Securities and Exchange Commission
PHILIPPINES

SEC MEMORANDUM CIRCULAR NO. 4
Series of 2019

TO	:	**PUBLICLY-LISTED COMPANIES**
SUBJECT	:	**SUSTAINABILITY REPORTING GUIDELINES FOR PUBLICLY-LISTED COMPANIES**

To promote sustainability reporting and make it relevant for Philippine publicly-listed companies (PLCs), the Commission, in its *en banc* meeting on 12 February 2019, resolved to issue the Sustainability Reporting Guidelines for Publicly-Listed Companies attached to this Memorandum Circular.

The Guidelines is intended to help PLCs assess and manage non-financial performance across Economic, Environmental and Social aspects of their organization and enable PLCs to measure and monitor their contributions towards achieving universal targets of sustainability, such as the United Nations Sustainable Development Goals, as well as national policies and programs, such as *AmBisyon Natin 2040*,

Submission with SEC Form 17-A

The reporting template (Annex A of the Guidelines) shall be submitted together with the company's Annual Report (SEC Form 17-A).

The first report shall be attached to the 2019 Annual Report to be submitted in 2020.

For companies who already have sustainability reports in accordance with internationally recognized frameworks and standards, their reports shall already be considered as their compliance with the reporting template. Companies may choose to attach the whole sustainability report to their Annual Report or just include a statement providing a link to said report.

Comply or Explain Approach

The Guidelines shall be adopted on a "comply or explain" approach for the first three years upon implementation. **By "comply or explain", it means that companies would be required to attach the template to their Annual Reports but they can provide explanations for items where they still have no available data on.**

Penalty for Non-attachment of the Sustainability Report to the Annual Report

Non-attachment of the Sustainability Report to the Annual Report shall be subject to the penalty for **Incomplete Annual Report** provided under SEC Memorandum Circular No. 6, Series of 2005 (Consolidated Scale of Fines).

This Memorandum Circular shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Pasay City, Philippines, 15 February 2019.

For the Commission:

EMILIO B. AQUINO
Chairperson

Sustainability Reporting Guidelines for Publicly Listed Companies

INTRODUCTION

In recent years, increased focus has been placed on companies to provide greater disclosure and transparency not only on financial matters but on non-financial and sustainability issues, as well. Companies' stakeholders now give greater attention to how businesses impact the economy, environment and society and the way corporations respond to sustainability challenges, in addition to financial challenges, determines their long-term viability and competitiveness.

Consequently, Sustainability Reporting has emerged as a common practice for companies globally. In fact, 93% of the world's largest 250 companies and 75% of the top 100 companies in 49 countries report on sustainability.[1]However, for the Philippines, less than 22% of publicly-listed companies have published a report on sustainability impacts and performances.[2]

The need to promote sustainability reporting to Philippine companies served as the impetus for the SEC to include Principle 10 in the Code of Corporate Governance for Publicly-Listed Companies (PLCs) stating that companies should ensure that material and reportable non-financial and sustainability issues are disclosed. Recommendation 10.1 of the same Code further provides as follow:

> "The board should have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. Companies should adopt a globally recognized standard/framework in reporting sustainability and non-financial issues."

To further increase awareness among Philippine PLCs on sustainability reporting, the SEC is releasing this Guidelines on Sustainability Reporting. This Guidelines is crafted with the following objectives:

- Make sustainability reporting relevant and value adding for Philippine PLCs
- Help PLCs to identify, evaluate and manage their material Economic, Environmental and Social (EES) risks and opportunities
- Help PLCs to assess and improve their non-financial performance across EES aspects of their organization to optimize business operations, improve competitiveness, and long-term success
- Provide a mechanism that would allow PLCs to communicate with its stakeholders, including investors or its potential investors

[1] The Road Ahead. The KPMG Survey of Corporate Responsibility Reporting 2017. https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2017/10/kpmg-survey-of-corporate-responsibility-reporting-2017.pdf

[2] Based on disclosures made by publicly-listed companies on their Integrated Annual Corporate Governance Report (I-ACGR), 58 companies out of 270 have published a Sustainability Report

- Enable PLCs to measure and monitor its contributions towards achieving universal targets of sustainability, such as the United Nations Sustainable Development Goals (UN SDG), as well as national policies and programs, such as *AmBisyon Natin 2040*

The Guidelines recognizes that sustainability reporting is a journey and that the PLCs would be at different levels in this journey; while some may already be advanced, most are just beginning. As such, this Guidelines may be seen as an introductory tool for those companies who are just starting on their journey. Please note that companies are not required to disclose on all topics provided in the **Reporting Template** (Annex A of the Guidelines). Rather, disclosure should only be on topics determined by companies as material after an assessment of materiality, which is discussed in more detail in the **Materiality Assessment section**. Nevertheless, companies are encouraged to move at any time beyond and disclose more information than that required under this Guidelines, especially other initiatives which the company considers as contributing to the UNSDG. For other companies already reporting in accordance with internationally recognized sustainability frameworks or standards, their sustainability reports shall be considered as their compliance. However, they are encouraged to use this as a guide, particularly for climate-related disclosures.

SUSTAINABILITY AND SUSTAINABILITY REPORTING

Sustainability is defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".[3] It focuses on how a company manages its economic, environmental and social impacts, risks and opportunities. Disclosure on these non-financial matters are done through sustainability reporting (also known as EESG (economic, environmental, social and governance) reporting, non-financial reporting, or triple bottom line accounting), which is a central element of modern corporate reporting that includes strategy, governance and performance.

Sustainability reporting is an organization's practice of reporting publicly on its significant economic, environmental and/or social impacts, in accordance with globally accepted standards. Such disclosures enable organizations to measure, understand and communicate their EESG performance and then set goals, and manage change more effectively.[4] Often, they go hand in hand with the setting of performance targets related to EESG impacts.

Sustainability reporting also benefits stakeholders interested in an organization's ability to create value over time, including employees, customers, suppliers, investors, business partners, local communities, legislators, regulators, and policy makers. This promotes transparency and accountability, empowering stakeholders to make informed decisions and helps the company manage its EESG impacts.

Globally Recognized Standards/Frameworks in Reporting Sustainability

This Guidelines provides a Sustainability Reporting Framework for Philippine PLCs that builds upon four of the globally accepted frameworks, which companies use to report on sustainability and non-financial information - the Global Reporting Initiative's (GRI) Sustainability Reporting Standards, the International Integrated Reporting Council's (IIRC) Integrated Reporting (IR) Framework, the Sustainability Accounting

[3] Brundtland, G. "Our Common Future", Report of the World Commission on Environment and Development (1987).

[4] Global Reporting Initiative, "About Sustainability Reporting", https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx accessed on 05 December 2018

Standards Board's (SASB) Sustainability Accounting Standards, and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD)[5].

The GRI Standards has a comprehensive reporting requirement covering governance, economic, environmental, and social topics. It is also aligned with international standards and normative frameworks such as the United Nations Global Compact (UNGC) and the International Labour Organization (ILO) Tripartite Declaration.

The <IR> Framework defines six capitals, seven guiding principles, and eight content elements of an integrated report but does not specify topic disclosures and measurement methods. It aims to monitor how the capitals are used and created by the business model and discloses the companies' strategies in light of risks and outlook.

The SASB Standards provides industry-based sustainability standards for more than 77 specific industries. It has five general sustainability themes including environment, social capital, human capital, business model and innovation, and leadership and governance. To address sustainability issues, a minimum set of topics for consideration in each industry are also provided, together with quantitative and comparable accounting metrics.[6]

The TCFD – a private-sector task force created by the Financial Stability Board – issued its final recommendations on climate- related financial disclosure in June 2017, focusing on climate-related risks, opportunities, and financial impacts, as well as scenario analysis.[7] The Task Force's recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

The table below distinguishes the reporting standards/frameworks and compares the guiding principles for defining report content and sustainability topics covered in each standard/framework. More information can be found in the full guidance documents for these reporting standards/frameworks that can be access via their websites.

Coverage	**Reporting Standards/Frameworks**			
	GRI	**IR Framework**	**SASB**	**TCFD**
General Sustainability Topics	• Economic • Environmental • Social • Governance	**Six Capitals:** • Manufactured capital • Financial capital • Intellectual capital • Human capital • Social and relationship capital	• Business model and innovation • Leadership and governance • Human capital • Social capital • Environment	• Governance of climate-related issues • Impact of climate-related issues on strategy and financial planning • Management of climate-related risks

[5] The TCFD Recommendations is focused on climate-related issues.
[6] The Sustainability Accounting Standards Board Conceptual Framework (2017)
[7] Adopted by the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosure (TCFD, 2017).

		• Natural capital **Eight Content Elements:** • Organizational overview and external environment • Governance • Business model • Risks and opportunities • Strategy and resource allocation • Performance • Outlook • Basis of presentation		• Use of climate-related metrics and targets
Guiding Principles	**For defining report content:** • Stakeholder inclusiveness • Sustainability content • Materiality • Completeness **For defining report quality:** • Accuracy • Balance • Clarity • Comparability • Reliability • Timeliness	• Strategic focus and future orientation • Connectivity of information • Stakeholder relationships • Materiality • Conciseness • Reliability and completeness • Consistency and comparability	**For topic selection:** • Financial materiality, based on (i) potential to affect corporate value or (ii) interest of investors • Relevant across an industry • Actionable by companies • Reflective of stakeholder consensus **For accounting metrics:** • Fair representation • Useful • Applicable	Disclosures should: • represent relevant information • be specific and complete • be clear, balanced, and understandable • be consistent over time • be comparable among companies within a sector, industry, or portfolio • be reliable, verifiable, and objective • be provided on a timely basis

			• Comparable • Complete • Verifiable • Aligned • Neutral • Distributive	
Materiality	"Material aspects" are those that reflect the organization's significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders	A matter is material if it could substantively affect the organization's ability to create value in the short, medium, or long term	Financially material issues that are reasonable likely to impact the financial condition or operating performance of the typical company within an industry and therefore are most important to investors	Public companies' legal obligation to disclose material information in their financial filings—including material climate-related information

These standards and frameworks can complement each other and can be used in a single document. For example, a report can be published which uses the <IR> framework and discloses information in accordance with the GRI Standards.

In addition to these four frameworks, the International Finance Corporation, the private sector arm of the World Bank Group, has developed a Toolkit for Disclosure and Transparency with guidance for companies in emerging markets. This toolkit aims to help companies begin the process of sustainability reporting and move toward integrated reporting, with guidance on how to development disclosure over time

Benefits of Sustainability Reporting

Internal Benefits

1. **Effective management of sustainability risks and opportunities**

   The process involved in sustainability reporting allows companies to know and better understand their sustainability risks and opportunities. This would in turn result to a more effective assessment and management of said risks and opportunities.

2. **Sustainable Vision, Strategy and Business Plans**

   Sustainability reporting encourages companies to assess, and if necessary to update, their visions, strategies and business plans to ensure that sustainability is embedded in their organizations. It gives companies the opportunity to determine the necessary changes in their vision, strategies and performance goals/targets for more sustainable operations.

3. **Improved management systems**

   Sustainability reporting involves tracking and gathering data which when evaluated can identify the areas that need improvement. In addition, public reporting on performance motivates companies to improve in succeeding reporting periods, thus, resulting to improvement in management systems, such as streamlining of processes, reduction of costs and over-all improvement in efficiency and productivity.

4. **Motivated workforce**

   Creating a sustainability report requires a concerted effort from companies' employees, exposing them to the companies' commitment to sustainability. Research have shown that there is a significant positive relationship between perceived environmental performance and employee

satisfaction[8]. Knowing that the company is environmentally and socially conscious increases morale and motivates the workforce to work hard for the company.

External Benefits

1. **Improved company reputation and brand value**

   Having a sustainability report indicates the companies' commitment to full transparency and accurate and complete reporting on both positive and negative news. Moreover, it shows the companies' efforts towards sustainability. This improves the company's image and builds trust and respect for the company. Thereby, improving company reputation and brand value.

2. **Investor attractiveness**

   Institutional investors are now looking at the ESG practices of companies and makes this a key element in their investment analysis and decisions. In the CFA Institute Survey conducted in 2017, 73% of the survey respondents answered that they take into account ESG issues in their investment analysis and decisions.[9] Sustainability reporting, thus, provides institutional investors easy access to ESG information of companies. At the same time, it allows companies to discuss their sustainability performance in a clear and concise manner.

3. **Stakeholder engagement**

   The process of sustainability reporting provides companies with opportunities for stronger engagement with their stakeholders, which in turn can result in better relationships with them. Stakeholders would feel empowered while the companies can gain valuable insights beneficial to their sustainability journey.

4. **Competitive advantage**

   Awareness on sustainability reporting is still quite low for most Philippine companies. As such, having a sustainability report may provide companies with a competitive advantage. This competitive advantage may be in any of the abovementioned internal and external benefits.

Sustainability Reporting Principles

The Reporting Principles for defining report quality guide choices on ensuring the quality of information in a sustainability report, including its proper presentation. The quality of information is important for enabling stakeholders to make sound and reasonable assessments of an organization, and to take appropriate actions. For more information read *GRI 101: Foundation*.

[8] Walsh, Cassandra & Sulkowski, Adam. (2009). A Greener Company Makes for Happier Employees More so than Does a More Valuable One: A Regression Analysis of Employee Satisfaction, Perceived Environmental Performance and Firm Financial Value. Interdisciplinary Environmental Review. 11. 10.2139/ssrn.1521745.
[9] CFA Institute, "Environmental, Social and Governance (ESG) Survey" (2018). https://www.cfainstitute.org/-/media/documents/survey/esg-survey-report-2017.ashx

1. Materiality

An organization is faced with a wide range of topics on which it can report. Relevant topics, which potentially merit inclusion in the report, are those that can reasonably be considered important for reflecting the organization's economic, environmental, and social impacts, or influencing the decisions of stakeholders. In this context, 'impact' refers to the effect an organization has on the economy, the environment, and/or society (positive or negative). A topic can be relevant – and so potentially material – based on only one of these dimensions.

For purposes of this Guidelines, and as defined in the GRI Standards, 'impact' shall refer 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. Reporting organizations are also expected to report on their impacts that are directly linked to their activities, products, or services through a business relationship. It should be noted that 'impact" does not refer to an effect upon an organization, such as a change to its reputation.

2. Stakeholder Inclusiveness

The reporting organization should provide insight into the nature and quality of the organization's relationships with its key stakeholders, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests. Stakeholders provide useful insights about matters that are important to them, including economic, environmental and social issues that also affect the ability of the organization to create value.

3. Balance

Reporting must have no bias in the selection or presentation of information. The reported information shall reflect positive and negative aspects of the reporting organization's performance to enable a reasoned assessment of overall performance. Reporting may also be compared against previously reported targets, projections, and expectations.

4. Completeness

The reporting organization should consider the extent of information disclosed and its level of specificity or preciseness, which might involve considering potential concerns regarding cost/benefit, competitive advantage, and future-oriented information.

5. Reliability

The reporting organization should gather, record, compile, analyze, and report information and processes used in the preparation of the report (similar to maintaining an audit trail) in a way that they can be subjected to examination, and that establishes the quality and materiality of the information.

6. Accuracy

The reported information should be sufficiently accurate and detailed for stakeholders to assess the reporting organization's performance. Reports should include proper citation of information sources, including estimated data and methodology for estimation.

7. Consistency and Comparability

The information in the report should be presented on a basis that is consistent over time and in a way that enables analysis of any changes in the organization's performance over time. It must also be presented in a way that enables comparison with other organizations to the extent it is material to the organization's own ability to create value over time.

SUSTAINABILITY REPORTING FRAMEWORK FOR PHILIPPINE PLCS

The over-all sustainability reporting framework for Philippine PLCs follows this structure:

<table>
<tr><td rowspan="3">OUR COMPANY is a Sustainable Business</td><td>We conduct our businesses in an ETHICAL and RESPONSIBLE manner</td><td>Corporate Governance</td></tr>
<tr><td>We manage our KEY IMPACTS</td><td>Economic
Environmental
Social</td></tr>
<tr><td>Our products and services create VALUE TO SOCIETY</td><td>Contribution to Sustainable Development</td></tr>
</table>

With this framework in mind, this sustainability reporting guidelines is crafted for PLCs operating in the Philippines with a goal of making sustainability reporting relevant and value-adding for companies. The Guidelines focuses on economic, environmental and social disclosures since governance disclosures are made in the Integrated Annual Corporate Governance Report (I-ACGR) submitted separately to SEC.

Beyond the purpose of transparency, it is designed to help PLCs assess their non-financial performance across environment, economic, and social aspects of their organization to optimize business operations, improve competitiveness, and long-term success. Disclosures contained in this guidelines are those that contribute to describing and measuring the company's sustainability performance. Broadly, sustainability performance is measured in the way the corporation conducts its business, and how it manages its key economic, environmental and social impacts. It builds on the principles and metrics provided by the GRI

Standards, SASB Standards, TCFD Recommendation and other internationally accepted standards for non-financial reporting.

The terms economic, environmental and social are defined as follows[10]:

Economic	Environmental	Social
An organization's impact on the economic conditions of its stakeholders and on economic systems at local, national and global levels. It does not focus only on the financial condition of the organization.	An organization's impact on living and non-living natural systems, including land, air, water and ecosystems.	An organization's internal and external impact/s on the social systems within which it operates.

Disclosure Topics

Disclosures should reflect the organization's significant economic, environmental, and social impacts and should consider the reasonable expectations and interests of key stakeholders.[11] Disclosures should also address the organization's climate-related risks and opportunities (climate-related issues). Whenever applicable, these disclosures should be quantifiable and measurable, effectively providing a snapshot of an organization's non-financial performance for the reporting period. The quality and content of the disclosures should also be aligned with widely recognized reporting principles.

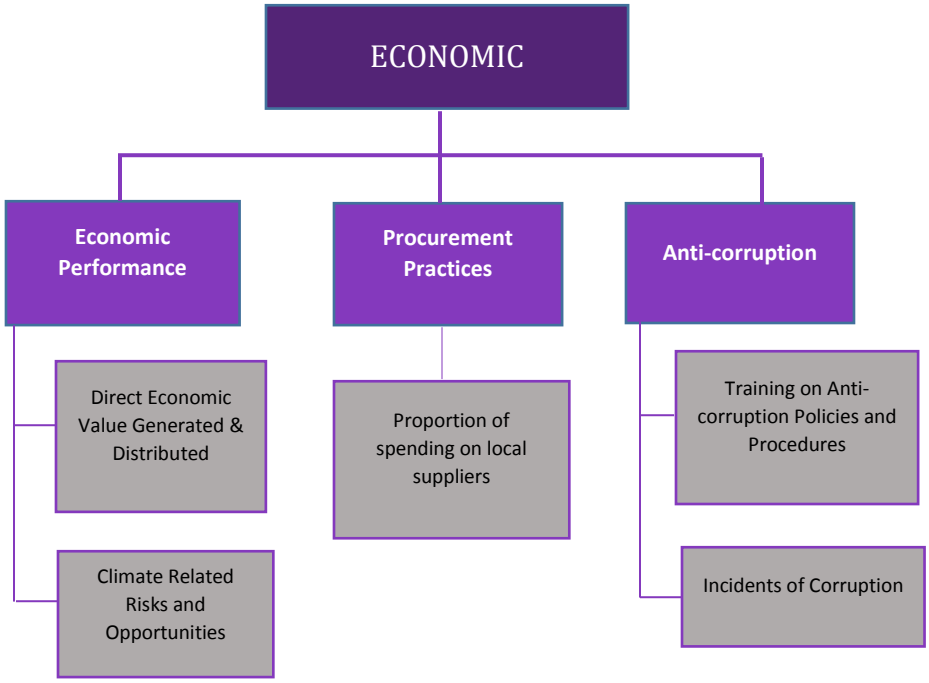
The Disclosures shall be made using the **Annex A: Reporting Template.** Again, for companies already reporting in accordance with internationally recognized sustainability frameworks or standards, their sustainability reports shall be considered as their compliance.

For additional guidance on the disclosure topics, you may refer to **Annex B: Topic Guide.**

[10] Adopted from Definitions found in the GRI Standards
[11] See GRI Standards 101: Foundation 2016

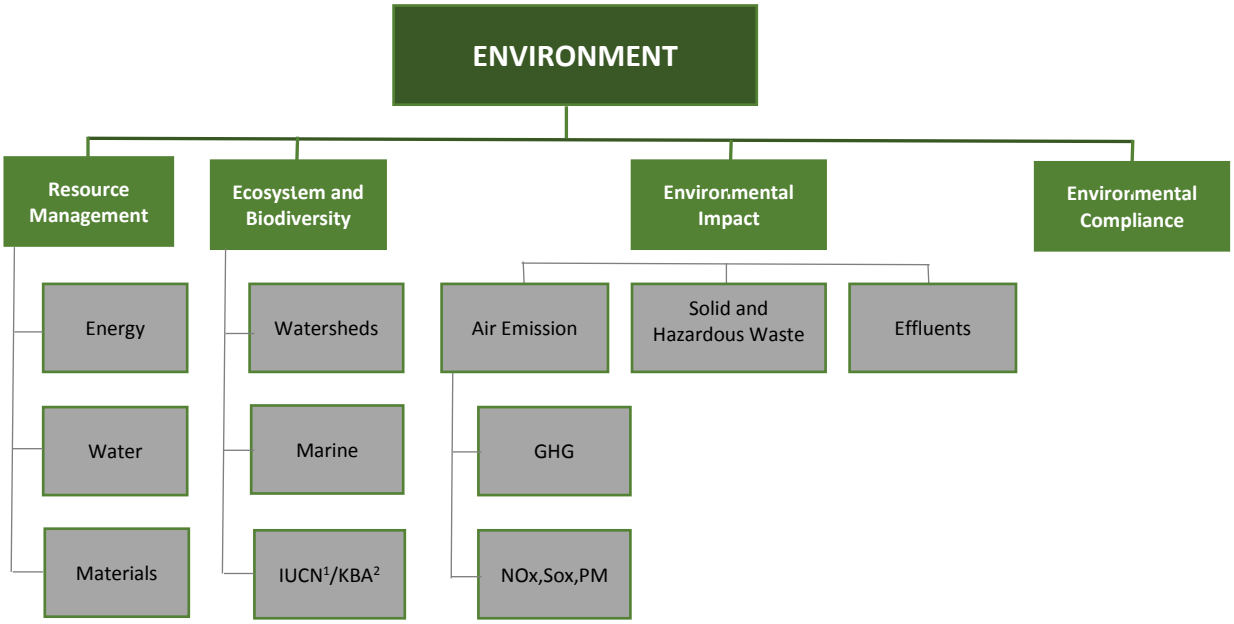
1. Economic

Economic disclosures relate to how the company directly increases the pool of economic resources that flows in the local and national economy. Included in the disclosures are the risks and opportunities due to climate change, procurement practices with respect to local suppliers and anti-corruption.



2. Environment

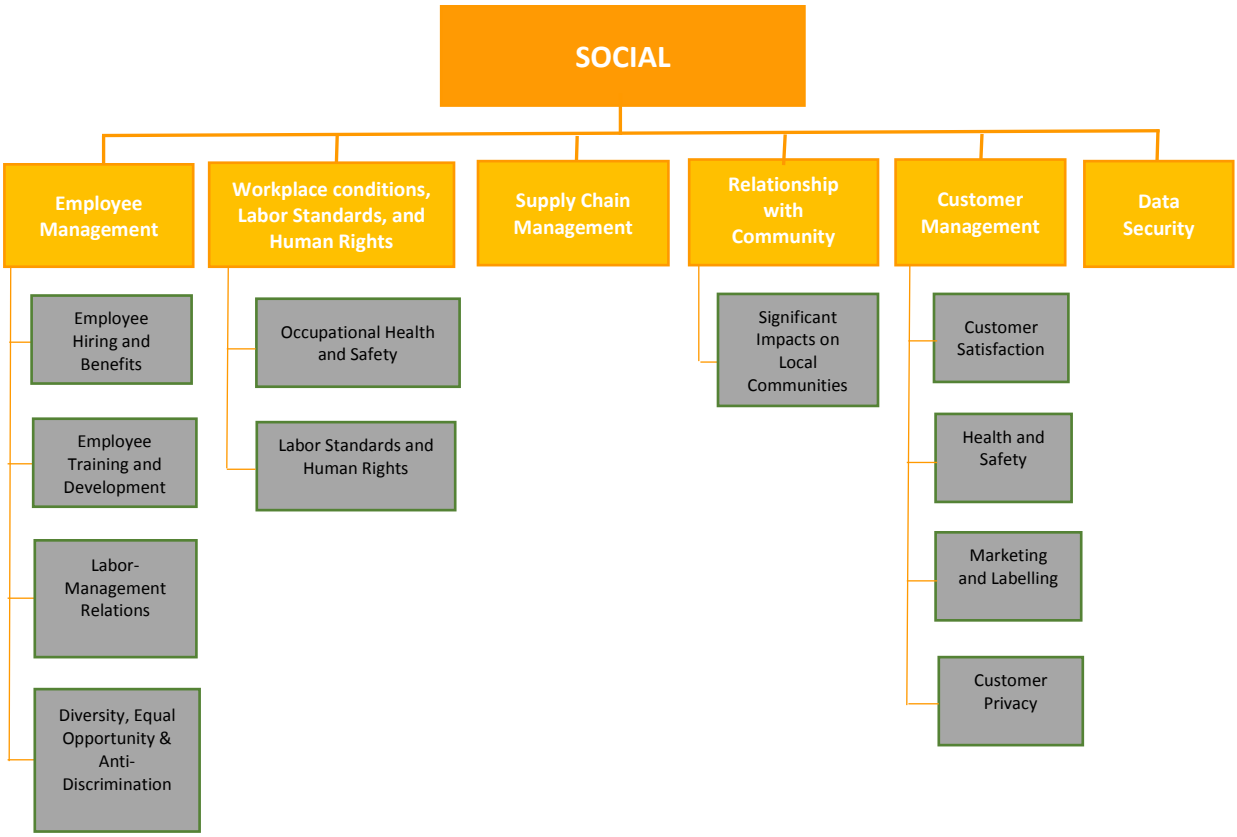
Environmental disclosures relate to how the company manages the natural resources it needs for its business, as well as how it minimizes its negative impacts to the environment, including biodiversity. The company's ability to access materials needed for its operations is critical to company's long-term success.



[1]*International Union for the Conservation of Nature*
[2]*Key Biodiversity Areas*

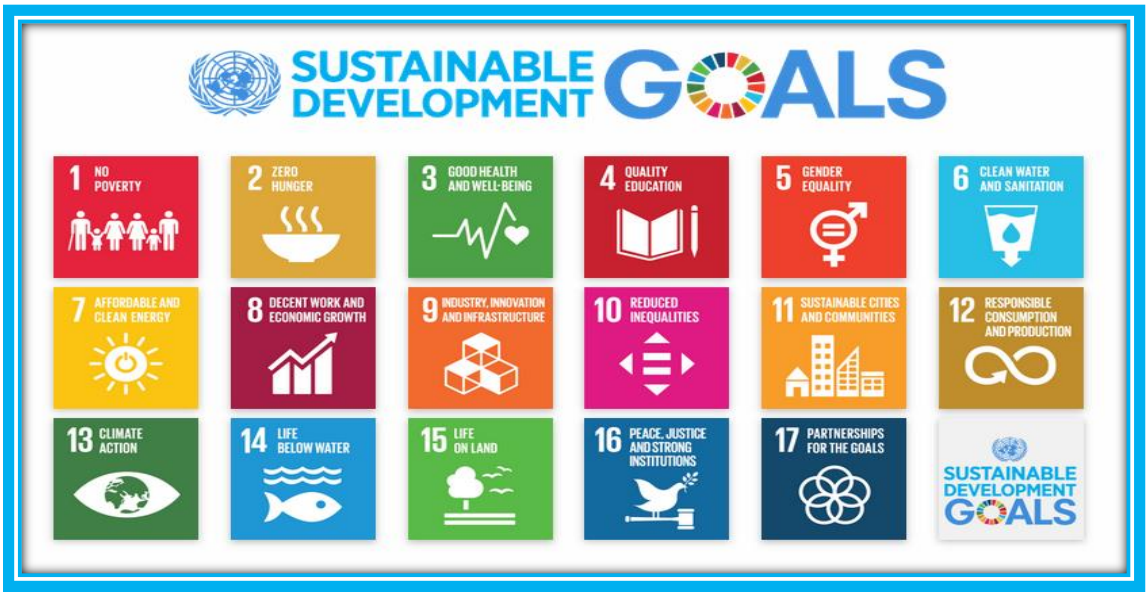
3. Social

Disclosures on social topics relate to how the organization manages its relationship with its stakeholders such as employees, customers, suppliers, communities, the public and the government. It includes disclosures on issues related to human rights, access to and quality of products and services, responsible business practices in marketing, customer privacy and data security.



4. UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a universal call to action, to end poverty, protect the planet and ensure that all people enjoy peace and prosperity and includes seventeen (17) goals seen below. Disclosure would be required on how companies are able to contribute to the SDGs through their products and services.



Materiality Assessment

In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them. The global standards/frameworks for reporting sustainability presented in the introduction (GRI, SASB, IIRC and TCFD) propose different but related definitions of materiality, which focus on the following elements:

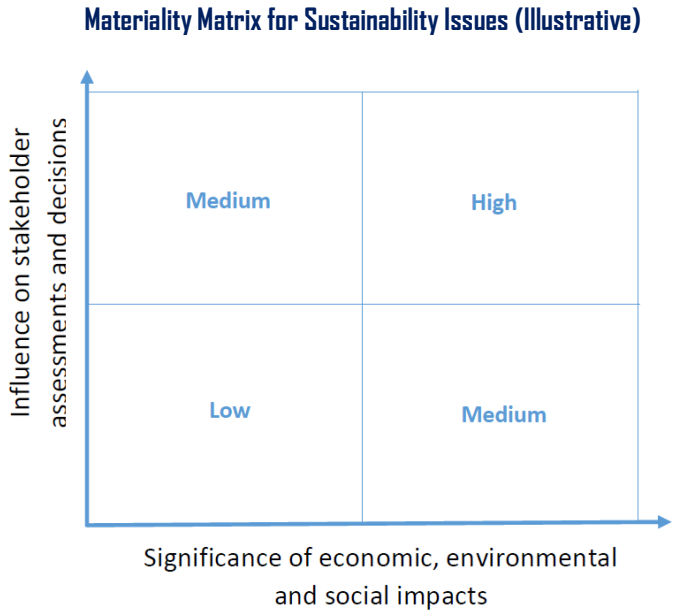
- Significant economic, environmental, and social impacts of the organization
- Information that substantively influence the assessments and decisions of stakeholders, including investors
- Matters that substantively affect the organization's ability to create value over the short, medium and long term

A topic may be considered material if it falls into any of the following:

1. It is a **KEY CAPITAL/ RISK/ OPPORTUNITY** that impacts value creation
2. Your **KEY BUSINESS ACTIVITIES** impact the topic

3. Your **SUBSIDIARIES/ CONTRACTORS/ SUPPLY CHAIN** contribute significant impacts to this topic
4. Your **PRODUCTS/ SERVICES** contribute impacts to this topic
5. There is a **TREND** that points to a future where this topic will become material to you

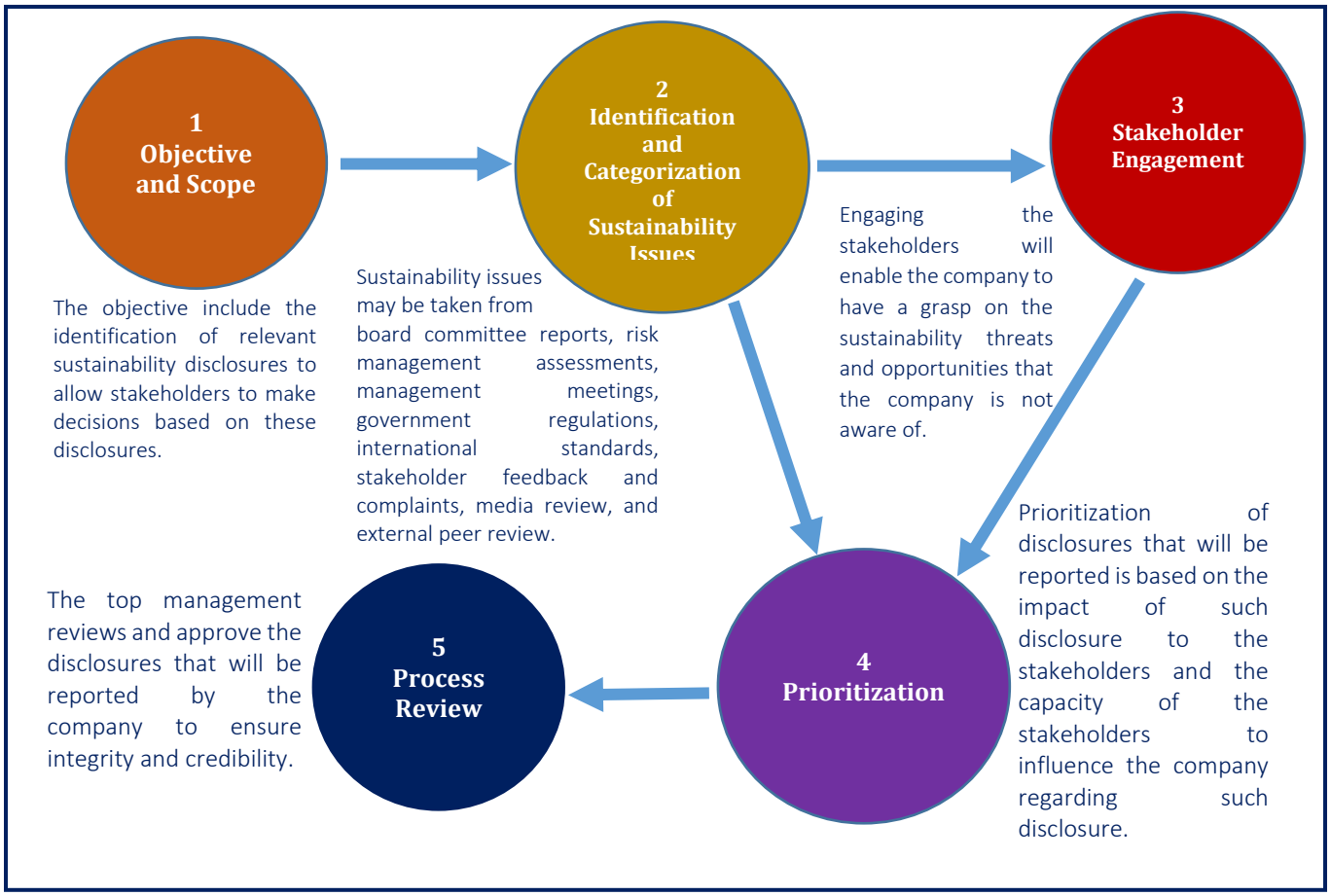
The assessment of materiality associated with sustainability issues should take into account their influence on the stakeholders assessments and decisions and the significance of the company's economic, social and environmental impacts. This can be analyzed and reported using a materiality matrix (shown below) that ranks the importance of sustainability issues based on the impact on the company and its stakeholders.



For guidance on possible material topics for your sector/industry, you may refer to the SASB Materiality Map at *https://materiality.sasb.org/*.

Suggested Materiality Assessment Process

In general, a disclosure is considered material if it reflects the significant economic, environmental, and social impacts of the organization of the stakeholders, and the capacity of the stakeholders to influence the economic, environmental and social impacts or activities of the organization. Please see below the suggested materiality assessment process adopted from the Bursa Malaysia Sustainability Reporting Guide:



Management Approach

Disclosures should also be accompanied by a management approach which describes the management of material sustainability issues. This includes explaining how the organization (1) avoids, mitigates, or remediates negative impacts to the economy, environment, and society, and enhances positive ones, and (2) addresses its climate-related issues. The management approach also includes an assessment of material risks and opportunities associated with sustainability, management and oversight of such opportunities and risks at the highest level of the organization and performance assessment, using key performance indicators. These approaches can be in the form of organization policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms as well as processes, projects, programs, and initiatives. See *GRI 103* for more guidance on the management approach.

Reporting organization should report on the management approach for each material issue with the following information[12]:

a. An explanation on the materiality of the topic;

b. The boundary for the material topic, which includes a description of where the impacts occur, and the organization's involvement with the impacts.

c. An explanation of how the organization manages the topic and the objectives.

Management Approach Components

When reporting on the management approach for a material topic, the reporting organization should ideally include a description of the following components, when applicable[13]:

i. **Policies**

Summary or link to the publicly available policies relevant to the topic.

ii. **Commitments**

Intent of the organization to manage the impacts related to the topic (e.g., for regulatory compliance, compliance with international standards).

iii. **Goals and targets**

Highlights of the following: (i) baseline and context; (ii) expected result (quantitative or qualitative); and (iii) expected timeline for achieving each goal and target.

iv. **Responsibilities**

Assigned responsibility for managing the topic and whether the responsibility is linked to performance assessments or incentive mechanisms.

v. **Resources**

Financial, human, or technological resources allocated for managing the topic.

vi. **Grievance mechanisms**

Highlights of the following: (i) purpose of the mechanism; (ii) activities covered by the mechanism; (iii) how the mechanism is managed; (iv) process to address and resolve grievances, including how decisions are made; and (v) effectiveness criteria used.

vii. **Specific actions, such as processes, projects, programs and initiatives**

May include actions that aim to avoid, mitigate, or remediate the negative impacts relative to chosen topic; and whether actions take international norms/standards into account.

[12] This material references GRI Disclosure 103-1 "Explanation of the Material Topic and its Boundary" from GRI 103: Management Approach 2016 (GRI, 2016).
[13] This material references GRI Disclosure 103-2 "The management approach and its components" from GRI 103: Management Approach 2016 (GRI, 2016)

Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

Company Details	
Name of Organization	
Location of Headquarters	
Location of Operations	
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	
Business Model, including Primary Activities, Brands, Products, and Services	
Reporting Period	
Highest Ranking Person responsible for this report	

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.[14]

[14] See *GRI 102-46* (2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)		PhP
Direct economic value distributed:		
a. Operating costs		PhP
b. Employee wages and benefits		PhP
c. Payments to suppliers, other operating costs		Php
d. Dividends given to stockholders and interest payments to loan providers		PhP
e. Taxes given to government		PhP
f. Investments to community (e.g. donations, CSR)		PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Climate-related risks and opportunities[15]

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organization's governance around climate-related risks and opportunities	Disclose the actual and potential impacts[16] of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	Disclose how the organization identifies, assesses, and manages climate-related risks	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material
Recommended Disclosures			
a) Describe the board's oversight of climate-related risks and opportunities	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	a) Describe the organization's processes for identifying and assessing climate-related risks	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) Describe management's role in assessing and managing climate-related risks and opportunities	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	b) Describe the organization's processes for managing climate-related risks	b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	

[15] Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.
[16] For this disclosure, impact refers to the impact of climate-related issues on the company.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to		%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to		%
Percentage of directors and management that have received anti-corruption training		%

Percentage of employees that have received anti-corruption training		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Incidents of Corruption

Disclosure	**Quantity**	**Units**
Number of incidents in which directors were removed or disciplined for corruption		#
Number of incidents in which employees were dismissed or disciplined for corruption		#
Number of incidents when contracts with business partners were terminated due to incidents of corruption		#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**

Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)		GJ
Energy consumption (gasoline)		GJ
Energy consumption (LPG)		GJ
Energy consumption (diesel)		GJ
Energy consumption (electricity)		kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)		GJ
Energy reduction (LPG)		GJ
Energy reduction (diesel)		GJ
Energy reduction (electricity)		kWh
Energy reduction (gasoline)		GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**

Identify the opportunity/ies related to material topic of the organization		

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal		Cubic meters
Water consumption		Cubic meters
Water recycled and reused		Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable		kg/liters

• non-renewable		kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	**Quantity**	**Units**
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	(identify all sites)	
Habitats protected or restored		ha
IUCN[17] Red List species and national conservation list species with habitats in areas affected by operations	(list)	

What is the impact and where does it occur? What is the	**Which stakeholders are affected?**	**Management Approach**

[17] International Union for Conservation of Nature

organization's involvement in the impact?		
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions		Tonnes CO_2e
Energy indirect (Scope 2) GHG Emissions		Tonnes CO_2e
Emissions of ozone-depleting substances (ODS)		Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*

linked to impacts through its business relationship)		
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Air pollutants

Disclosure	Quantity	Units
NO_x		kg
SO_x		kg
Persistent organic pollutants (POPs)		kg
Volatile organic compounds (VOCs)		kg
Hazardous air pollutants (HAPs)		kg
Particulate matter (PM)		kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Identify the opportunity/ies related to material topic of the organization		

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated		kg
Reusable		kg
Recyclable		kg
Composted		kg
Incinerated		kg
Residuals/Landfilled		kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated		kg
Total weight of hazardous waste transported		kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Effluents

Disclosure	Quantity	Units
Total volume of water discharges		Cubic meters
Percent of wastewater recycled		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach

Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations		PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations		#
No. of cases resolved through dispute resolution mechanism		#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Which stakeholders are affected?**	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*(e.g. employees, community, suppliers, government, vulnerable groups)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*

What are the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify risk/s related to material topic of the organization		
What are the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
Identify the opportunity/ies related to material topic of the organization		

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees[18]		
a. Number of female employees		#
b. Number of male employees		#
Attrition rate[19]		rate
Ratio of lowest paid employee against minimum wage		ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS			
PhilHealth			
Pag-ibig			
Parental leaves			
Vacation leaves			
Sick leaves			
Medical benefits (aside from PhilHealth))			
Housing assistance (aside from Pag-ibig)			
Retirement fund (aside from SSS)			
Further education support			
Company stock options			
Telecommuting			
Flexible-working Hours			
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*

[18] Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)
[19] Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)	
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees		hours
b. Male employees		hours
Average training hours provided to employees		
a. Female employees		hours/employee
b. Male employees		hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Labor-Management Relations

Disclosure	Quantity	Units

% of employees covered with Collective Bargaining Agreements		%
Number of consultations conducted with employees concerning employee-related policies		#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Diversity and Equal Opportunity

Disclosure	**Quantity**	**Units**
% of female workers in the workforce		%
% of male workers in the workforce		%
Number of employees from indigenous communities and/or vulnerable sector*		#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**

Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours		Man-hours
No. of work-related injuries		#
No. of work-related fatalities		#
No. of work related ill-health		#
No. of safety drills		#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor		#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor		
Child labor		
Human Rights		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
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What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

_____

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child labor		
Human rights		
Bribery and corruption		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms,*

Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)	*and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	**Location**	**Vulnerable groups (if applicable)***	**Does the particular operation have impacts on indigenous people (Y/N)?**	**Collective or individual rights that have been identified that or particular concern for the community**	**Mitigating measures (if negative) or enhancement measures (if positive)**

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	**Quantity**	**Units**
FPIC process is still undergoing		#
CP secured		#

What are the Risk/s Identified?	Management Approach
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
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Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*		#
No. of complaints addressed		#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*		#
No. of complaints addressed		#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*		#
No. of complaints addressed		#
No. of customers, users and account holders whose information is used for secondary purposes		#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*
What are the Risk/s Identified?	**Management Approach**
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data		#

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) *Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)*	*What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?*

What are the Risk/s Identified?	Management Approach
Identify risk/s related to material topic of the organization	
What are the Opportunity/ies Identified?	**Management Approach**
Identify the opportunity/ies related to material topic of the organization	

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

Annex B: Topic Guide

In line with the Disclosure Topic and Management Approach discussion above, this Annex will provide a guide on what to disclose in the Topics provided in the Reporting Template. The guide is based on the GRI Standards, SASB Standards and Recommendations of the Task Force on Climate-related Financial Disclosures.

ECONOMIC

Economic disclosures relate to how the company directly increases the pool of economic resources that flows in the local and national economy. Included in the disclosures are the risks and opportunities due to climate change, procurement practices with respect to local suppliers and anti-corruption.

Economic Performance

Measuring the direct economic value generated, measured as revenue and distributed (costs) shows that an organization does not just create economic value for itself but also ensures that this value flows back to its various stakeholders such as stockholders, suppliers, employees, government, and the community. This also discloses the remaining value that is retained in the company for liquidity and for future investments. Figures for this disclosure can be derived using the audited financial statement with the revenue as the economic value generated for the reporting period.

This disclosure answers the questions:

- How much direct economic value (revenue) did you generate?
- How much of this flowed back to society (costs disaggregated according to stakeholders)?
- How much of this was retained in the company for liquidity and to fund future investments?

See *GRI 201-1* for more guidance on the disclosure.

Disclosure of an organization's climate-related issues helps stakeholders make sound and reasonable assessments of the impact climate change may have on the organization. Companies should disclose the climate-related risks and opportunities they have identified and how they assess and manage those issues. See *GRI 201-2* and *the Recommendations of the Task Force on Climate-related Financial Disclosures* for more guidance on the disclosure.

Procurement Practices

Disclosure on the proportion of spending on local suppliers show's an organization's support for local groups, including those owned by women or members of vulnerable sectors. Supporting local suppliers can indirectly attract additional investments to the local economy. The disclosure describes the policies and practices used to select locally-based suppliers and to promote economic inclusion when selecting suppliers. See *GRI 204* for more guidance on disclosures

Anti-corruption

Disclosures on training on anti-corruption policies and procedures show how the company ensures that it has the necessary capability to fight against corruption through proper training and awareness building for

its directors, management, employees and business partners. Disclosures on incidents of corruption and how the company responded on the incidents show how serious an organization is on combatting corruption. See *GRI 205* and *SASB Standards General Issue Category: Business Ethics* for more guidance on the disclosures.

ENVIRONMENT

Environmental disclosures relate to how the company manages the natural resources it needs for its business, as well as how it minimizes its negative impacts to the environment, including biodiversity. The company's ability to access materials needed for its operations is critical to company's long-term success.

Resource Management

Disclosures on resource management such as energy consumption, water consumption, and materials use show how efficiently an organization uses scarce natural resources, which has implications on reduction of environmental impacts from extraction and processing of these resources. The efficiency of managing resources relates to profitability of the organization. See *GRI 301*, *GRI 302*, *GRI 303* and *SASB Standards General Issue Categories: Energy Management; Water and Wastewater Management; Material Sourcing and Efficiency* for more guidance on the disclosures.

Ecosystems and Biodiversity

Disclosure on activities that show how an organization protects, conserves, or rehabilitates ecosystems and biodiversity therein such as in watersheds and coastal and marine areas gives an idea of how that organization appreciates the ecosystem and the services it gives that make business thrive. Ecosystems and Biodiversity is vital to human existence. Companies have the responsibility and clear business case for ensuring ecosystems and biodiversity around its sites are protected and restored. See *GRI 303*, *GRI 304* and *SASB Standards General Issue Category: Ecological Impacts* for more guidance on the disclosures.

Environmental Impact Management

Reporting on an organization's impact on air, soil, and water through emissions, wastes, and effluents provides basis for companies to manage these impacts. Responsible companies take an effort to minimize such impacts through cleaner production and pollution prevention measures. Companies should disclose on their performance on these topics including how well the organization mitigates, reduces, and/or prevents these impacts to the environment in compliance to Philippine Environmental Laws or on efforts beyond compliance. See *GRI 305*, *GRI 306* and *SASB Standards General Issue Categories: GHG Emissions; Air Quality; Water & Wastewater Management; Waste & Hazardous Materials Management* for more guidance on the disclosures.

Environmental Compliance

Disclosure on an organization's compliance with environmental laws and/or regulations shows an organization's ability to conform to certain performance parameters. The strength of an organization's compliance indicates its concern for environmental protection. See *GRI 307* and *SASB Standards General Issue Categories: Ecological Impacts; Air Quality; Water & Wastewater Management; Waste and Hazardous Materials Management* for more guidance on the disclosures.

SOCIAL

Disclosures on social topics relate to how the organization relates and manages its relationship with its stakeholders such as employees, communities, customers, and suppliers.

Employee Management

Disclosing on employee management indicates of how good an employer the organization is in engaging its employees. It also provides a sense on how the organization develops its employees and gives equal opportunity for all, such as indigenous people and those coming from vulnerable groups which include elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E). See *GRI 401*, *GRI 402*, *GRI 404*, *GRI 405*, *GRI 406*, *GRI 407*, *GRI 102-8*, *GRI 102-41* and *SASB Standards General Issue Categories: Labor Practices; Employee, Engagement Diversity & Inclusion* for more guidance on the disclosures.

Workplace Conditions,Labor Standards and Human Rights

Disclosures on workplace conditions and labor standards show how an organization gives importance to occupational health and safety and how it upholds labor standards and human rights in the workplace. See *GRI 403*, *GRI 408*, *GRI 409*, *GRI 412* and *SASB Standards General Issue Category: Employee Health & Safety* for more guidance on the disclosures.

Supply Chain Management

Disclosures on supply chain management is most relevant for companies with a significant portion of value creation carried out by suppliers. Organizations can report on how the reporting company ensures that supplier upholds with sustainability standards and practices including compliance to Philippine laws. The reporting company may also disclose how it influences its suppliers to be sustainable through supplier accreditation processes, among other approaches. See *GRI 308*, *GRI 414* and *SASB Standards General Issue Category: Supply Chain Management* for more guidance on the disclosures.

Relationship with Community

These disclosures show how an organization meaningfully engages the community around their sites and how it aims to create a net positive impact to its host or neighbors. These also includes how the company contributes in addressing issues of indigenous people and those coming from vulnerable groups [youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)] in its business operations. See *GRI 411*, *GRI 412*, *GRI 413* and *SASB Standards General Issue Category: Human Rights & Community Relations* for more guidance on the disclosures.

Customer Management

Disclosing on customer management shows how well an organization upholds the rights of its customers to privacy, safety, and security from probable negative impacts of its products and services. See *GRI 416*, *GRI 417*, *GRI 418* and *SASB Standards General Issue Categories: Product Quality & Safety; Customer Welfare; Selling Practices & Product Licensing* for more guidance on the disclosures.

Data Security

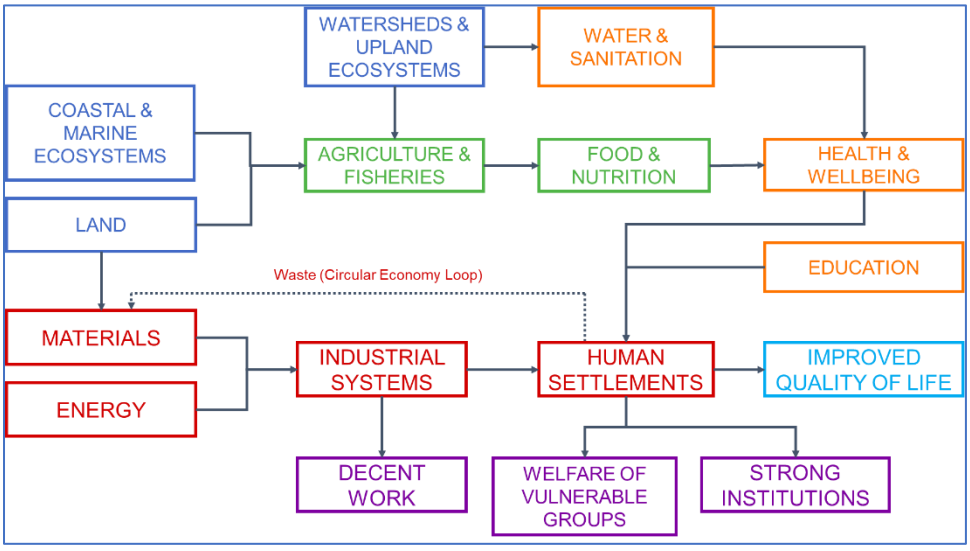
Reporting on the number of data breaches, including leaks, thefts and losses of data shows how much importance an organization places on keeping data secure. Organizations can indicate how they manage risks related to the collection, retention and use of sensitive information. See *SASB Standards General Issue Category: Data Security* for more guidance on the disclosure.

UN SUSTAINABLE DEVELOPMENT GOALS

The SDG Compass can be used as guidance for companies on how they can align their strategies as well as measure and manage their contribution to the realization of the SDGs. The SDG Compass can be accessed at https://sdgcompass.org/

Moreover, a recent publication with the title: *Integrating the SDGs into Corporate Reporting: A Practical Guide*,[20] helps companies of all sizes to prioritize SDG targets to act and report on, set related business objectives, and measure and report on progress. This is a co-production between GRI and UN Global Compact (UNGC).

Companies may also use the following framework to determine which area of sustainable development its company is contributing to improve people's quality of life.



For more information on how private sector can contribute to sustainable development, companies may visit www.sdgsbiz.ph.

[20] This publication may be accessed at https://www.globalreporting.org/resourcelibrary/GRI_UNGC_Reporting-on-SDGs_Practical_Guide.pdf