by customers and revenues derived from online services.

**Online customers**

Please indicate how many of your customers are actively using your electronic services solutions as percentage of all customers.

Supporting evidence:

	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for 2022?
% of total customers using your online services solutions/sales platform					

**Online revenues**

Please indicate how much of your revenues are generated online/from e-commerce. If your company does not generate any revenues from online activities, please select "We do not generate sales/revenues from online activities. Please explain."

- We generate revenues online/from e-commerce.

Supporting evidence:

	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for 2022?
% of revenues generated online (e.g. through direct sales, advertising, etc.)					

- We do not generate sales/revenues from online activities. Please explain:

- We do not track the number of customers using our online services or the percentage of revenues generated from online activities.
- Not applicable. Please provide explanations in the comment box below.

Not known

**Info Text:**

**Question Rationale** All industries are facing an increased speed of information flow toward their customers. Companies need to adapt to this dynamically changing environment, in developed and emerging markets. To ensure a company's reputation, increase revenue generation, and improve customer engagement, companies need to develop an online strategy. We assess if companies have defined a group-wide online strategy covering overall development capabilities. This question is looking for information covering the overall positioning of the company with respect to online business practices that ensure reputation and recognition by using online tools and digital presence to improve business performance. To benefit from these new platforms, companies also have to monitor the percentage of customers online and the percentage of revenue from e-commerce, direct online sales systems, and/or advertising. **Key Definitions** Customer: One buying services or goods from another. In the context of this questionnaire, we focus on customers for B2B companies. Consumer: One consuming a particular product or commodity. In the field of economics, a consumer can either be a single person or an entire organization using a certain type of service. In the context of this questionnaire, we focus on consumers for B2C companies. **Data Requirements** % of total customers using your online services/solutions/sales platform: percentage of total customers that make use of/come from online products and services in the last four financial years. % of revenues generated online (e.g. through direct sales, advertising, etc.): percentage of total revenues generated through online channels in the last four financial years. **Target:** We require the absolute percentage target for the most recent reporting year (i.e. a target of 15% of revenues generated online for the previous fiscal year, not a yearly 2% increase in online revenues over the previous three fiscal years). If your company has a multiple-year and/or relative increase target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well towards achieving the target by the end of the target period. **Applicability:** Please note that if your company has more than 95% of revenues generated online in the previous fiscal year this question should be marked as 'Not applicable' and an explanation should be provided in the comment box. In addition, if your company does not directly sell online and has no further access to online customers, please select "We do not generate sales/revenues from online activities. Please explain." For companies providing pure IT solutions without selling products or operating traditional retail outlets, this question should be marked "Not Applicable". IT solutions include online services, customized applications (both online and offline) as well as consulting services. **Supporting evidence:** No document is required to support your response. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information.

### 3.6.2 Customer Satisfaction Measurement

**Additional credit may be granted for publicly available evidence.**

Does your company monitor and set quantitative targets to improve satisfaction and are targets and results communicated externally? Please attach documents and indicate the coverage for the data provided. Please refer to the information button for additional clarifications. For each row in the table, it is mandatory that the values provided are in the same unit.

- Yes, we measure customer satisfaction using relevant unit of measurement. Please attach supporting evidence.
- Document Satisfactory:



Satisfaction Measurement	Unit (Please select the unit of measurement)	FY 2019	FY 2020	FY 2021	FY 2022	What was your target for FY 2022?
Satisfaction Measurement	Satisfaction measurement methodology: <input type="radio"/> Percentage of satisfied customers/tenants <input type="radio"/> Net promoter score or similar <input type="radio"/> Rank or similar					
Data coverage:	percentage of <input type="radio"/> Customers <input type="radio"/> Operations <input type="radio"/> Revenues <input type="radio"/> Tenants					

Information is available in the public domain

- Satisfaction is not monitored.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale Research from Harvard Business School has shown that a 5% increase in retention can result in a bottom-line profit increase of up to 75%, depending on the industry. The dramatic economic power of customer retention is revealed when viewing customers in terms of lifetime value (LTV). The value of retaining customers makes perfect business sense when one considers that a consumer retained for life is more cost-effective, requires less service, provides more business, and contributes to new customer acquisition by offering positive referrals. Companies in consumer-facing industries (B2C) should therefore monitor customer satisfaction and report the results of satisfaction surveys targeting consumers (i.e. end users) of their products/services. Key Definitions Customer or client: Buyer of services or goods from someone else. In the context of this questionnaire, we focus on customers/clients for B2B companies. Consumer: User of a certain product or commodity. In the field of economics, a consumer can either be a single person or an entire organization using a certain type of service. In the context of this questionnaire, we focus on consumers for B2C companies. Data Requirements - B2C companies should report the results of satisfaction surveys targeting consumers of their products/services (i.e. end users of the products/services instead of the distributor/retailers they sell their products through). - B2B companies should report the results of satisfaction surveys for their customers or clients (direct buyers of their products or services) In case your company is active in different businesses involving B2C activities (consumers) and B2B (customers), please report the information corresponding to the business that represents the highest share of your total revenue. Unit: % of satisfied customers out of the total number of customers responding to the survey The percentage should be calculated as follows: Number of satisfied customers / Total number of customers responding to the survey Data Coverage: % of customers surveyed (both respondents and non-respondents) out of total customers The data coverage should be calculated as follows: Number of customers surveyed (both respondents and non-respondents) / Total number of customers Companies may report full coverage if a statistically significant, representative sample of its customer base has been surveyed. Target: We require the absolute target for the

most recent reporting year. If your company has a multiple-year and/or relative target, please extrapolate what the target value would have to be for the last financial year to make sure you are progressing well towards achieving the target by the end of the target period. Bi-annual satisfaction surveys: if your company only conducts a customer satisfaction survey every two years, then please copy the results from the previous year (when you did conduct a survey) into the box for the following year (when you did not conduct one). For example, if you conducted a survey in 2015 but not in 2016, copy the results from the 2015 survey in the 2016 box, so as to fill the entire table and make it possible to calculate a trend (FY-2 – FY0). Disclosure requirements for partially public question. Additional credit will be granted for relevant publicly available evidence covering the following aspect of this question: - Percentage of satisfied clients in the last reported year (measured through a satisfaction survey or through an alternative approach) Guidance for utilities (ELC, MUW, GAS) In the case of a company that has only exposure to electricity transmission and/or distribution, we expect to use this question to gather information about the satisfaction of the clients using the services provided by the company regardless of the income model. For instance, we intend to capture information about the satisfaction of generators and/or consumers and/or distributors requesting connection access to the infrastructure, generators, and consumers participating in markets operated by the company, participants in the network planning process if it is coordinated by the infrastructure operator, etc. Guidance for Real Estate Management & Development and Equity REIT If in the 'Denominator – Area' question, business activity “Management of Standing Investments” is chosen, we expect companies to choose “tenants” in the dropdown list for data coverage. If this activity is not chosen, i.e. only the activities “Development of new construction and/or major renovation projects” and/or “Services” are selected, we expect companies to report on “customers”.

### 3.6.3 Quality Management & Audits of Distribution Networks

Does your company have a Quality Management System to ensure that external product/service distribution networks comply with defined customer service quality standards? Please provide explanations and attach supporting evidence where required.

#### Exposure

Does your company use an external network of distributors to market **at least 30%** of its products? If **"No"** is selected, none of the remaining sections of the question require answering and the question will be set to **"not applicable."**

No

Yes. Please answer the following questions.

#### **Quality Management System**

Does your company have a Quality Management System to ensure that **external** product/service distribution networks comply with your defined customer service quality standards? Please provide supporting evidence.

Yes, we have a Quality Management System specifically designed for our external distribution network or we apply the same quality management system to all our distributors.

Yes, we have a Quality Management System specifically designed for our internal distributors only.

No, we do not have a Quality Management System in place.

Please indicate which measures your company uses to implement your Quality Management System, and the percentage of distributors (whether exclusive distributors or non-exclusive distributors) affected by each measure in the last fiscal year. Please provide supporting evidence below.

Written customer service quality standards documentation, updated regularly. Please indicate the percentage of distributors that received updated documentation in the last fiscal year:

██████████

Regular customer service quality management workshops at regional/national/corporate level. Please indicate the percentage of distributors that participated in a quality management workshop in the last fiscal year:

██████████

- Formal training programs for distributors. Please indicate the percentage of distributors that participated in formal quality management training programs in the last fiscal year:

██████████

#### Audits

Please specify the percentage of your external distributors that have been audited in any of the following ways in the last fiscal year:

- Regular internal audits of product/service distribution network (%):

██████████

- Regular external audits, based on company-defined Quality Management System (%):

██████████

- Regular external audits, based on ISO9000 series or other generally accepted Quality Management Systems (%):

██████████

- We do not have a Quality Management System in place for our distribution networks or have any of these measures in place.
- Not applicable. Please provide explanations in the comment box below.
- Not known

#### Info Text:

**Question Rationale** The procurement process and delivery channels are integral parts of a customer's buying experience. Accordingly, it is important to extend quality management to distribution networks in order to ensure a high level of customer service and/or product quality. In this question, we assess how a company organizes this quality management which is necessary for higher customer satisfaction and, therefore, loyalty. **Key Definitions** External distributors: A distributor is considered external if it is independently owned, i.e. it is not owned (partially or wholly) by the manufacturing company. In some cases, external distributors only distribute products from a particular company (i.e. they are exclusive distributors). In these cases, the distributor may even be named and branded in the same way as the manufacturing company but they are still independently owned and are therefore considered external. **Quality Management System:** A Quality Management System (QMS) is a collection of business processes focused on achieving quality policy and quality objectives. It is expressed as the organizational structure, policies, procedures, processes, and resources needed to implement quality management. The most common QMS is the ISO 9000 family of standards. **Data Requirements** Workshop: One-off event, for example as part of a conference program. **Formal training program:** structured learning program consisting of a combination of reading materials, workshops, and online training modules. These are often complemented by a test and a certification of training attendance. If your company does not use an external network of distributors for at least 30% of its products, please mark "Not Applicable" and explain in the comment box. **Supporting evidence:** - The document(s) you attached will be used to verify the qualitative part of your response. If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. Any qualitative response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - Quantitative figures provided in the response do not need supporting evidence. You may still provide a reference using the reference clip. This could include examples of the underlying calculations or approaches to data aggregation used to compile the provided quantitative information. - The supporting documents do not need to be available in the public domain.

#### 3.6.4 Incentives for Distribution Networks

Does your company incentivize the majority of its external distributors through rebates or other discounting policies? **If your company does not use a network of external distributors for at least 30% of its products, please mark not applicable and explain in the comment box.**

- Yes, we use rebate or discounting policies with the majority of our distributors. Please describe the main aspects of your rebate or other discounting policies and provide supporting evidence:

No, we do not use rebate or discounting policies as the main way of incentivizing our distributors. Please indicate which alternative approach(es) you use and provide supporting evidence:

No, we do not incentivize our external distributors through rebates or other discounting policies.

Not applicable. Please provide explanations in the comment box below.

Not known

#### Info Text:

**Question Rationale** The procurement process and delivery channel are integral parts of a customer's buying experience. Accordingly, it is important to extend quality management to distribution networks in order to ensure a high level of customer service and/or product quality. In this question, we assess how a company organizes this quality management, which is necessary for higher customer satisfaction and therefore loyalty.

**Key Definitions** External distributors: A distributor is considered "external" if it is independently owned, i.e. it is not owned (partially or wholly) by the manufacturing company. In some cases, external distributors only distribute products from a particular company (i.e. they are "exclusive" distributors). In these cases, the distributor may even be named and branded in the same way as the manufacturing company but they are still independently owned and are therefore considered "external."

**Quality Management System (QMS):** A Quality Management System (QMS) is a collection of business processes focused on achieving quality policy and quality objectives. It is expressed as the organizational structure, policies, procedures, processes, and resources needed to implement quality management. The most common QMS is the ISO 9000 family of standards.

**Data Requirements** Supporting evidence: - The document(s) you attached will be used to verify your response. - The supporting documents do not need to be available in the public domain. - If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. - Any response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted.

### 3.6.5 MSA Customer Relationship Management

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the responsible analyst of your industry. No additional information is required from your company.

#### Info Text:

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 3.7 Privacy Protection

Networked data and globalised corporate activities require careful handling. Insufficient database and network protection, unclear management of personal information and vague database access rules could expose companies to large risks in case of personal data leakage and misuse, or unauthorized access. For companies to avoid legal costs, reputational risk, and exclusion from certain activities, a company-wide privacy policy is

paramount. Our questions focus on the coverage of the company's privacy policy and the mechanism in place to ensure the policy's effective implementation.

**3.7.1 Privacy Policy: Systems/ Procedures**

**This question requires publicly available information.**

What mechanisms are in place to ensure effective implementation of your company's privacy policy? Please provide **publicly** available supporting evidence for each of the options.

We have the following mechanisms in place and are **publicly** available:

Aspect:	Please provide supporting evidence for the aspect and indicate page numbers:
<input type="checkbox"/> Privacy policy applies to the entire operations, including suppliers	
<input type="checkbox"/> Designated person or department responsible for privacy issues	
<input type="checkbox"/> Privacy policy system embedded in group-wide risk/compliance management	
<input type="checkbox"/> Disciplinary actions in case of breach (i.e. zero tolerance policy)	
<input type="checkbox"/> We conduct third-party audits of the privacy policy compliance.	
<input type="checkbox"/> We conduct internal audits of the privacy policy compliance.	

No such mechanisms/systems are in place.

Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Networked data and globalized corporate activities require diligent information handling. In order to avoid the risks associated with these developments – such as legal costs, reputational damage, and the exclusion from certain activities – companies must endeavor to implement a comprehensive privacy policy spanning across their businesses, along with a sound implementation framework. This question assesses whether the company has the requisite mechanisms in place to ensure that its privacy policy is effectively implemented. Key Definitions Privacy Policy: An internal statement that governs an organization or entity’s handling of personal information. It is directed at those members of the organization who might handle or make decisions regarding personal information, instructing them on the collection, use, storage, and destruction of the data, as well as any specific rights the data subjects may have. It may also be referred to as a data protection policy. This policy is different from the privacy notice, which refers to an external statement to consumers/customers to describe how the company collects, uses, retains, and discloses personal information. This question specifically focuses on the internal statement directed at the members of the company handling private information. Data protection is about protecting any information relating to an identified or identifiable natural (living) person, including names, dates of birth, photographs, video footage, email addresses, and telephone numbers. Other information such as IP addresses and communications content - related to or provided by end-users of communications services - are also considered personal data. (Source: European Data Protection Supervisor) Personal data is any information that relates to an identified or identifiable living individual. Different pieces of information, which are collected together can lead to the identification of a particular person, and also constitute personal data: (Source: European Data Protection

Supervisor) Examples of personal data include - a name and surname; - a home address; - an email address such as name.surname@company.com; - an identification card number; - location data (for example the location data function on a mobile phone)\*; - an Internet Protocol (IP) address; - the advertising identifier of your phone; - data held by a hospital or doctor, which could be a symbol that uniquely identifies a person

Personally identifiable information (PII) is any information that relates to an identified or identifiable living individual. It is another term for Personal data. (Source: NIST Computer Security Resource Center)

Suppliers (or service providers) are understood as any third party that provides goods or services to the company (such as a consultant, contractor, advisor, or vendor).

Data Requirements Disclosure requirements for public question: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted.

Privacy policy applies to the entire operations, including suppliers: We expect the company's privacy policy to apply to all operations. The same policy/ standards should be applicable to suppliers. A mention of privacy protection or confidentiality of information in the Codes of Conduct is not sufficient, we expect a separate privacy policy or section on privacy protection.

Defined point of contact in place for escalation of privacy issues: We expect companies to have a designated person or department that employees can reach out to in case of any privacy issues or concerns. If this person/ department is not dedicated to privacy policy issues but to a general escalation of concerns, there should be clear evidence that privacy policy issues should be conducted through this channel as well.

Privacy policy system embedded in group-wide risk/compliance management: Privacy policy systems and procedures should be embedded in group-wide risk/compliance management. Privacy protection should be included in the overall operational risk/compliance management structures of the company.

Disciplinary actions in case of breach: We expect the policy to cover the corrective and disciplinary actions taken in case of a breach of the policy. A general mention of disciplinary actions in the Codes of Conduct is not sufficient, we expect the statement to be specific to data privacy.

Audit of privacy policy compliance: Please specify whether you conduct internal and/or external audits of your privacy policy compliance. If your company conducts both, please tick both options. Full points will be granted if the company provides evidence that it conducts external audits (in that case, internal audits are not required).

Supporting evidence: - This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. - Any response that cannot be verified in the attached public document(s) will not be accepted.

References SASB: SASB Data Privacy Accounting Metrics for "Discussion of policies and practices relating to User / Customer Privacy" are relevant to this question. Software & IT Services, SASB Code: TC-SI-220a.1 is relevant for this question. Telecommunication Services, SASB Code: TC-TL-220a.1 is relevant for this question. Internet Media & Services, SASB Code: TC-IM-220a.1 is relevant for this question. Professional & Commercial Services, SASB Code: SV-PS-230a.2 is relevant for this question. E-Commerce, SASB Code: CG-EC-220a.1 is relevant for this question. Consumer Finance, SASB Code: FN-CF-220a.1 is partially relevant for this question. Advertising and Marketing, SASB Code: SV-AD-220a.1 is relevant for this question.

### 3.7.2 Customer Privacy Information

**This question requires publicly available information.**

Does your company inform customers on the following privacy protection issues? Please provide publicly available evidence.

- Yes, we inform customers on the following privacy protection issues:
- Nature of information captured
  - Use of the collected information
  - Possibility for customers to decide how private data is collected, used, retained and processed
    - Opt-out option is available
    - Opt-in consent is required
    - Request access to data held by the company

- Request their data to be transferred to other service providers
- Request their data to be corrected
- Request their data to be deleted
- How long the information is kept on corporate files
- How the information is protected
- Third-party disclosure policy (private and public entities)
- We monitor the percentage of users whose customer data is used for secondary purposes. Please indicate the percentage of customers whose data is used for secondary purposes and provide publicly available evidence.  
[REDACTED]
- We do not provide any information on privacy protection to our customers or on the use of customer data for secondary purposes to our customers.
- Not applicable. Please provide explanations in the comment box below.

**Info Text:**

Question Rationale Networked data and globalized corporate activities require diligent information handling. In order to avoid the risks associated with these developments – such as legal costs, reputational damage, and exclusion from certain activities – companies must then endeavor to implement a comprehensive privacy policy spanning across their businesses, along with a sound implementation framework. For this question, we assess companies' transparency with customers on privacy protection issues. Key Definitions Customer: Someone who buys services or goods from someone else. In the context of this questionnaire, we focus on customers for B2B companies. Consumer: Someone that consumes a certain product or commodity. In the field of economics, a consumer can either be a single person or an entire organization using a certain type of service. In the context of this questionnaire, we focus on consumers for B2C companies. Secondary purpose: Data collection for a secondary purpose is defined as the intentional use of data by a company that is outside the primary purpose for which the data was collected. Examples of secondary purposes include, but are not limited to, selling targeted ads, improving the entity's products or service offerings, and transferring data or information to a third party through sale, rental, or sharing. Data Requirements Supporting evidence: This question requires supporting evidence from the public domain. The information provided has to be included in your public reporting (e.g. annual report, sustainability report, integrated report, company publications, separate fuel efficiency strategy document) or corporate website. Any response that cannot be verified in the attached public document(s) will not be accepted. References SASB Data Privacy Accounting Metrics for "Discussion of policies and practices relating to collection, usage, and retention of customer information and personally identifiable information" are relevant to this question. Software & IT Services: [https://www.sasb.org/wp-content/uploads/2018/11/Software\\_IT\\_Services\\_Standard\\_2018.pdf](https://www.sasb.org/wp-content/uploads/2018/11/Software_IT_Services_Standard_2018.pdf), Page 6 SASB Code: TC-SI-220a.1 is relevant to this question. Telecommunication Services: [https://www.sasb.org/wp-content/uploads/2018/11/Telecommunication\\_Services\\_Standard\\_2018.pdf](https://www.sasb.org/wp-content/uploads/2018/11/Telecommunication_Services_Standard_2018.pdf), Page 6 SASB Code: TC-TL-220a.1 is relevant to this question. Internet Media & Services: [https://www.sasb.org/wp-content/uploads/2018/11/Internet\\_Media\\_Services\\_Standard\\_2018.pdf](https://www.sasb.org/wp-content/uploads/2018/11/Internet_Media_Services_Standard_2018.pdf), Page 6 SASB Code: TC-IM-220a.1 is relevant to this question. Professional & Commercial Services: [https://www.sasb.org/wp-content/uploads/2018/11/Professional\\_Commercial\\_Services\\_Standard\\_2018.pdf](https://www.sasb.org/wp-content/uploads/2018/11/Professional_Commercial_Services_Standard_2018.pdf), Page 6 SASB Code: SV-PS-230a.2 is relevant to this question.

**3.7.3 MSA Privacy Protection**

In this section, we include a performance score on the Corporate Sustainability Monitoring with the objective of verifying the company's involvement and management of crisis situations that can have a damaging effect on reputation. The evaluation will be filled in by the analyst responsible for your industry. No additional information is required from your company.  
[REDACTED]

**Info Text:**

Based on a Media and Stakeholder Analysis (MSA), the consistency of a company's behavior and management of crisis situations is reviewed in line with its stated principles and policies. Results of the MSA range from no impact to high impact - the latter reflecting serious reputational risks with consequences on the company's bottom line (e.g. legal liabilities or high probability of imminent legal liabilities). In addition, the overall quality of the management response to a situation is assessed, evaluating whether a company has transparently and proactively managed the issue. For further details, please refer to our white paper "Measuring Intangibles" available via: [www.spglobal.com/esg/csa/csa-resources/csa-methodology](http://www.spglobal.com/esg/csa/csa-resources/csa-methodology)

## 4 Future Questions (Optional)

In this section, questions on new, developing sustainability topics are asked with the intention of adding them to future revisions of the Corporate Sustainability Assessment. **Questions asked in this section will not contribute to the Total Sustainability Score in the specific year they are asked. We may choose to ask these questions in the same or modified format in future years, and add them to the standard part of the questionnaire, in which case they will contribute to the Total Sustainability Score in that year.**

We encourage companies to complete the questions in this section in order to allow us to perform data analysis on the results to inform future revisions of the questions and scoring schemes, as well as to provide companies the opportunity to engage with us on these topics.

### 4.1 Talent Planning and Analytics

#### 4.1.1 People Analytics

Does your company use any People Analytics (PA) in any of the following analysis? If yes, please select any practice that apply and provide a supporting evidence indicating the page number where the relevant information can be found and a comment in the reference field with a short description of how People Analytics is applied in your case.

Please note that companies are not expected to make use of PA in all the following analysis. For further clarifications, please consult the information text.

- Yes. Please select any relevant analysis that apply:
  - Measuring employee performance
  - Strategic workforce planning
  - Identifying current workforce skills gaps
  - Recruiting & hiring (e.g. evaluating recruiting channels, screening of candidates, assessing talent supply/demand)
  - Identifying flight risks to improve retention
  - Competitive intelligence
  - Organizational network analysis
- No, our company does not use People Analytics.
- Not applicable. Please provide explanations in the comment box below.
- Not known

**Info Text:**

Question Rationale People Analytics (also known as HR or Talent analytics) refers to the application of advanced analytics and use of large data sets in human capital management. Using the knowledge gained



through analysis of human capital related data can help companies identify current risks and opportunities and make better informed decisions to improve talent management and eventually business performance. The main cases for which companies have started using analytics are employee performance measurement and workforce planning. Companies are also applying data to identify skills gaps, evaluate recruiting channels, screen candidates and assess talent supply and demand etc. Asking about the use of People Analytics, i.e. collection and analysis of HR related data in order to draw insights (e.g. solving existing problems or capitalizing on new opportunities) doesn't suggest the dehumanization of the employer-employee relationship. On the contrary, it is proven that evaluating data that companies are already collecting might be useful to further improve employee experience, better inform employee training and development efforts, promote fair treatment of employees and eliminate bias.

**Key Definitions**

**People analytics:** it is also known as HR, Talent or workforce analytics. It is the practice of collecting and analyzing Human Resources and organizational data through the application of statistics and other data interpretation techniques. The aim of this method is to transform this data into actionable insights that improve the company's systems, processes and strategies in order to achieve sustainable business success.

**Strategic workforce planning:** it is the long-term planning aiming at "the strategic alignment of an organization's human capital with its business direction. It is a methodical process of analyzing the current workforce, determining future workforce needs, identifying the gap between the present and the future, and implementing solutions so the organization can accomplish its mission, goals, and objectives." (Minnesota Management and Budget cited, HR Society 2013, p.3).

**Types of Workforce planning:**

- **Strategic planning:** long-range planning, usually covering a 3 to 5 year forecast period, aligned to business needs and outcomes. It focuses on identifying the workforce implications, current, transition and future of business strategic objectives and includes scenario planning.
- **Operational planning:** mid-range planning, usually covering the next 12 to 18 months. It should align with the timeframe of the business planning cycle. It is the process and systems applied to gathering, analyzing and reporting on workforce planning strategy.
- **Tactical or short-range planning:** it takes place once a year and is usually part of budgeting

**Identify current workforce skill gaps:** this practice should be considered as a part of the Strategic Workforce Planning (SWP) process. Some companies may identify current workforce skill gaps for operational reasons or for short-term planning, e.g. they may evaluate that they are currently more in need of employees with a specific programming knowledge and decide to open two positions in a specific year, without necessarily taking into consideration the more long-term planning and strategic direction.

**Recruiting & hiring** (e.g. evaluating recruiting channels, screening of candidates, assessing talent supply/demand): examples may include but are not limited to engaging assessments identifying successful candidates, use of external databases to evaluate talent pool, screening of internal databases to identify internal employees with relevant skills etc.

**Identifying flight risks to improve retention:** this refers to the process of identification of disengaged or dissatisfied employees with their current compensation, job or career prospects that may look elsewhere for new opportunities. These employees are deemed as high-risk employees to quit.

**Competitive intelligence:** Competitive Intelligence (CI) is the systematic collection and analysis of information from multiple sources, often used in marketing, product, and sales departments in order to understand a company's competitive landscape. In the Human Resource field, CI is used in developing human capital strategies, identifying related threats and opportunities and advancing organization's talent retention and acquisition efforts from industry information, company research, organizational charts, employee information, labor market information, and overall trends.

**Organizational network analysis:** Also known as Relational Analytics, Organizational Network Analysis (ONA) is a method for studying information flow, interaction and socio-technical networks within an organization. This technique creates statistical and graphical models of people, tasks, groups, knowledge and resources of organizational systems. It is based on social network theory and more specifically, dynamic network analysis. ONA is a growing trend in the field of People Analytics, especially around the concept of understanding diversity and inclusion, innovation, as well as employee performance and motivation.

**Data Requirements**

- If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'.
- Companies are not expected to make use of PA for all the type of analysis listed in the question. One option is sufficient to achieve maximum score in this question, if the supporting evidence and short description comment meet our requirements.
- It is possible that a company uses People Analytics for different cases that correspond to more than one of the options available. Please select all that apply, provide relevant supporting evidence and a short description.
- The analysis shared in this question do not need to apply to the whole company, it can also apply to a local/regional/segment/business unit.
- In this question, it is not required to share the actual data of your analysis but rather the analytical process that has been followed. The analysis can be qualitative, quantitative, predictive or perspective. For example, this question doesn't ask whether your company is measuring employee performance but rather whether any software, systems, real-time monitoring or other tools are used to collect and analyze this data in order to better evaluate employee performance.

**Supporting evidence:**

- Any type of supporting evidence that can

demonstrate the type of analysis conducted is acceptable (e.g. screenshots of online systems, documents of application procedures, documentation of a successful application case, comprehensive comments). Further details on supporting evidence: - The document(s) you attached will be used to verify your response. - The supporting documents do not need to be available in the public domain. - If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. - Any response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. - People Analytics tools can be internally and/or externally developed (e.g. LinkedIn) but they should have an internal focus i.e. aiming to improve the company’s systems, processes and strategies in order to achieve better talent management. - Companies are not expected to have high-tech systems or platforms in place in order to conduct HR data analysis, use of simple tools (e.g. Excel) is also sufficient if they serve companies’ analytical purposes. - General statements that a company uses People Analytics are not acceptable. - Evidence of the outcome of the analysis is welcome but not necessary. This information is necessary in the Strategic Workforce Planning question. - Simple tracking of HR data and sharing of data sheets is not sufficient. This question doesn't seek evidence of simple data collection, but it focuses on understanding what type of data analysis has been conducted in order to identify issues or key areas of improvement in talent management. References Global Talent Trends, 2020, LinkedIn Talent Solutions. Minnesota Management and Budget cited, The Complete Guide to Workforce Planning. In HR Society, 2013, p.3 [https://en.wikipedia.org/wiki/Organizational\\_network\\_analysis](https://en.wikipedia.org/wiki/Organizational_network_analysis) People Analytics Grows Up: Healthy New Focus On Productivity". Josh Bersin.

**4.1.2 Strategic Workforce Planning**

Does your company currently use People Analytics (PA) for your Strategic Workforce Planning (SWP)? If your company has different processes in place for different business unit, please select one that you perceive as the most strategic and it is more broadly applied within your organization. For further clarifications, please consult the information text.

- Yes. Please describe the process in the table below and provide supporting evidence:  
Please indicate what is the application coverage of the process described (in percentage of global FTEs):
  - > 75% of all FTEs globally
  - 50 - 75% of all FTEs globally
  - 25 - 50% of all FTEs globally
  - < 25% of all FTEs globally

Description	
<b>Opportunity:</b> Why does your company use PA for SWP?	
<b>Action/process/tool used:</b> How PA have been used?	
<b>Outcome:</b> What is the business impact/result of the initiative?	

- No, we do not use People Analytics for our Strategic Workforce Planning
- Not applicable. Please provide explanations in the comment box below
- Not known

**Info Text:**

Question Rationale One of the most common areas where companies have started applying People Analytics is in their Strategic Workforce Planning. By applying data analysis, companies try to estimate future company’s workforce needs along with studying external landscape. For example, they can estimate how many new and replacement hires will be needed in the months or years ahead, gather data for current turnover and work with business strategists to understand where and how growth will occur. This helps companies to earlier address risks that may occur or capitalize on opportunities by finding solutions to better manage talents. Key Definitions FTEs: Full-Time Equivalent is the number of working hours that represents one full-time employee

during a fixed time period, such as one month or one year. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. Workforce planning: It is the long-term planning aiming at “the strategic alignment of an organization’s human capital with its business direction. It is a methodical process of analyzing the current workforce, determining future workforce needs, identifying the gap between the present and the future, and implementing solutions so the organization can accomplish its mission, goals, and objectives.” (Minnesota Management and Budget cited, HR Society 2013, p.3). Types of Workforce planning - Strategic planning: long-range planning, usually covering a 3 to 5 year forecast period, aligned to business needs and outcomes. It focuses on identifying the workforce implications, current, transition and future of business strategic objects and includes scenario planning. - Operational planning: mid-range planning, usually covering the next 12 to 18 months. It should align with the timeframe of the business planning cycle. It is the process and systems applied to gathering, analyzing and reporting on workforce planning strategy. - Tactical or short-range planning: it takes place once a year and is usually part of budgeting. Data Requirements - If you have less than 100 employees or no employees in your organization, then please mark the question as 'Not applicable'. - This question is different from the People Analytics (PA) question. This question requires a more detailed description of the company’s Strategic Workforce Planning (SWP). In the People Analytics question, companies are asked if they collect and analyze HR related data through the application of statistics or other data interpretation techniques in different practices (e.g. in order to measure employee performance, in their recruiting & hiring processes, etc.). The Strategic Workforce Planning question focuses only on the application of PA in SWP and requires extensive description of the purpose of the analysis, the method/tool used and the result of the analysis. - Companies that have more than one relevant processes in place should report on the one that they perceive as the most strategic and for which they can provide the best description of the opportunity, the process / tools / techniques / methods / models used and their outcomes. Description: An acceptable description should include the following elements: - Opportunity: Why does the company apply People Analytics in Strategic Workforce Planning? The aim of the activity or the purpose the company is seeking to address with such analysis should be described. For example, a company may be investing in analytics in order to combat high voluntary employee turnover. - Action: How People Analytics have been used? Description of process / tools / techniques / methods / models being used to collect and use the necessary data and the type of data that is used. For example, a company builds and rolls out dashboards of data on headcounts, employee engagement, compensation or a company develops predicting models to analyze the data already collected. - Outcome: What is the business impact/result of the initiative? For example, a company is able to develop models to effectively predict employees with high flight risk, modify its strategy and thereby lower voluntary employee turnover. Supporting evidence: please provide supporting documentation (private or public) that will help better support the description of your PA application in SWP. Any type of supporting evidence that can demonstrate the type of analysis conducted is acceptable (e.g. screenshots of online systems, documents of application procedures, documentation of a successful application case, comprehensive comments). - The document(s) you attached will be used to verify your response. - The supporting documents do not need to be available in the public domain. - If a question text field is available, a comprehensive answer in that field can be accepted instead of a supporting document. - Any response that cannot be verified in the attached document(s) or via the information provided in the related question text field (if available) will not be accepted. Minnesota Management and Budget cited, The Complete Guide to Workforce Planning. In. HR Society, 2013, p.3 Strategic Workforce Planning: Developing Optimized Talent Strategies for Future Growth, Ross Sparkman, cited, Global Talent Trends, 2020, LinkedIn Talent Solutions. Sloan, Julie. The Workforce Planning Imperative JSM, 2010, cited.

## 5 Feedback Survey: Your input is welcome

Your feedback is a crucial component for the further development of the Corporate Sustainability Assessment. We very much value your honest and direct feedback and input on CSA improvement ideas. Thank you for taking the time to provide your valuable feedback.

**This feedback section is not used in the assessment or scoring of your company, is not mandatory and is strictly confidential.**

Please note that this feedback survey section will also appear in the PDF version of the questionnaire.

### 5.1 Overall Impression

How likely is it that you would recommend the CSA to a peer or colleague?

- 10 - Extremely Likely
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1
- 0 - Not at all

What motivates you/your company to participate in our Corporate Sustainability Assessment? Your answers enable us to do our best for you to get the most value out of your participation. We kindly ask you to rank the following reasons in order of importance to your company (1 = most important motivation, 6 = least important motivation) and to specify why each driver is important to you.

Rank of importance (1= most important, 6= least important)	Motivation to participate	Please specify why this driver is important to your company:
1.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	

Rank of importance (1= most important, 6= least important)	Motivation to participate	Please specify why this driver is important to your company:
2.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	
3.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	

Rank of importance (1= most important, 6= least important)	Motivation to participate	Please specify why this driver is important to your company:
4.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	
5.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	

Rank of importance (1= most important, 6= least important)	Motivation to participate	Please specify why this driver is important to your company:
6.	<ul style="list-style-type: none"> <li><input type="radio"/> Increase visibility with sustainability focused investors</li> <li><input type="radio"/> Enhance reputation with internal and external stakeholders (other than investors)</li> <li><input type="radio"/> Learn from the CSA results and help prioritize sustainability initiatives (e.g. benchmarking, identify gaps and improvements areas)</li> <li><input type="radio"/> Use as internal management tool (e.g. to set KPIs)</li> <li><input type="radio"/> Understand the link between sustainability and business strategy and increase interaction across the company</li> <li><input type="radio"/> Other, please specify</li> </ul>	

Do you believe that the current CSA ranking is a fair representation of the Corporate Sustainability Performance in your peer group?

- 6 = The ranking completely reflects the sustainability performance of the peer group
- 5
- 4
- 3
- 2
- 1 = The ranking does not at all reflect the sustainability performance of the peer group

## 5.2 Methodology Development Input

The ongoing development of our questionnaire benefits a lot from your input. Your answers in this section help us to improve our focus and update the areas that are most important to companies.

Which topics within the questionnaire do you think are **in most need of improvement**? Please choose the three most important topics in the drop down lists below. If you choose 'Other', please specify which topic within the questionnaire you find most material in the text box.

### 1st priority improvement topic

- Antitrust Policy
- Biodiversity
- Climate Strategy
- Codes of Conduct/Compliance/Corruption&Bribery
- Corporate Citizenship and Philanthropy
- Corporate Governance

- Customer Relationship Management
- Environmental Policy/Management System
- Environmental Reporting
- Human Capital Development
- Innovation Management
- Labor Practice Indicators and Human Rights
- Occupational Health and Safety
- Operational Eco-Efficiency
- Product Stewardship
- Risk & Crisis Management
- Social Reporting
- Stakeholder Engagement
- Strategy for Emerging Markets
- Supply Chain Management
- Talent Attraction & Retention
- Tax Strategy
- Other, please specify

Please specify:

**2nd priority improvement topic**

- Antitrust Policy
- Biodiversity
- Climate Strategy
- Codes of Conduct/Compliance/Corruption&Bribery
- Corporate Citizenship and Philanthropy
- Corporate Governance
- Customer Relationship Management
- Environmental Policy/Management System
- Environmental Reporting
- Human Capital Development
- Innovation Management
- Labor Practice Indicators and Human Rights
- Occupational Health and Safety
- Operational Eco-Efficiency
- Product Stewardship
- Risk & Crisis Management
- Social Reporting
- Stakeholder Engagement
- Strategy for Emerging Markets
- Supply Chain Management



- Talent Attraction & Retention
- Tax Strategy
- Other, please specify

Please specify:

[Redacted]

**3rd priority improvement topic**

- Antitrust Policy
- Biodiversity
- Climate Strategy
- Codes of Conduct/Compliance/Corruption&Bribery
- Corporate Citizenship and Philanthropy
- Corporate Governance
- Customer Relationship Management
- Environmental Policy/Management System
- Environmental Reporting
- Human Capital Development
- Innovation Management
- Labor Practice Indicators and Human Rights
- Occupational Health and Safety
- Operational Eco-Efficiency
- Product Stewardship
- Risk & Crisis Management
- Social Reporting
- Stakeholder Engagement
- Strategy for Emerging Markets
- Supply Chain Management
- Talent Attraction & Retention
- Tax Strategy
- Other, please specify

Please specify:

[Redacted]

Is there any topic material to your company which has not been addressed in the CSA?

[Redacted]

### 5.3 Platform Development Input

The functionality of the CSA platform is constantly evolving. We want to develop the features that are the most important to participating companies. Your input and ideas help us to prioritize our development pipeline.

Please rank (1 = most important, 6 = least important) the platform components provided in the drop down menu below which you would most like to see further developed. Choose "other" if you would like to suggest a new feature for an element not included in the list.

Rank of importance (1 = most important, 6 = least important)	Platform feature	Please describe what functionality you would benefit from
1.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> "Benchmarking" and/or "Leading Practices" tabs <input type="radio"/> Other, please specify	
2.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> "Benchmarking" and/or "Leading Practices" tabs <input type="radio"/> Other, please specify	
3.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> "Benchmarking" and/or "Leading Practices" tabs <input type="radio"/> Other, please specify	
4.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> "Benchmarking" and/or "Leading Practices" tabs <input type="radio"/> Other, please specify	
5.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> "Benchmarking" and/or "Leading Practices" tabs <input type="radio"/> Other, please specify	

Rank of importance (1= most important, 6= least important)	Platform feature	Please describe what functionality you would benefit from
6.	<input type="radio"/> Questionnaire layout <input type="radio"/> Document management <input type="radio"/> User management <input type="radio"/> PDF export <input type="radio"/> “Benchmarking” and/or “Leading Practices” tabs <input type="radio"/> Other, please specify	

#### 5.4 CSA and Investor Relations

Do you use the information collected through the CSA in your discussion with investors and analysts?

- Yes  
 No

Do you pro-actively refer to your S&P Global ESG Scores in your discussion with investors and analysts?

- Yes  
 No

Do investors/analysts inquire about your S&P Global ESG Scores?

- Always  
 Often  
 Sometimes  
 Never

Interest by investors/analyst in the CSA and related scores increased compared to last year

- Strongly Agree  
 Somewhat Agree  
 Somewhat Disagree  
 Strongly Disagree

#### 5.5 Link to Performance Based Compensation and Sustainability Investments

##### CSA Performance link to compensation

Is your company's CSA performance linked to executive or top management compensation?

- Yes  
 No

Is your company's CSA performance linked to your compensation or the compensation of your team?

- Yes

No

## 5.6 Reporting Process

How many employees used the online assessment interface this year? We offer an option to limit access to certain sections of the questionnaire and would like to understand if companies use this option to provide access or if different persons log in under the same login.

Please indicate the number of employees who actively logged into your company's account to enter information.

██████████

How many employees were involved in collecting the data requested in the questionnaire? Please indicate the total number of employees involved in the data collection process related to filling out the CSA. It should not include employees who collected data for which the primary purpose was not the questionnaire. For example, site managers who collected environmental data for other corporate reporting purposes.

██████████

How many hours (i.e. total amount of time spent in hours) do you estimate were necessary to fill out the questionnaire this year?

██████████

Do you believe that the effort needed to fill out the questionnaire has increased or decreased compared to last year?

- 1
- 2
- 3
- 4
- 5
- 6

Please select a value from the dropdown list

1 = Effort decreased significantly

6 = Effort increased significantly

Were the questions and help texts easy to understand and did they provide useful support when filling out the questionnaire?

- 1
- 2
- 3
- 4
- 5
- 6

Please select a value from the dropdown list

1 = Very difficult to understand and not useful

6 = Very easy to understand and very useful

## 5.7 Other Feedback

Please provide any other feedback that you might have related to the content of the questionnaire or the assessment process in the text box below.

[Redacted text box]