THE Nigerian STOCK EXCHANGE
RC: 2321

SUSTAINABILITY DISCLOSURE GUIDELINES[1]

[1] **Rule Making History**

1. The draft Guidelines were presented to the Rules and Adjudication Committee of Council (RAC) at the RAC Meeting of 29 November 2016 and approved for exposure to stakeholders for comments;
2. The draft Guidelines were exposed for stakeholders' comments from 14 December 2016 to 16 January 2017;
3. The RAC considered the draft Guidelines, and stakeholders' comments thereon at its Meeting of 20 March 2017 and approved the draft Rules for submission to the National Council of The Exchange (Council);
4. The Council approved the draft Guidelines at its Meeting of 25 May 2017 for submission to the Securities and Exchange Commission (SEC);
5. The Council approved Guidelines were submitted to the SEC for approval on 16 June 2017;
6. The SEC approved the Guidelines on 9 November 2018.

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INTRODUCTION

The integration of sustainability principles to business strategy and operations are increasingly assuming higher positions on the agenda of policy makers, market regulators, businesses and investors alike. Organisations globally are demonstrating that responsibility and profitability though not always mutually co-existent, they are not incompatible, and are in fact wholly complementary. A recent paper from the Smith School of Enterprise and the Environment, part of the University of Oxford, stated that there is a remarkable correlation between diligent sustainability business practices and economic performance[i].

The Nigerian Stock Exchange ("The Exchange" or "NSE') recognizes the impact of sustainability performance on the overall performance of businesses. While governments have historically initiated and led sustainability policies and regulation, market regulators and operators are increasingly playing a central role in encouraging good corporate governance and transparency among companies or Issuers listed on their stock exchanges.

In view of the aforementioned, The Exchange has commenced a phased project to integrate sustainability reporting for its listed companies. The implementation process which started in 2015 is expected to end in 2017. The first major step in this implementation was the hosting of the inaugural Nigerian Capital Market Sustainability Conference (NCMSC), which served as a stakeholder engagement session to discuss the business value of sustainable investment, enhancing corporate transparency and ultimately performance on Environmental, Social and Governance (ESG) issues. The outcomes from the conference and results from relevant assessments have resulted in the production of the Sustainability Disclosure Guidelines (SDG).

Consequently, the NSE also held a Sustainability Reporting Seminar on June 8, 2016 to intimate stakeholders with the Guidelines, the reporting format and template, coupled with the real value proposition of reporting.

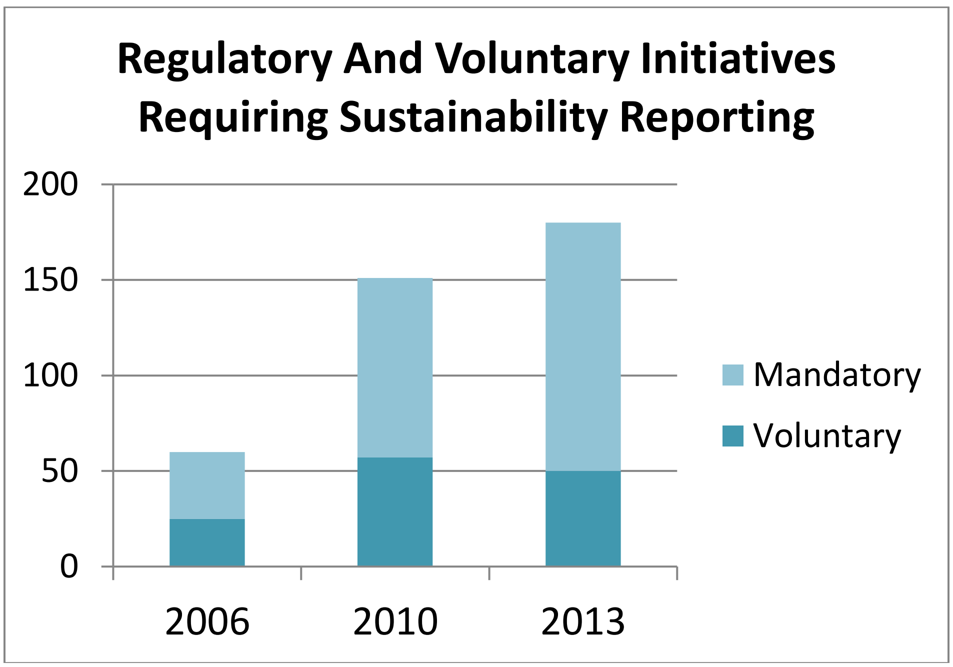
These Guidelines provide the value proposition for sustainability. They provide a step by step approach on integrating sustainability in organisations, and detail indicators that should be considered when providing annual disclosure to The Exchange.

The Exchange encourages all Issuers to consider and adopt the practice of sustainability reporting. These Guidelines have been developed while recognizing that Issuers may be at varying levels of understanding the requirements for the disclosure of sustainability information relating to ESG issues. We recognize that moving to best practice sustainability performance reporting and disclosure is a journey, and that preparing a Sustainability Report can be challenging especially for first time reporters and small scale companies. Therefore, we encourage the companies to apply the recommendations of these Guidelines as much as possible on the basis of respective resources, and expertise.

SECTION 1. RELEVANCE AND VALUE PROPOSITION

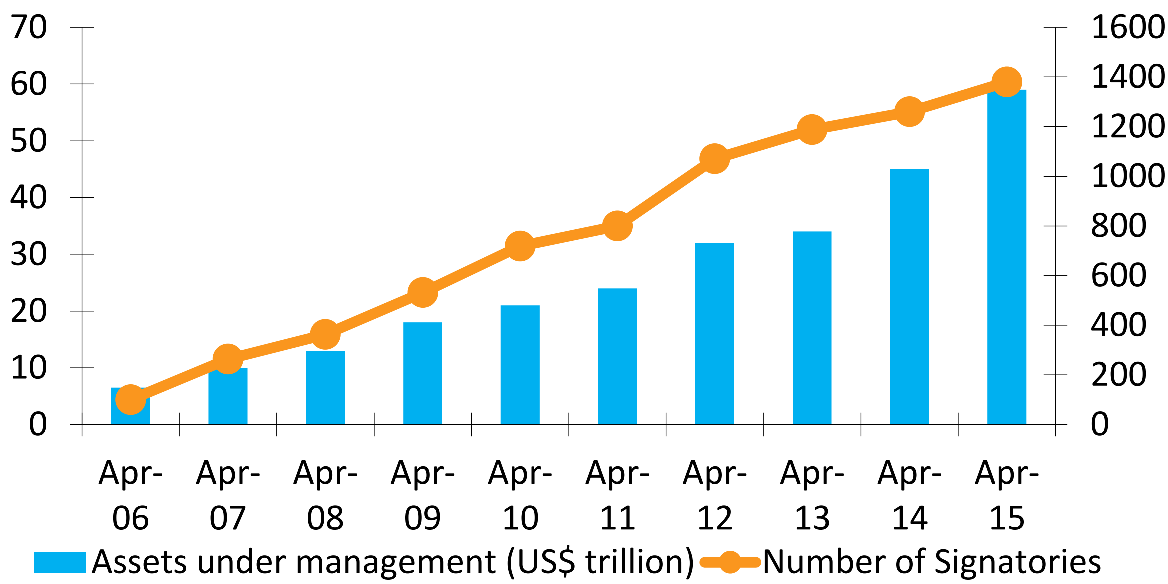
1.1 Overview

The leadership role of governments, market regulators, operators, inter-governmental organisations and international associations with regard to implementing sustainability policies and regulation, is increasingly evidenced by the growing trend towards responsible investment through initiatives such as United Nations Environment Programme Finance Initiative (UNEPFI), United Nations Principles for Responsible Initiative (UNPRI), Sustainable Stock Exchanges Initiative (SSE), World Federation of Exchanges (WFE), Investor Network on Climate Risk and the Corporate Sustainability Reporting Coalition led by AVIVA Investors.



Global sustainable investment market has continued to grow, rising from $13.3 trillion at the outset of 2012 to $21.4 trillion at the start of 2014, and from 21.5 percent to 30.2 percent of the professionally managed assets. In the past 10 years, ESG Funds and Asset under Management (AUM) has continued to grow both in absolute and relative terms. For instance, AUM for PRI signatories now stands at more than $59 trillion, up from $4 trillion at the PRI's launch in 2006.

Number of investors and AUM signed up to UN PRI



Source: United Nations Principles for Responsible Investment (UNPRI)

Therefore, transparency around how a company manages ESG risks and opportunities should be disclosed as part of its value proposition. As a result, the financial community increasingly recognizes that to thoroughly assess an investment, it should also analyze relevant ESG factors.

1.2. Sustainability: Conceptual Clarification

It is important to note that these Guidelines use the term “Sustainability” as it is commonly used among companies, while the term “ESG” is used interchangeably as it is common among investors[ii]. For the purpose of these Guidelines, both terms encompass the broad set of economic, environmental, social and governance considerations that can impact a company’s ability to execute its business strategy and create or destroy value.

There is no universally agreed definition of what sustainability means. However, the idea of sustainability stems from the concept of sustainable development which became common language at the World's first Earth Summit in Rio in 1992. The original definition of sustainable development as stated in the Brundtland Report for the World Commission on Environment and Development (1992) is usually considered to as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

While ESG factors are at times called "non-financial" or "extra-financial", how a company manages them has financial consequences. They can impact:

- Access to capital
- Resource efficiency, cost savings and productivity
- Risk management
- Revenue growth and market access
- Brand value and reputation
- License to operate
- Human capital- Employee retention and recruitment
- Company value as an acquisition target
- Ability to acquire other high-quality companies

For the purpose of these Guidelines, sustainability will encompass the following areas:

- **Economic:** This relates to the organisation's impact on the economic conditions of its stakeholders and the interaction or relationship with the economic systems at local, national, and global levels. It does not merely focus on the financial conditions of organisations.

  Financial performance is fundamental to understanding an organisation and its own sustainability. However, this information is normally already reported in financial accounts. What is often reported less, and is increasingly sought by users of sustainability reports such as investors, is the organisation's contribution to the sustainability of a larger economic system.

  Environmental: The environmental dimension of sustainability concerns an organisation's impact on living and non-living natural systems, including ecosystems, land, air, and water. Environmental indicators cover performance related to inputs (e.g., material, energy, water) and outputs (e.g., emissions, effluents, waste). [iii]

  Social: The social dimension of sustainability concerns the impacts an organisation has on the social systems such as labour practices, human rights and relationship with communities within which it operates. [iv]

  Governance: This will include subject areas of the NSE Corporate Governance Rating System. A key indicator of sustainability integration is clear assignment of accountabilities and responsibilities for environmental, social and broader economic performance from the Board level through the corporate/group executive to the executive and operational management of each business division within a company.

1.3 Relevance and value proposition for integrating sustainability in your organisation and reporting:

Enhanced Brand and Increased Competitive Advantage: • Exhibit corporate adherence to industry ethical standards and national and international frameworks on corporate sustainability and sustainable development, particularly in light of the UN Sustainable Development Goals. • Enhance corporate reputation by improving stakeholders' perception of a company through reporting--related stakeholder engagement. • Improve employee perception of the company, helping to attract, retain, motivate, and align new and existing employees.	The Natural Marketing Institute (NMI) has found in their consumer research that knowing a company is mindful of its impact on the environment and society makes consumers 58% more likely to buy their products or services.
Increased Productivity and Reduced Costs Through development of more sustainable business practices, efficiency in operations will increase. With better use and conservation of resources, operations will be streamlined and costs will decrease.	An example of a company implementing long-term sustainability measures to increase overall efficiency and operational performance is Walmart. Wanting to take the lead in a sector-wide evolution towards sustainability, Walmart set goals of becoming totally supplied by renewable energy, having zero waste and selling products that sustain people and the environment back in 2005. Over the 2012 fiscal year, Walmart saved about US$231 million by means of efficient waste management and recycling; an estimated US$150 million were saved over 2013 through renewable energy projects and a zero waste programme.
Improve Financial and Investment Opportunity Financial and investment analysts have recognized companies who have developed sustainability plans with regards to energy efficiency and reduction of environmental impact as an important evaluation criterion.	A Goldman Sachs' study revealed that companies in six industries considered leaders in environmental, social and governance policies have outperformed the general stock market by 25%, with 72% of the companies outperforming their peers since August 2005. Another study based on CFO Research that surveyed 175 top finance executives, showed that more than half believe their companies will increase revenue through strong sustainability initiatives.

Increase Employee Retention and Recruitment Employees want to work with companies who are 'doing the right thing' and being proactive with corporate environmental and social programs.	A 2007 survey by Adecco, an international HR company, found that 52% of employed adults feel their companies should do more about the environment. More importantly, companies want their employees to be loyal and ethical to the organisation. According to a Global Study of Business Ethics by the American Management Association, one of the top five internal practices for ensuring an ethical corporate culture is developing corporate social responsibility programmes.
Compliance and Risk Management Better management of risks that arise from sustainability issues begins with detecting key risks of operational disruptions from climate change, resource scarcity, or community issues (such as boycotts or delays in getting permits for manufacturing).	Faced with potential supply constraints, Nestlé, for example, launched a plan in 2009 that coordinates activities to promote sustainable cocoa: producing 12 million stronger and more productive plants over the next ten (10) years, teaching local farmers efficient and sustainable methods, purchasing beans from farms that use sustainable practices, and working with organisations to help tackle issues like child labour and poor access to health care and education. The mining giant BHP Billiton managed its exposure to emerging regulations by systematically reducing its emissions.
Returns on capital Most companies creating value through sustainability look first to improving returns on capital, which often means reducing operating costs through improved natural-resource management (such as energy use and waste).	Dow Chemical, for example, reported that it invested less than US$2 billion since 1994 to improve its resource efficiency. To date the company has saved more than US$9.8 billion from reduced energy consumption and water waste in its manufacturing processes, even as it continues to develop innovations.

Source: The business of sustainability: McKinsey Global Survey results

The choice for companies today is not if, but *how*, they should manage their sustainability activities. Companies can choose to see this agenda as a necessary evil—a matter of compliance or a risk to be managed while they get on with the business of business—or they can think of it as a novel way to open up new business opportunities while creating value for society.

SECTION 2. APPROACH TO INTEGRATING SUSTAINABILITY IN ORGANISATIONS

Embedding sustainable business practices into the DNA of an organisation requires total commitment from the Board of Directors (or those responsible for governance) and the senior executive team. It is a change program that should be carefully planned and implemented in measured stages.

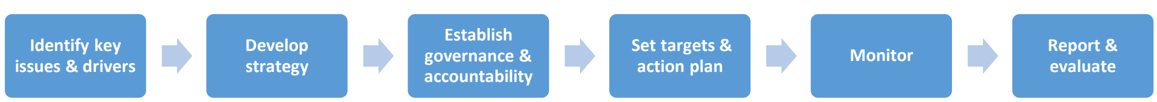
The Board of Directors has responsibility for integrating sustainable business practices in the administration, growth and development of organisations. The key is to set and clarify the corporate strategy, the objectives and required outcomes from an ESG perspective. The organisation should then engage, enhance and develop its key resources and relationships to implement its strategy to achieve the sustainable business outcomes. For companies to balance their financial, social, and environmental risks, obligations and opportunities, sustainability should move from being an add-on to 'just the way we do things around here.'

Step by Step Guide

There are various approaches to integrating sustainability. However, what these approaches all have in common is that they seek to:

- Integrate social, economic, governance and environmental aspects of the business.
- It takes an inclusive approach to stakeholder involvement and empowerment.
- It provides a long term view.

This diagram summarizes the strategic approach to embedding sustainability in a very simple way:



- **Identify key issues & drivers** – Why is embedding sustainability important to my organisation? What are the internal and external drivers? What are my organisation's material relevant sustainability issues?
- **Develop strategy** – What does good practice look like for each material issue? What broad strategies can be implemented to achieve this?
- **Establish governance & accountability** – Who does what to deliver these broad strategies per material issue?
- **Set targets & action plan** – Where do we want to be in 'x' number of years? What concrete actions/activities do we need to achieve the targets? Which of our existing initiatives can we include to the action plan to help deliver our targets?
- **Monitor, report & evaluate** – How have we performed so far? Are our processes working?

1. Identify key issues & drivers*:* It is important to be clear about how sustainable development fits in with the organisation's core business, activities and objectives. Clearly understanding this will help companies to understand several key things, such as:

- Why they should adopt a more proactive approach to integrating sustainability within core business;
- The corresponding risks of not doing so;
- It will give a better understanding of the benefits organisations might achieve.

This process will also need to consider the implications for operations and core activities, whether that is providing products and services or setting public policy. The issues and drivers for embedding sustainability will vary according to the context in which a particular organisation operates. But they are likely to follow a consistent set of themes, which may initially be explored using a simple analysis, for example by using a method like PESTEL:

- Political – e.g. what are the political expectations on the organisation to embrace sustainability?
- Economic – e.g. what are the economic drivers for sustainability for example in reducing resource costs?
- Social – e.g. what is the social context in which the organisation operates?
- Technological – e.g. are there technological changes that embedding sustainability might help the organisation to adapt to?
- Environmental – e.g. how might environmental changes affect the organisation in the future, or the environmental impacts the organisation has?
- Legislative – what are the regulatory drivers affecting the organisation's performance.

2. **Develop strategy:** Developing a sustainability strategy helps to address the issues and build on the drivers to embed sustainable development in an organisation. Strategy development has a number of key areas. For example:

- Establishing a central vision and a core set of values or principles.
- Establishing a governance structure and some form of risk assessment and prioritisation process.
- Identifying priorities, setting objectives and establishing the means to deliver them.
- Internal and external stakeholder engagement.
- Accurate documentation of decisions and regular review of strategy.
- Progress on moving towards targets being regularly monitored, evaluated and reported.

In functional terms the strategic process needs to incorporate the following:

- Leadership – developing and encouraging organisational ownership of the vision.
- Action planning – identifying the objectives and how to achieve them.
- Implementation – setting clear objectives with corresponding milestones and deadlines.
- Monitoring, learning and adapting.
- Coordination with other strategy processes and multi-stakeholder participation.

3. Establish governance & accountability: Strong governance and accountability are central to the effective implementation of a sustainable development strategy, and to embedding sustainability in any organisation. Good governance is about reaching sound decisions, putting measures in place to implement them and making clear the individuals and organisational structures accountable for delivery.

An overarching governance system will provide oversight and support consistent delivery across all material issues. Good governance will have a number of different elements, which will include:

- Defining responsibility and delivery clearly for management.
- Embedding sustainability performance in the organisation's reporting and appraisal structures e.g. in staff performance assessments.
- Coordinating management structures across the organisation to ensure that the broad nature of sustainability issues does not lead to gaps in accountability emerging.
- Operating and managing clear lines of reporting.

4. Set targets & action plan: The production of quantified and time bound sustainability objectives is important to demonstrate organisational commitments and focus. An organisation should devise an effective action plan and set specific targets to work towards the sustainable development objectives set out in its strategy.

5. **Monitor, report & evaluate:** It is not enough for an organisation to develop a sustainability strategy. Delivery of the strategy needs to be implemented and regularly monitored. Monitoring progress towards sustainability objectives, reporting that information openly and evaluating its implications provides a critical feedback process into decision-making about an organisation's future activity. Monitoring will be vastly improved it if is based on clear indicators, and built into strategies to steer processes, track progress, distil and capture lessons, and signal when a change of direction is necessary. [v]

SECTION 3. PRINCIPLES AND CORE ELEMENTS

These Guidelines encourage and enable businesses to go beyond compliance and embrace sustainability as part of their business ethos. The following nine (9) principles and the corresponding core elements encompass the indicators of what constitutes responsible business conduct. It also delineates the fundamentals of implementing the Guidelines. The Board of Directors is responsible for incorporating these principles and Guidelines into the management of organisations.

FOCUS AREA: GOVERNANCE

3.1 Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Core Elements:

1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
2. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
3. Businesses should not engage in practices that are abusive, corrupt, or anti-competitive.
4. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.
5. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting recommendations in this document.
6. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

3.2 Principle 2: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Core Elements:

1. Businesses, while pursuing policy advocacy, should ensure that their advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.
2. To the extent possible, businesses should utilize their trade, commerce and industry chambers and associations, and other such collective platforms to undertake such policy advocacy.

FOCUS AREA: ECONOMIC

3.3 Principle 3: Businesses should provide products and services that are safe and contribute to sustainability throughout their life cycle.

Core Elements:

1. Businesses should assure safety and optimal resource use over the life-cycle of their product – from design to disposal – and ensure that everyone connected with it- designers, producers, value chain members, customers, consumers and recyclers-are aware of their responsibilities.

2. Businesses should ensure relevant and informative product labelling, appropriate and helpful marketing communication, full details of contents and composition, and promotion of safe usage and disposal of their products and services.

3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.

4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.

5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.

6. Businesses should recognize that over-consumption of resources results in unsustainable exploitation of our planet's resources, and they should therefore promote sustainable consumption, including recycling of resources.

7. Responsible procurement practices which addresses transparency, confidentiality, fairness, child labour, corruption, conflict of interest, support for SME and women owned businesses, forced labour, social responsibility and Health & Safety should be maintained.

3.4 Principle 4: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Core Elements:

1. Businesses, while serving the needs of their customers, should take into account the overall well-being of the customers, consumers, and that of society.

2. Businesses should ensure that they do not restrict customers and consumers' freedom of choice and free competition in any manner while designing, promoting and selling their products.

3. Businesses should disclose all information truthfully and factually, through relevant and informative labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, businesses should also educate their customers on the safe and responsible usage of their products and services.

4. Businesses should promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.

5. Businesses should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.

6. Businesses should provide adequate grievance handling mechanisms to address customer and consumer concerns, and feedback.

FOCUS AREA: SOCIAL

3.5 Principle 5: Businesses should promote the wellbeing of all employees.

Core Elements:

1. Businesses should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redress mechanisms.

2. Businesses should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, or disability.

3. Businesses should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.

4. Businesses should take cognizance of the work-life balance of its employees, especially that of women.

5. Businesses should provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.

6. Businesses should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. Business should communicate this provision to their employees and train them on a regular basis.

7. Businesses should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.

8. Businesses should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

3.6 Principle 6: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Core Elements:

1. Businesses should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
2. Businesses should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product and services, and associated operations on the stakeholders.
3. Businesses should give special attention to stakeholders in areas that are underdeveloped.
4. Businesses should resolve differences with stakeholders in a just, fair and equitable manner.

3.7 Principle 7: Businesses should respect and promote human rights.

Core Elements:

1. Businesses should understand the human rights content of the Constitution of the Federal Republic of Nigeria, national laws and policies and the content of the International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
5. Businesses should not be complicit with human rights abuses by a third party.

3.8 Principle 8: Businesses should support inclusive growth and equitable development.

Core Elements:

1. Businesses should understand their impact on social and economic development, and respond through appropriate action to minimize the negative impacts.

2. Businesses should innovate and invest in products, technologies and processes that promote the wellbeing of society.

3. Businesses should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.

4. Businesses operating in regions that are underdeveloped should be especially sensitive to local concerns.

FOCUS AREA: ENVIRONMENT

3.9 Principle 9: Business should respect, protect, and make efforts to restore the environment.

Core Elements:

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.

3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.

4. Businesses should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

5. Businesses should develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of their value chain.

6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to their stakeholders in a fair and transparent manner.

7. Businesses should proactively persuade and support their value chain to adopt this principle.

SECTION 4. REPORTING REQUIREMENTS

4.1. General Requirements:
All listed companies should ensure that the sustainability report contain information that is relevant and meaningful to stakeholders. In identifying the material sustainability matters, the listed company should also consider the themes and guidance provided in internationally accepted standards such as the Global Reporting Initiative (GRI) Standard. Where multinational companies choose to adopt the reporting format of their parents, the reports must fully address such companies' Nigerian operations, and the matters stipulated in these Guidelines. The following key areas should be considered:

(a) The overall context on the internal structure, strategy, profile and governance of how the economic, environmental, social risks and opportunities are managed. While also highlighting how the organization addresses a specific disclosure theme.

(b) The scope and boundaries of the report. The report could be scoped on the basis of physical locations of the organisation (geographical boundary); entities within the organisation (organisational boundary); and operations within the entire value chain.

(c) The material sustainability matters and how they are identified and managed. Materiality are topics that reflect the organization's significant economic, environmental, and social impacts, or that would substantively influence the assessments and decisions of stakeholders.

d) Stakeholder inclusiveness. The organization should identify its stakeholders, and explain how it has responded to their reasonable expectations and interests.[vi]

Please note that this Guide is not comprehensive. The Exchange encourages an Issuer to identify and disclose additional ESG issues that are relevant and material to its business. It may also refer to existing internationally accepted sustainability reporting guidance such as the Global Reporting Initiative (GRI) Standards for its relevant industry or sector.

4.2 Reporting Obligations :

(a) All Issuers should comply with the foregoing sustainability reporting requirements.

(b) The Exchange shall publish annually the names of Issuers who submit their sustainability reports in accordance with these Guidelines;

(c) The Exchange may introduce sustainability ratings and indices, to assess and track the performance of listed companies who make sustainability disclosures.

4.3. Format of Report
An Issuer may disclose its sustainability information and data in its annual report or in a separate sustainability report. The reporting period should be in alignment with the same financial period. The report should be submitted to The Exchange within the period allowed for the submission of annual accounts.

The report should contain a comprehensive description of the listed company's management overview and of economic, environmental, social and governance risks and opportunities. The Issuer should consider the principles and themes set out in this Sustainability Reporting Guide.

The NSE also encourages reporting companies to consider getting their reports assured or independently verified against international standards. Assurance of sustainability data increases the credibility of the report by establishing that the information is accurate.

4.4. Performance Indicators:

Theme	Description	Principles	Indicators/Metrics
Economic			
Suppliers Relations Management and Ethics	Operating standards for purchasing and the selection of suppliers.	3	Report on ethical procurement practices which addresses transparency, confidentiality, fairness, child labour, corruption, conflict of interest, support for SME and women owned businesses, forced labour, social responsibility and Health & Safety.
Responsible Products and Services	Impact of products and services on stakeholders.	3,4	Considers customer satisfaction and relationship, Transparency in product information & labelling, Health risk exposure/incidence due to product usage and Consumer education programmes.
Social			
Diversity in the Workplace	This refers to diversity across the workplace including at management level. These can be categorized along the dimensions of gender, age and physical abilities.	5,6	*Percentage of employee per employee category in each of the following diversity categories: - Gender - Age Group - Full Time against Contract *Percentage and ratio of Full Time Employee and Contract Staff positions held by women. *Percentage of Board Seats filled by Independents & women
Labour practices	Engaging and inclusive work environment that span across ensuring employability, skills development and fair remuneration.	5	*Average hours of training per annum per employee by employee category. * Employee benefits. * Employee Turnover Rate i.e. the percentage of Change for FTEs and Contract staff. *Availability and adherence to a non-discrimination policy.

Occupational Health & Safety	This focuses on safety, health and welfare of people engaged in work or employment.	5	*Total number of injuries and fatalities relative to workforce. *Availability and adherence to policies on occupational and global health issues.
Human Rights	The rights of individual as expressed in the International Bill for Human Rights (comprising the 1948 United Nations Universal Declaration of Human Rights – UNDHR and the two International Covenants on Human Rights of 1966).	7	*Human rights issues or statement in company's Human Resources and Suppliers Policies. *Number of grievances about human rights impacts filed, addressed, or resolved.
Society	Company's impact on society and local communities	8	*Details and impact of Corporate Social Responsibility (CSR)/Community based programmes.
Governance			
Anti-corruption	Activities to combat corruption and bribery	1, 2	*Report on how the organisation's adherence to Bribery/Anti-Corruption Code (BAC). *Training of employees on the anti-corruption. *Incidents, fine or exposure related to anti-corruption.
Environmental			
Product and Services Responsibility	The environmental impact of products and services in the course of their lifecycle, (including product design,	3,9	*Product innovation to reduce impacts (e.g. eco-friendly, less chemicals/toxic substances etc.). *Product stewardship (product's impact on the environment).

	development, testing, etc.)		
Waste management	Waste includes hazardous and non-hazardous waste.	9	*Total weight or volume of hazardous waste / non-hazardous waste generated. *Ratio of waste to production. *Recycling initiatives.
Water	Consumption and efficient use of water resources.	9	* Total volume of water used. * Percentage of water recycled.
Energy	Considers the efficient use and consumption of energy as well as energy generated from renewable sources.	9	*Total energy consumption * Amount of reduction in energy consumption achieved as a result of conservation and efficiency initiatives * Alternative energy research (e.g. wind, biomass, solar, clean fuels) (investment amount and plans). * Use of renewable energy (MWh)
Compliance	Adherence of activities to relevant environmental laws.	9	*Total monetary value of fines for non-compliance to environmental laws and regulations.

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