

Guideline on Sustainability Reporting of State-Owned Enterprises (SOEs)

Introduction:

Chapter VII of the Code of Corporate Governance for State-Owned Enterprises (CG Code) of PCB states that every Company should recognise that it operates within a social and economic community, and should identify the particular circumstances, whether environmental or social, relevant to the Company's business. Therefore, the State-Owned Enterprises (SOEs) are required to regularly (at least annually) report to its stakeholders on its policies and procedures with regard to ethics, environment, health and safety and social issues. This guideline provides a framework to prepare and publish a sustainability report to stakeholders as outlined in the CG Code. The framework provides the minimum requirement of reporting to comply with the sustainability reporting requirement of CG Code. However, the Companies are not limited to report only on the components covered in the framework. As such, we strongly recommend SOEs to address the requirements of International Financial Reporting Standards S1 (IFRS S1): General Requirements Disclosure of Sustainability-related Information and IFRS S2: Climate Related Disclosures in their sustainability reporting.

Reporting areas:

1. Chapter VII, Provision 29 - Environment
2. Chapter VII, Provision 30 - Health and Safety
3. Chapter VII, Provision 31 - Social Issues
4. Governance

Nature of the Provision:

SOEs are obligated to annually prepare and publish an ESG report covering all the components outlined in the framework. However companies have the flexibility to choose between an integrated reports, combined with the Annual Report, or opt for separate reporting for compliance purposes. The report must explicitly state whether the company complies with the components or provide a valid explanation for any deviations

Governance Framework:

Framework on Sustainability Reporting of State-Owned Enterprises			
Reporting Area	Sub-area	Component	Description
General Information	Company information	1. Name of Company	Name of the company
		2. Company registered date	Date the company registered at Ministry of Economic Development
		3. Company objectives and activities	The objectives of the company stated in the Memorandum of Association
	Company's operation	4. Locations of company operations	Geographical areas of business operations
		5. Operational Model	State all relevant models: Production/ Manufacturing Processing/ Packaging Distribution Wholesale/ Retail Services Financial Services Others
	Reporting	6. Reporting Year/ Period	The year/ period for which the company is reporting on sustainability
Environment	Environmental Policies	7. Indicate Policies established by the company during the period	Any policy/ procedure established by the company during the period that promotes protecting or sustaining the environment and it's natural resources. This could include any policy/ procedure relating to raising awareness on negative environmental impacts of economic activities.
		8. Number of environment related accidents/ incidents	Material accidents/ incidents related to the economic activities of the company that had an impact on the natural habitat, biodiversity and the overall environment
	Water	9. Indicate Water Conservation Strategy	Strategy established by the company to reduce water consumption and reuse water efficiently. This include strategies established to ensure "no-plastic" water bottle policy and/ or to provide water dispensers in the company etc
		10. Total Water Consumed	Total number of water consumed (CBM and Cost) relating to the economic activities and operation of the company
	Electricity	11. Indicate Energy Conservation Strategy	Strategy established by the company to reduce electricity usage and achieve environmental friendly energy efficiency.
		12. Total Electricity Consumed	Total number of electricity consumed (kWh and Cost) relating to the economic activities and operation of the company (eg: electricity usage from electricity bills)
	Waste	13. Total Waste Produced	Total number of waste produced (tonnes) relating to the economic activities and operation of the company
		14. Indicate Waste Management Procedures	How the company manages the waste produced from the economic activities related to the company's Operation
	Environmental Activities	15. Number of Environmental Activities	Number of environmental activities undertaken by the company during the period (Beach cleanups, Tree planting, Coral gardening and restoration etc)
		16. Total Cost of Environmental Activities	The cost incurred by the company solely relating to environmental activities carried out during the period

Reporting Area	Sub-area	Component	Description
Health and Safety	Health and Safety Policies	17. Indicate Policies/ SOPs established by the company during the period	Any policy/ procedure established by the company during the period relating to implementing existing legislations on work safety, health and environment or ensuring occupational safety and workplace accident mitigation. This could also include SOPs established for cases of emergency/ accident/ injury and policies on monitoring, evaluating and ensuring worker safety
		18. Risk identification assessments conducted by the company	Number of risk assessments carried out during the period
	Work Injury	19. Occupational injuries	Number of occupational injuries that affected the employees of the company
	Awareness	20. Number of sessions carried out to aware employees on health and safety	General health and safety awareness sessions conducted for employees
		21. Number of sessions carried out to aware employees on the established health and safety SOPs/ policies	Awareness sessions conducted for employees on the company's internal policies and procedures relating to health and safety (risk identification, risk management strategy etc)
Social Issues	Employment Policies	22. Indicate Policies/ SOPs established during the period	Any policy/ procedure established by the company during the period relating to implementing existing employment laws. This include policies established to promote fairness and transparency in recruitment, training opportunities, promotion and dismissal. this also include policies put in place to ensure transparent and merit based procedures
		23. Number of employees trained	Number of employees who were provided trained through internal or external programs, workshops, scholarships etc
	Training Opportunities	24. Employee training hours	Number of training hours provided for employees during the period
		25. Employee training costs	The cost incurred by the company solely relating to training provided to employees during the period
	Gender Equality	26. Ratio of female representation in workforce	Number of female employees as a percentage of total employee numbers
		27. Ratio of female representation in senior management positions	Number of female board members as a percentage of total board members
	Community Engagement	28. Ratio of female representation in the company Board of Directors	Number of female employees in the senior management as a percentage of total employees in the senior management
		29. Number of community engagement activities	Number of community engagement activities carried out by the company during the period
		30. Number of Corporate Social Responsibility (CSR) projects	Number of CSR projects undertaken by the company during the period
Governance	Governance Policies	31. Community engagement and CSR project costs	The cost incurred by the company solely relating to community engagement activities and CSR projects carried out during the period
		32. Indicate Governance Policies established during the period	Any policy/ procedure established by the company during the period that promotes good governance and compliance to existing corporate governance codes. This include policies established on board member's conflict of interest, travel policy, code of conduct etc
	Disclosure and Transparency	33. Annual, Audit and Governance report	Whether the company's annual, audit and governance reports for the year are completed
		34. Governance component in the website	Whether the company has a separate component/ tab in the website for governance related matters and publications
		35. Website disclosures	Whether the company publish all the relevant information mandated by RTI Law and the CG Code. Moreover, specifically whether the company has published the annual, audit and governance reports of the past three years, quarterly financial reports and whether all the policies relating to governance are made available for stakeholders in the website
		36. Website enhancement costs	The cost incurred by the company solely relating to website enhancement towards governance and transparency
	Complaints	37. Total number of legal and regulatory complaints received, registered and resolved	Number of formal legal and regulatory complaints received, registered and resolved by the company
		38. Number of procurement related complaints received, registered and resolved	Number of formal procurement complaints received, registered and resolved by the company
		39. Number of employee grievances received, registered and resolved	Number of formal employee grievances received, registered and resolved by the company

Summary of framework:

General Information	Environment	Health and Safety	Social Issues	Governance
Company Information 1. Name of Company 2. Company registration date 3. Company objectives and activities	Environmental Policies 7. Environmental policies established by the company 8. Number of environment related accidents/ incidents	Health and Safety Policies 17. Health and Safety Policies established by the company 18. Risk Assessment Procedures	Employment Policies 22. Employment policies established by the company	Governance Policies 32. Governance Policies established during the period
Company's Operation 4. Locations of Company's operation 5. Operational Model	Water 9. Water Conservation Strategy 10. Total Water Consumed	Work Injury 19. Occupational Injuries	Trainings 23. Number of employees trained 24. Employee training hours 25. Employee training costs	Disclosure and Transparency 33. Annual, Audit and Governance report 34. Governance component in the website 35. Website disclosures 36. Website enhancement costs
Reporting 6. Reporting Year/ Period	Electricity 11. Energy Conservation Strategy 12. Total Electricity Consumed	Awareness 20. Number of session carried out to aware employees on health and safety 21. Number of sessions carried out to aware employees on the established health and safety SOPs/ Policies	Gender Equality 26. Ratio of female representation in workforce 27. Ratio of female representation in senior management positions 28. Ratio of female representation in Board of Directors	Complaints 37. Total number or legal or regulatory complaints received, registered and resolved 38. Number procurement related complaints received, registered and resolved 39. Number employee grievances received, registered and resolved
	Waste 13. Total Waste Produced 14. Waste Management Procedures		Community Engagement 29. Number of community engagement activities 30. Number of CSR Projects 31. Community engagement and CSR project costs	
	Environmental Activities 15. Number of Environmental Activities 16. Total Cost of Environmental Activities			