

The background of the slide features a photograph of a wind farm. In the foreground, a tall white wind turbine tower rises, with a worker in a blue hard hat and orange safety vest standing on a metal staircase. Another worker in a white hard hat and green safety vest is also visible on the stairs. The sky is a clear, pale blue. In the upper left corner, there is a blue circular logo with the white text 'GRI'.

GRI

Measuring Sustainability and SDGs Impacts:

Strategies, Examples, and Deep-Dive into Gender & Diversity

Advanced Workshop
Thailand, 23 June 2021

Thank you to our partners:



UK PACT: Partnering for Accelerated Climate Transitions

UK PACT is a £60 million programme running between 2018 and 2022

Mission and vision

- Delivered by **BEIS, the UK's Department for Business, Energy and Industrial Strategy**, through the UK's International Climate Finance (ICF)
- Supporting **achievement of Nationally Determined Contributions (NDCs)** and the long-term goal of the 2015 Paris Agreement to **limit dangerous climate change**
- **Demand-driven**, adjusting key focus areas based on partner countries' needs and sectoral priorities

We will achieve this by:

- Working with partner countries to improve the capacity and capability of key institutions to reduce emissions and foster inclusive economic growth
- Addressing barriers and constraints to clean growth
- Pursuing opportunities for greater climate ambition

Closing the gap on sustainable finance and enabling green recovery through capacity-building in CDP's TCFD-aligned disclosures and the GRI standards

This will be done through:

- ▼ Workshops

 - ▼ Beginner

 - ▼ **Advanced**

 - ▼ Capital markets

- ▼ Published materials (the presentation deck and video clips of the workshops)

- ▼ Follow-up engagements: *to be confirmed*

Beginner Workshops

Delivered by CDP and GRI

Day 1

Recording of CDP session [here](#)

Agenda		
Time (GMT+7)	Topic	Speaker
09:35-09:40 am	Welcome and opening remarks	Ms. Ravee Anantanon, The Stock Exchange of Thailand
09:40-09:45 am	Introduction and opening remarks	Ms. Alexandra McKenzie, FCDO
09:45-10:00 am	State of play	Ms. Pratima Deygi, CDP
10:00-10:25 am	Concepts and components of the TCFD	Mr. Joseph Gualtieri, CDP
10:25-10:35 am	Q&A	
10:35-10:45 am	Break	
10:45-11:05 am	Developing a TCFD roadmap through CDP	Mr. Fredrik Andersen, CDP
11:05-11:15 am	Getting started with your TCFD report	Ms. Elm Kwok, CDP
11:15-11:30 am	Guest speaker – PTT Global Chemical Public Company Limited	Dr. Natthakorn Krakul, PTT GC
11:30-11:35 am	Closing remarks	Mr. Fredrik Andersen, CDP
11:35 am -12:00 pm	Q&A	

Day 2

Recording of GRI session [here](#)

Agenda

Session 1: Introduction – What Business Can Do for SDGs

1. The Why's and How's of Sustainable Business
2. Conceptual Thinking of Sustainable Business
3. International and National Framework of Sustainability
4. Creating Changes in One Go through Reporting

Session 2: Mapping the Intersections of Sustainability & SDGs

1. Introducing Reporting Tools (TCFD, GRI Standards, and SDGs)
2. Reporting Standards/Frameworks and Examples for each issue
3. Gender Lens for Gender and Diversity & Inclusion

Glossary

- **SET** : The Stock Exchange of Thailand
- **ESG** : Environment, Social, and Governance
- **GRI** : Global Reporting Initiative
- **CDP**: Carbon Disclosure Project
- **TCFD**: Task-Force on Climate-Related Financial Disclosure (Frameworks)
- **GRI Standards**: Standards for Sustainability Reporting
- **SBTi**: Science Based Target Initiative
- **SDGs**: Sustainable Development Goals



About GRI

www.globalreporting.org

Our impact

73%



of the **largest 250 companies** in the world reporting on sustainability use GRI.

Around 450 organizations from **68 countries** active in the GRI Community



More than 100 training partners across **57 countries** offer GRI Certified Training Courses



2 in Indonesia
1 in Thailand
13 across ASEAN

> 63,852



SUSTAINABILITY
DISCLOSURE
DATABASE

880 reports from Thailand
638 reports from Indonesia

GRI

186,000



unique downloads of the GRI Standards in 2019, a **44% increase** on previous year
Asia downloads increased 41% from 2018

168



policies in **67 countries** and regions reference or require the GRI Standards
SG, Malaysia, Indonesia, Philippines, Vietnam, and Thailand all require sustainability disclosure



Recap of the Beginner Workshop

Sustainable Development Goals/ SDGs



ESG & Sustainability Reporting

Pathways to alignment

International Standards



- Organisational Profile
- Strategy
- Ethics & Integrity
- Governance
- Stakeholder Engagement
- Reporting Practices

- TCFD**
- Governance
 - Strategy
 - Risk Management



- Financial Implications of Climate Risks



SDGs Tagging



Align those issues with SDGs indicators

For beginners:
Start with choosing relevant goals and targets for each materiality

Please see SDGs:

Social:
SDG 1, 2, 3, 4, 5, 8, 10, 16

Environment:
SDG 6, 7, 9, 11, 12, 13, 14, 15

gender lens



Visibility through Data segregation of Gender/ Minority Groups
Segregate data based on gender/ minority status (if relevant)

Best Practices: Integration of Gender/ Minority Groups
Highlight some strategies/ practices to ensure protection of women and minority groups at workplace.

Contributions to SMEs

- Measure financial supports to SMEs
- Segregate data of women-led SMEs
- Highlight some strategies/ practices to increase contributions to SMEs

SDGs Action Plan





**How do we measure impacts
and report them using international
standards/ frameworks and SDGs
indicators?**



Today's Agenda

Session 1: Sustainability & SDGs Impact Measurement

Part 1: Measuring Impacts in SDGs: Concepts, Tools, and Examples

1. **The What and How of Impact Measurement**
2. **The Principles**
3. **Step-by-step examples**

Part 2: Aligning Impacts, SDGs, and Corporate Key Performance Indicators (KPI)

1. **The SDG Sector Roadmap**
2. **Examples from Companies**
3. **Non-quantifiable impacts**

Speaker: Lany Harijanti, ASEAN Regional Program Manager

Session 2: Deep-dive into Diversity, Inclusion, and Climate Impact Reporting

- 1. The Why's of GRI Standards, Diversity and Inclusion, and Climate**
- 2. Diversity and Inclusion as Competitive Advantage**
- 3. Strategies and Examples**
- 4. Aligning Key Performance, GRI Standards, and SDGs**

Speaker: Hendri Yulius Wijaya, Country Program Manager



Session 1

Sustainability & SDGs Impact Measurement

Speaker: Lany Harijanti
ASEAN Regional Program Manager

Session 1: Sustainability & SDGs Impact Measurement

Part 1: Measuring Impacts in SDGs: Concepts, Tools, and Examples

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- 1. The SDG Sector Roadmap**
- 2. Examples from Companies**
- 3. Non-quantifiable impacts**

Thailand – SDG Index Rank 43/165

[Sustainable Development Report 2021 \(sdgindex.org\)](https://sdgindex.org)

SDG Dashboards and Trends

Click on a goal to view more information.



- Indicators**
- ● Municipal solid waste
 - ● Electronic waste
 - ● Production-based SO₂ emissions
 - ● SO₂ emissions embodied in imports
 - ● Production-based nitrogen emissions
 - ● Nitrogen emissions embodied in imports

Dashboards: ● SDG achieved ● Challenges remain ● Significant challenges remain ● Major challenges remain ● Information unavailable

Trends: ↑ On track or maintaining SDG achievement ↗ Moderately improving → Stagnating ↓ Decreasing ●● Trend information unavailable



Session 1, Part 1:

Measuring Impacts in SDGs: Concepts, Tools, and Examples

What is impact

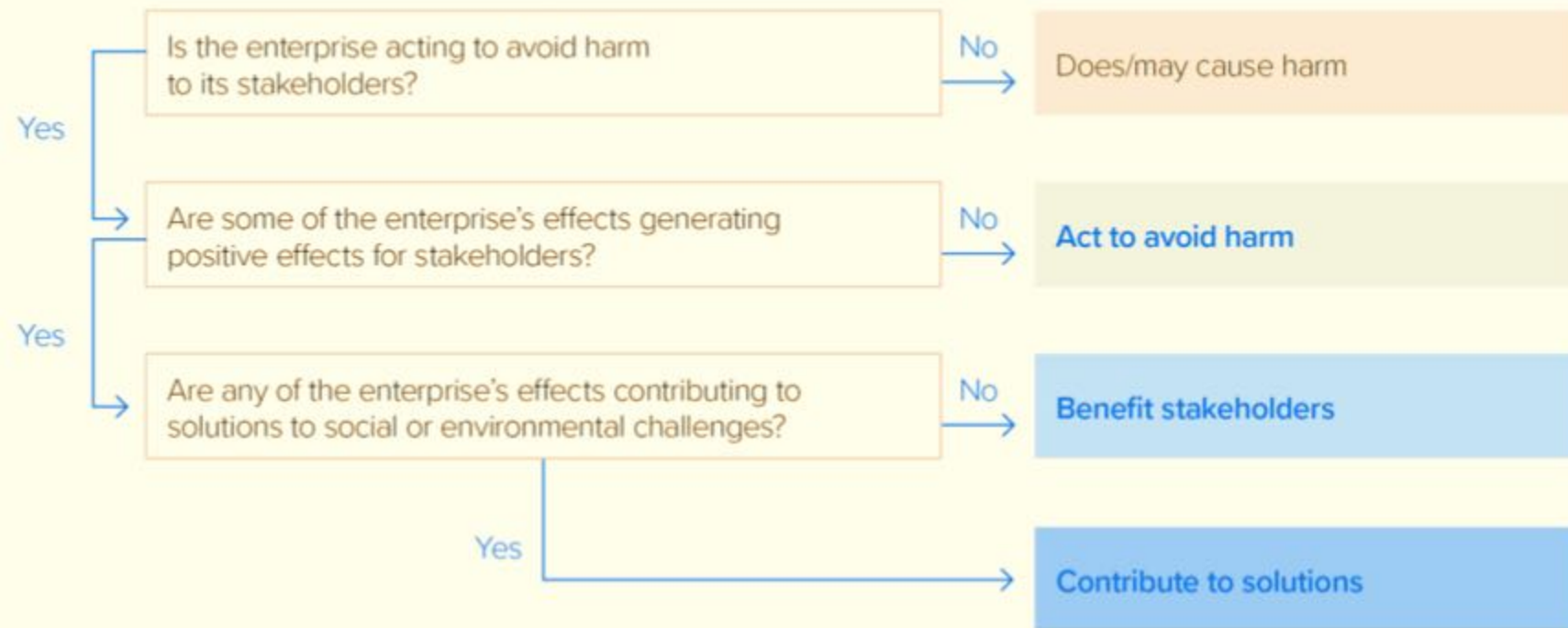
Impact is a **change** in an outcome caused by an organisation.

An impact can be positive or negative, intended or unintended.

[IMP - impact-management-norms](#)

How to classify impact

How to classify an enterprise's total impact



Three types of impact

Enterprises' intentions relate to three types of impact: A, B or C

Illustrative example

*Does (or may)
cause harm*

Act to avoid harm

"I have regulatory requirements to meet (e.g. I have to cut my carbon emissions)"

"I want to mitigate risk"

"I want to behave responsibly"

Benefit stakeholders

"I want to have a positive effect on the world to sustain long-term financial performance"

"I want a world where all businesses try to have a positive effect on society"

Contribute to solutions

"We want to help tackle malnutrition in Africa"

"We want to help tackle the education gap"



How do you measure impact ?

The Principles

- 1. Involve stakeholders** – Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders.
- 2. Understand what changes** – Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.
- 3. Value the things that matter** – Making decisions about allocating resources between different options needs to recognise the values of stakeholders. Value refers to the relative importance of different outcomes. It is informed by stakeholders' preferences.
- 4. Only include what is material** – Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.
- 5. Do not over-claim** – Only claim the value that activities are responsible for creating.
- 6. Be transparent** – Demonstrate the basis on which the analysis may be considered accurate and honest, and show that it will be reported to and discussed with stakeholders.
- 7. Verify the result** – Ensure appropriate independent assurance.

Principles of Selecting Indicators

SMART Goals



Specific



Measurable



Attainable



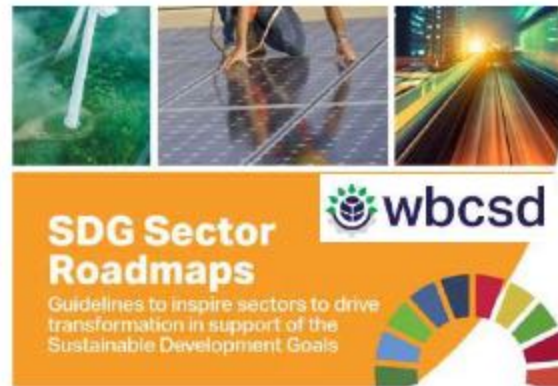
Relevant



Timely

Tools on Impact Measurement

Impact Management Project



Electric Utilities, Oil & Gas, Forest, Cement, Tire, Chemical



How do enterprises assess their impact?

For enterprises

- United Nations Global Compact
- Natural Capital Protocol
- Social and Human Capital Protocol
- Social Value UK's "Maximise Your Impact" Guide for Social Entrepreneurs

For investors

- IFC - [Operating Principles for Impact Management](#)
- UNDP [SDG Impact Standards](#)

The [Impact Reporting Investment Standards](#) (IRIS) initiative, managed by the [Global Impact Investing Network](#), is currently writing guidelines for sector-specific social impact metrics.

[B Impact Assessment](#) and the [Global Impacting Investing Ratings System](#) (GIIRS), managed by B Lab, are producing standardized tools for established companies to measure their social and environmental performance.

[Social Return on Investment](#) (SROI) is an organizational [method](#) of accounting for value creation, primarily social or environmental value.

Tools on Impact Measurement

Sustainability Reporting = Impact Reporting ?

[IMP_Standardisation-in-impact-management-discussion-document.pdf](#)








A sustainability report is an organizational report that contains information on a company's economic, environmental, social and governance performance.

Five Dimensions of Impact

Everything we do has impacts on people and the planet.

To understand any impact, we need to understand five dimensions of performance.

The IMP reached global consensus that impact can be measured across five dimensions: What, Who, How Much, Contribution and Risk

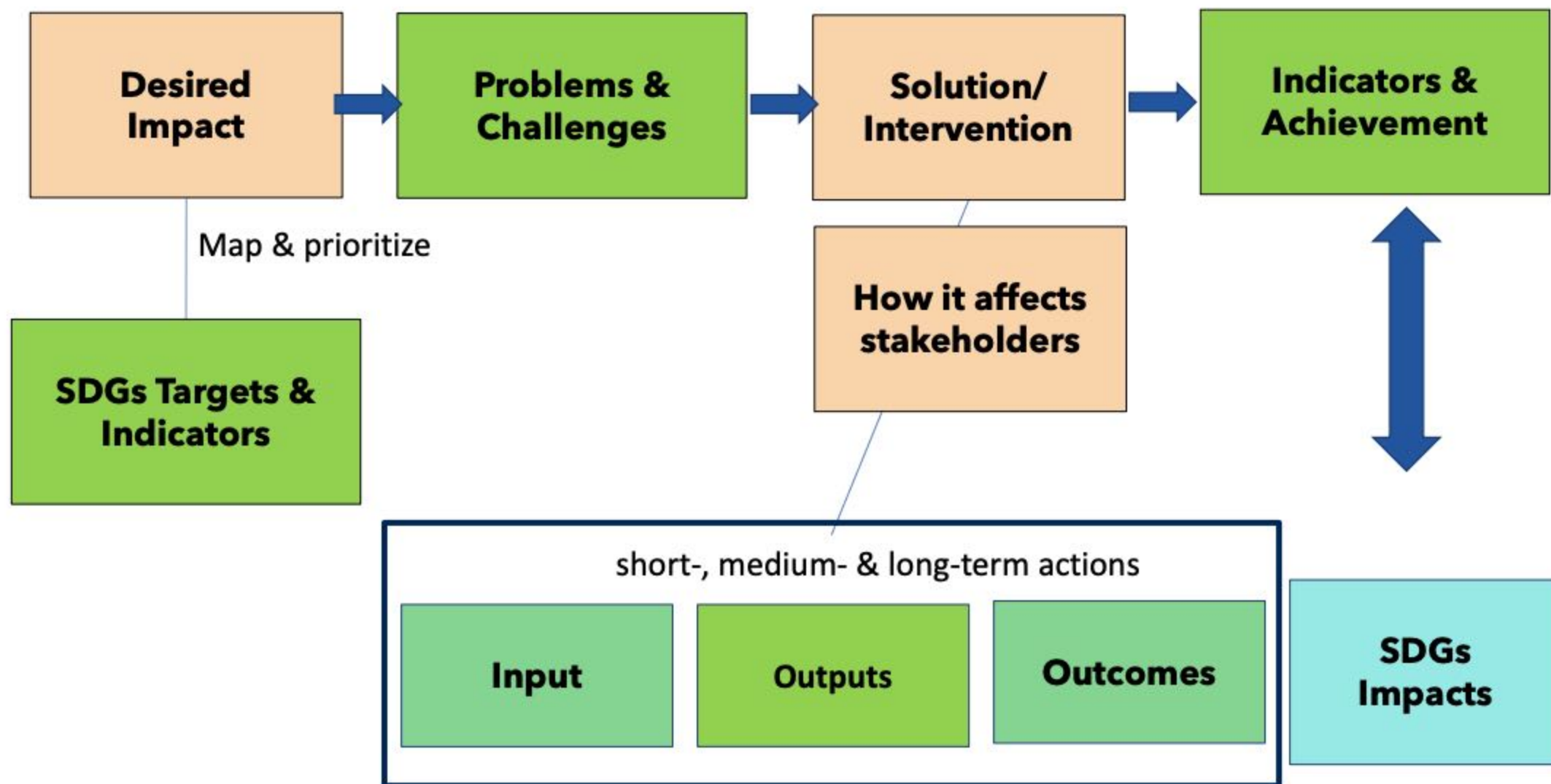
Impact dimension	Impact questions each dimension seeks to answer
 What	<ul style="list-style-type: none"> •What outcome occurs in the period? •How important is the outcomes to the people (or planet) experiencing them?
 Who	<ul style="list-style-type: none"> •Who experiences the outcome? •How underserved are the affected stakeholders in relation to the outcome?
 How Much	<ul style="list-style-type: none"> •How much of the outcome occurs - across scale, depth and duration?
 Contribution	<ul style="list-style-type: none"> •Would this change likely have happened anyway?
 Risk	<ul style="list-style-type: none"> •What is the risk to people and planet that impact does not occur as expected?

Impact Management In Detail

Enterprises and investors can assess their impact performance by assessing and reporting 15 categories of data

Impact dimension	Impact data category	Description
□ What	1. Outcome level in period	The level of outcome experienced by the stakeholder when engaging with the enterprise. The outcome can be positive or negative, intended or unintended.
	2. Outcome threshold	The level of outcome that the stakeholder considers to be a positive outcome. Anything below this level is considered a negative outcome. The outcome threshold can be a nationally or internationally-agreed standard.
	3. Importance of outcome to stakeholder	The stakeholder's view of whether the outcome they experience is important (relevant to other outcomes). Where possible, the people experiencing the outcome provides this data, although third party research may also be considered. For the environment, scientific research provides this view.
	4. SDG or other global goal	The Sustainable Development Goal target or other global goal that the outcome relates to. An outcome might relate to more than one goal.
○ Who	5. Stakeholder	The type of stakeholder experiencing the outcome.
	6. Geographical boundary	The geographical location where the stakeholder experiences the social and/or environmental outcome.
	7. Outcome level at baseline	The level of outcome being experienced by the stakeholder prior to engaging with, or otherwise being affected by, the enterprise
	8. Stakeholder characteristics	Socio-demographic and/or behavioural characteristics and/or ecosystem characteristics of the stakeholder to enable segmentation
▯ How Much	9. Scale	The number of individuals experiencing the outcome. When the planet is the stakeholder, this category is not relevant.
	10. Depth	The degree of change experienced by the stakeholder. Depth is calculated by analysing the change that has occurred between the "Outcome level at baseline" (Who) and the "Outcome level in period" (What).
	11. Duration	The time period for which the stakeholder experiences the outcome
+ Contribution	12. Depth counterfactual	The estimated degree of change that would have happened anyway - without engaging with, or being affected by, the enterprise. Performance of peer enterprises, industry or local benchmarks, and/or stakeholder feedback are examples of counterfactuals that can be used to estimate the degree of change likely to occur anyway for the stakeholder.
	13. Duration counterfactual	The estimated time period that the outcome would have lasted for anyway - without engaging with, or being affected by, the enterprise. Performance of peer enterprises, industry or local benchmarks, and/or stakeholder feedback are examples of counterfactuals that can be used to estimate the duration likely to occur anyway for the stakeholder.
△ Risk	14. Risk type	The type of risk that may undermine the delivery of the expected impact for people and/or the planet. There are nine types of impact risk.
	15. Risk level	The level of risk, assessed by combining the likelihood of the risk occurring, and the severity of the consequences for people and/or the planet if it does.

Alignment of Sustainability, SDGs, and Corporate KPI & Impacts





Case Study

ABC World Asia and Cropin

an Agri-Tech platform enabling data-driven farming by connecting all stakeholders in the agri-ecosystem.

Used SDG, Impact Thesis and ESG integration on screening investee

[abcworld-impact-report-2020-a532c7555ea678c948d5a4274e921ec4.pdf](#)

ABC World Asia and Cropin

All our investments intend to “**Contribute to solutions**” and fall under the impact class C according to the Impact Management Project (IMP) classification.

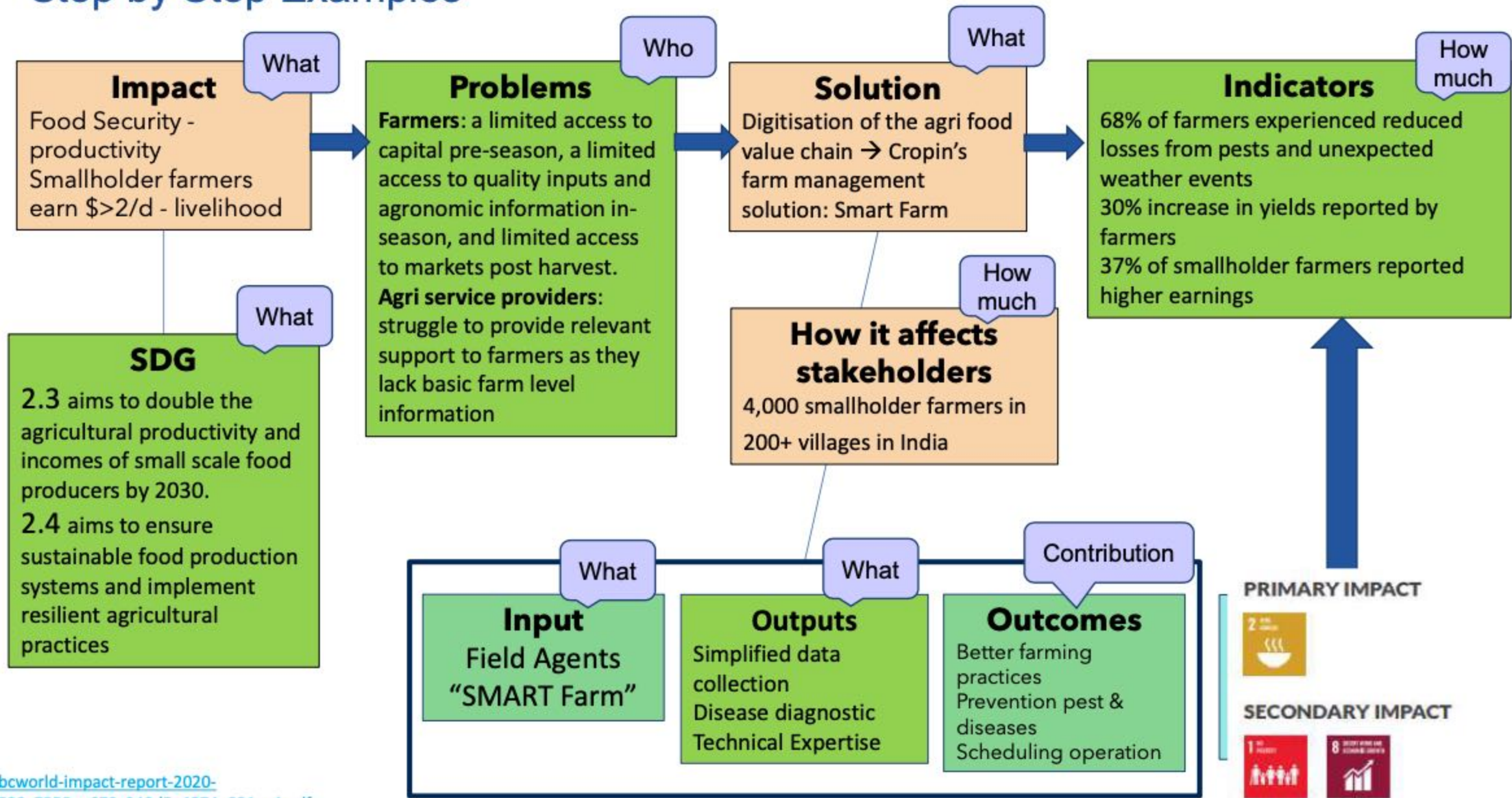


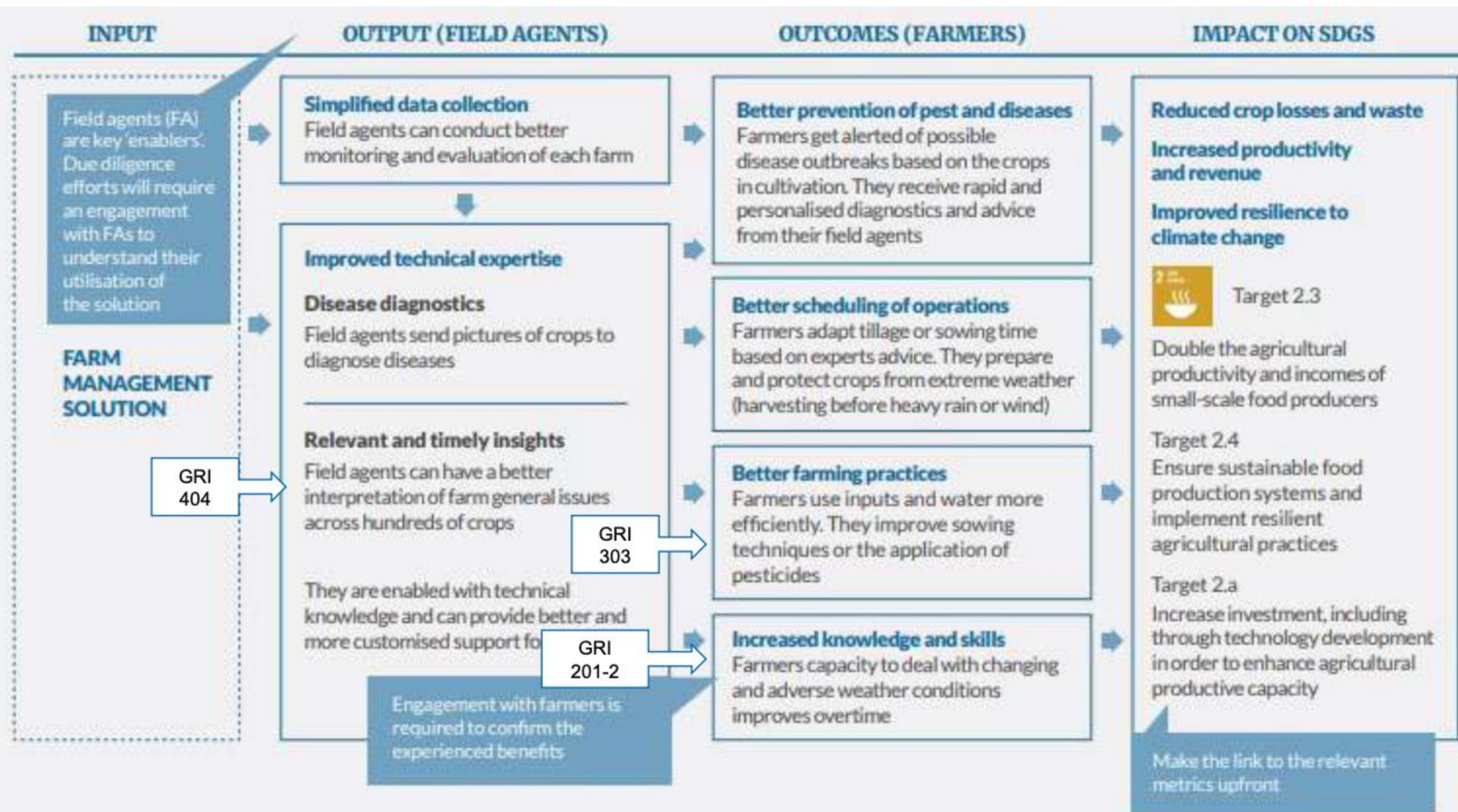
	TARGET SDGs	CHALLENGE	BUSINESS OPPORTUNITY
Climate & Water Solutions		25% of global CO ₂ emissions are created by Asia's electricity and heat generation sector	US\$300 Bn worth of opportunities in expansion of renewables in Asia
Better Healthcare & Education		75% of deaths in Asia-Pacific are attributable to non-communicable diseases	US\$240 Bn worth of opportunities in health insurance and risk pooling
Sustainable Food & Agriculture		87% of smallholder farmers globally are located in Asia-Pacific	US\$1 Tn worth of opportunities in Asia's food sector spread across production, supply chain, and retail
Financial & Digital Inclusion		1.1 Bn people are 'unbanked' defined as no access to formal financial services	US\$1 Tn worth of opportunities in loans to individuals and businesses delivered through digital channels
Smart & Liveable Cities		7 megacities of the world's top 10 will be based in Asia by 2030	US\$1.5 Tn worth of opportunities in building efficiency, affordable housing and clean mobility

Guided by Temasek's vision to build an ABC World of Active Economies, Beautiful Societies and Clean Earth, our fund focuses on five investment themes that can reframe Asia's biggest environmental and social challenges into growth and development opportunities.

ABC World Asia and Cropin

Step by Step Examples









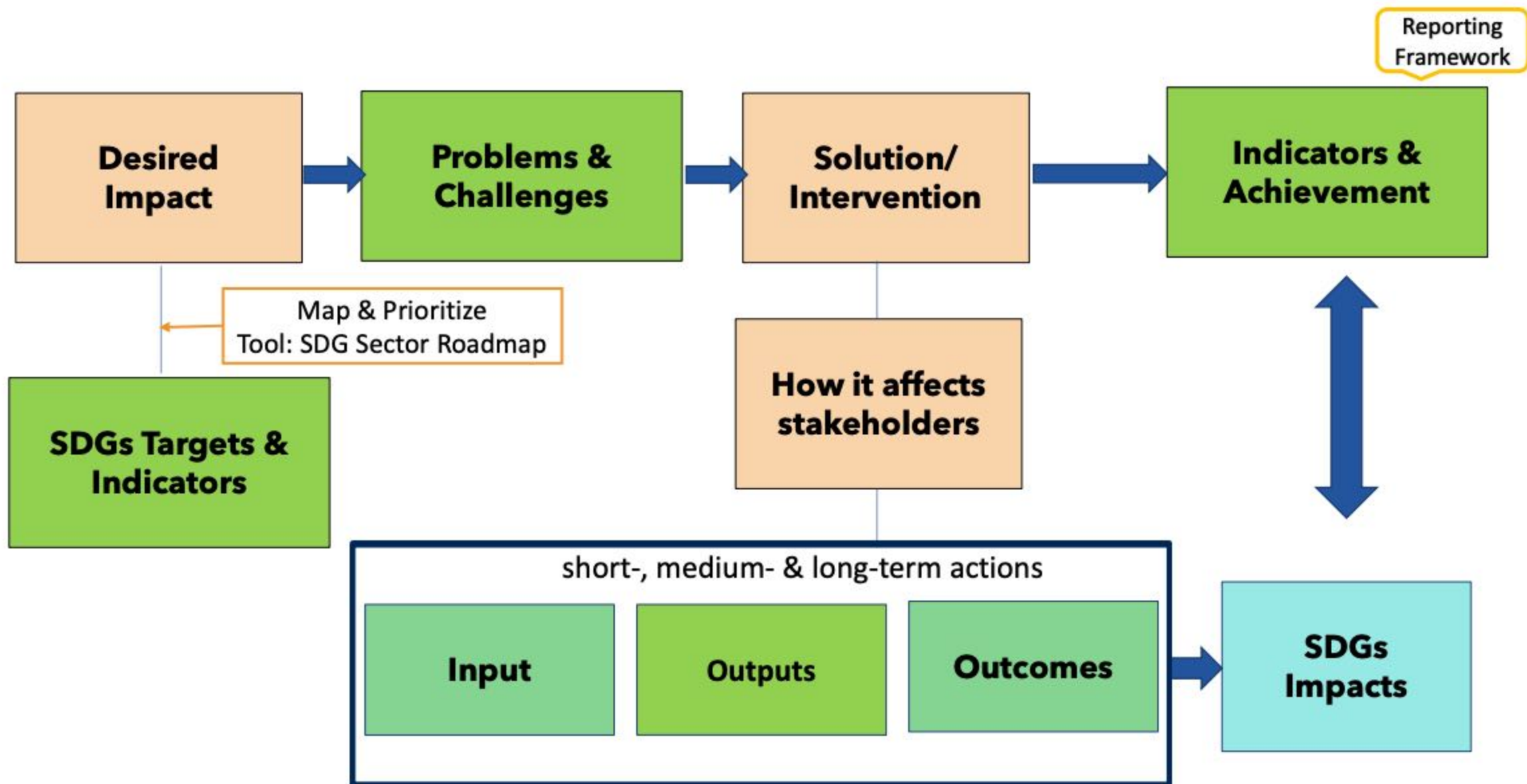
Session 1, Part 2:

Aligning Impacts, SDGs, and Corporate Key Performance Indicators (KPIs)



How to align them in one go?

Alignment of Sustainability, SDGs, and Corporate KPI & Impacts



Sector Transformation: An SDG Roadmap for Electric Utilities







Finding your SDG Impact opportunity: An SDG Roadmap for Electric Utilities

World Business Council for Sustainable Development (WBCSD)



How to identify your impact opportunity

7 key impact opportunity areas to drive transformation in line with the objectives of the SDGs

THEME	IMPACT OPPORTUNITY	PRIORITY SDGS TO MAXIMIZE POSITIVE IMPACT AND MINIMIZE NEGATIVE IMPACT
Climate and energy	<ul style="list-style-type: none"> Decarbonize electricity generation in line with limiting global warming to 1.5°C Enhance electricity system flexibility, resilience and efficiency 	
People and communities	<ul style="list-style-type: none"> Ensure access to affordable, reliable, sustainable and modern electricity services for all Attract and retain a diverse and inclusive workforce Leave no one behind in the energy transition and respect human rights 	
Nature	<ul style="list-style-type: none"> Protect, restore and promote sustainable use of ecosystems and drive net biodiversity gains* and not Regulatory compliance 	
Circular economy	<ul style="list-style-type: none"> Transition to a circular electric utility sector 	

ACCIONA, Celsia, CLP, EDF, EDP, Eletrobras, Enel, ENGIE, Iberdrola, Kansai Electric Power and Tata Power

An SDG Roadmap for Electric Utilities - WBCSD

THEME	IMPACT OPPORTUNITY	HIGH IMPACT ACTIONS	GENERATION	TRANSMISSION	DISTRIBUTION	RETAIL
Climate and energy	1. Decarbonize electricity generation in line with limiting global warming to 1.5°C	<ul style="list-style-type: none"> Scale up the deployment of low-carbon electricity generation technologies, with renewable electricity meeting 50% of global electricity consumption needs by 2030. Reduce the share of unabated fossil fuel power generation by: committing to no new investments in additional unabated coal-fired power plants; and developing pathways to phase out unabated fossil fuel generation assets and transition to low-carbon technologies by no later than 2050, including reducing the share of coal in global electricity generation to less than 10% by 2030. Increase investment and capital expenditure in low-carbon R&D, technologies and business models to improve efficiency, drive further price reductions and reduce their environmental impact. 	●			
	2. Enhance electricity system flexibility, resilience and efficiency	<ul style="list-style-type: none"> Increase investments in and deployment of flexibility solutions. Facilitate the transition to smart, efficient and resilient communities by developing innovative and inclusive business models as service providers, such as street lighting, traffic lights, electric vehicle charging, energy efficiency in buildings and microgrids. 	●	●	●	●

An SDG Roadmap for Electric Utilities - WBCSD

SDG impact



Actions	SDG targets	Level of impact on SDGs	Time to impact SDGs	Electric utility sector contribution	Key partners
<p>1. Scale up the deployment of low-carbon electricity generation technologies, with the aim of increasing the share of renewable electricity across the sector to 50% of total electricity consumption globally by 2030.¹⁵</p>	<p>7.1 7.2 7.b 13.1</p>	<p>Ⓜ</p>	<p>Ⓜ</p>	<p>Lead</p>	<ul style="list-style-type: none"> • Government/policy makers • Industry associations • Municipalities • NGOs • Sector peers
<p>2. Reduce the share of unabated fossil fuel power generation¹⁶ by:</p> <ul style="list-style-type: none"> • Committing to no new investments in additional unabated coal-fired power plants; and • Developing pathways to phase out unabated fossil fuel generation assets and transition to low-carbon technologies¹⁷ by no later than 2050, with the aim of reducing the share of coal in global electricity generation to less than 10% by 2030.¹⁸ 	<p>3.9 8.4 12.2 13.1</p>	<p>Ⓜ</p>	<p>Ⓢ Ⓜ</p>	<p>Lead</p>	<ul style="list-style-type: none"> • System operators • Government/policy-makers/regulators • Finance/investment

...and sustainable **shared value**



Decarbonization



>200 mn saved BoE¹



80% Scope 1 GHG emission reduction from 2017



>100 €bn GDP created from local investments²

Electrification



~25% reduction of household spending³



40% GHG emissions households reduction⁴



>140 €bn GDP created from electrification investments⁵

Digital & Platforms



~3x improvement in service quality (SAIDI)



85% GHG emission reduction from cloud platformization⁶



>800 €mn C&I savings from flexibility⁷



Enel's ambition to responsibly phase out coal

Enel's decarbonization strategy

- Reduce direct GHG emissions per kWh by 80% by 2030 compared to the 2017 baseline –1.5°C SBTi.
- In 2020, Enel reduced its emissions intensity by more than 47% compared to 2017 levels

Investments in renewables

The **Wind Float** Project: a 2 MW by 2016 → 25 MW since July 2020 → electricity supply to **60,000 homes** and avoid up to 28,000 metric tons of CO₂ emissions annually.

CHESF - a **hydroelectric plant** combined with **floating solar PV plant** in 2019. The 1 MW plant consists of 3,792 solar plate modules with a total area of 11,000 m². → avoid land conversion + environmental studies to assess the impact of the PV plant on river water and aquatic biota. Next, additional floating solar PV plant 2.5 MW - USD \$10M

- **Decommissioning of thermal power plants**, including **coal-fired power plants**.

In 2019, target to phase out coal by 2030 → in 2020, accelerated to exit from coal by 2027

Total electricity generation from coal-fired power plants: 28% in 2017 → 7% in 2020 = 2.6% of total group revenues in the first half of 2020.



We set the **priorities** that underpin our strategy, commitment and reporting through a structured **materiality analysis** process and the continuous and direct involvement of our **stakeholders**

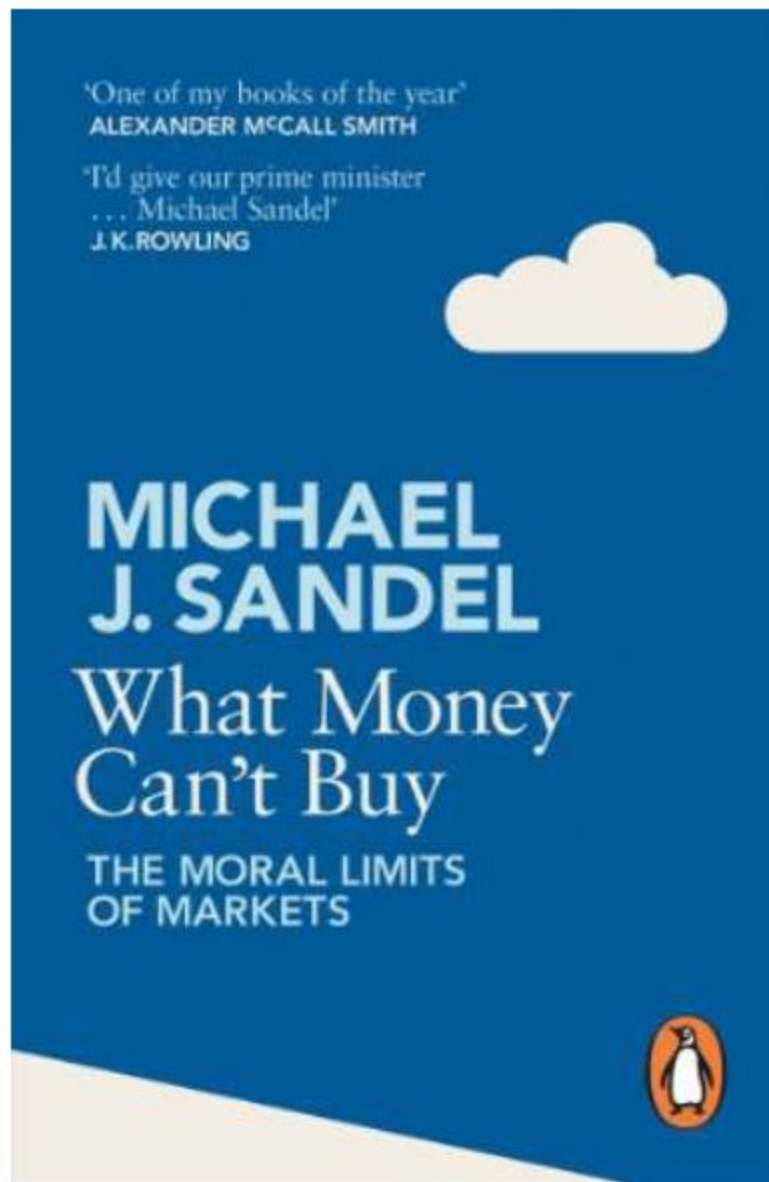
Our **strategy** makes sustainability the focus, with a view to achieving the **UN Sustainable Development Goals**



Impact Measurement as Continuous Improvements

ENEL accelerated phasing out from Coal based on their performance

**Not
everything
can be
quantified**



What cannot always be measured in monetary values:

1. Community Trust
2. Integrity and Accountability
3. Social Relations and Networks

GRI Standards has a room to explain non-quantifiable outcomes → **GRI 103 – Management Approach**





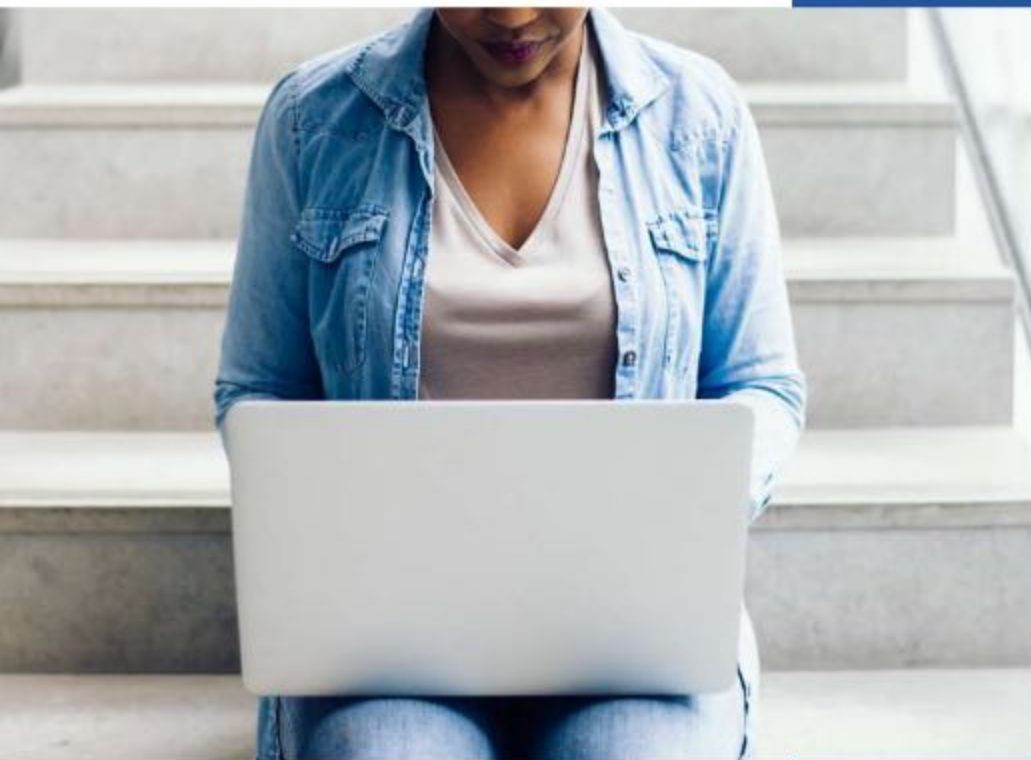
Session 2

Deep-dive into Diversity, Inclusion, and Climate Impact Reporting

**Speaker: Hendri Yulius Wijaya,
Country Program Manager - Indonesia**

Contents

- 1. The Why's of GRI Standards, Diversity and Inclusion, and Climate**
- 2. Diversity and Inclusion as Competitive Advantage**
- 3. Strategies and Examples**
- 4. Aligning Key Performance, GRI Standards, and SDGs**



A sustainability report is an organizational report that contains information on a company's economic, environmental, social and governance performance.

Equal and fair remuneration

GRI 202: MARKET PRICES
2016
 GRI 405: KEY EXECUTIVE PERSONNEL
SALARIES AND BONUSES
2016

GRI 202

GRI 405

Equal representation based on gender/minority groups

GRI 202: MARKET PRICES
2016
 GRI 401: EMPLOYMENT
2016

GRI 202

GRI 401

GRI 405: STATE OWNED ENTERPRISES
AND PUBLIC SERVICE
2016

GRI 405

Protection of Children and Workers

GRI 401: EMPLOYMENT
2016
 GRI 408: CHILD LABOR
2016

GRI 401

GRI 408

GRI 407: FREEDOM OF ASSOCIATION
AND COLLECTIVE BARGAINING
2016

GRI 407

GRI Standards & Diversity and Inclusion

Human Rights

GRI 406: NON-DISCRIMINATION
2016
 GRI 411: RIGHTS OF INDIGENOUS PEOPLES
2016
 GRI 412: HUMAN RIGHTS ASSESSMENT
2016

GRI 406

GRI 411

GRI 412

Impacts on Local Communities

GRI 413: LOCAL COMMUNITIES
2016

GRI 413



GRI provides international standards to report company's ESG performance



Diversity and Inclusion as Competitive Advantage



Image: Skillsforcare.org.uk

Thinking Framework

- *Socio-cultural identities:*
Women, indigenous groups, young people, and people with disability.
- *Representation:*
Numbers of employees with those identities in each management level
- *Supporting policies & environment:*
List of policies to support enabling environment for those minorities to thrive (i.e., recruitment policy, grievance mechanism)
- *Impact assessment:*
Measuring how diversity enhance corporate performance and positively affect the employees

What do these developments tell us?

Diversity | How to Close the Gender Gap

How to Close the Gender Gap

You have to be systematic. by Colleen Ammerman and Boris Groysberg

From the Magazine (May-June 2021)



Ilana Rabinovitch

Harvard Business Review, May-June 2021

Just 8% of Fortune 500 companies are led by women, and less than 1% by women of color.



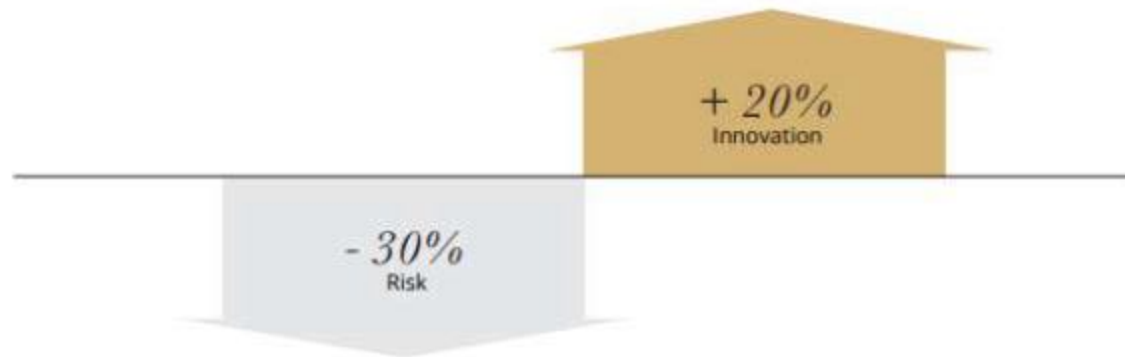
Forbes, 21 September 2017

Inclusive teams make better business decisions up to 87% of the time.

Diversity and Inclusion as Competitive Advantage

The diversity and inclusion revolution

FIGURE 1 | The value of diversity of thinking



Source: Juliet Bourke, *Which Two Heads Are Better Than One? How Diverse Teams Create Breakthrough Ideas and Make Smarter Decisions* (Australian Institute of Company Directors, 2016).

FIGURE 2 | The case for an inclusive culture

Organizations with inclusive cultures are:



Source: Juliet Bourke, *Which Two Heads Are Better Than One? How Diverse Teams Create Breakthrough Ideas and Make Smarter Decisions* (Australian Institute of Company Directors, 2016).

Reference:
Deloitte Review, January 2018

Thinking beyond just your company

Diversity and Inclusion in supply chain would determine corporate reputation

Nike, H&M, Burberry face backlash and boycotts in China over stance on Uyghur treatment

The fallout comes after corporate statements about concerns over forced labor in the Xinjiang region resurfaced on Chinese social media following fresh Western sanctions.



NBC News, 25 March 2021

H&M in talks to support Bangladesh workers as lockdowns hit livelihoods

By Naimul Karim

4 MIN READ



DHAKA (Thomson Reuters Foundation) - Fashion giant H&M said on Tuesday it is working with other companies to support garment workers in Bangladesh, where more than 2 million have been hit by factory closures as coronavirus lockdowns hit orders.

Millions of people in impoverished Bangladesh rely on the garment industry to feed their families and the cancellation of an estimated \$3 billion in orders is hitting them hard.

Reuters, 8 April 2021

Sustainable Development Goals (SDGs) and United Nations for Diversity and Inclusion



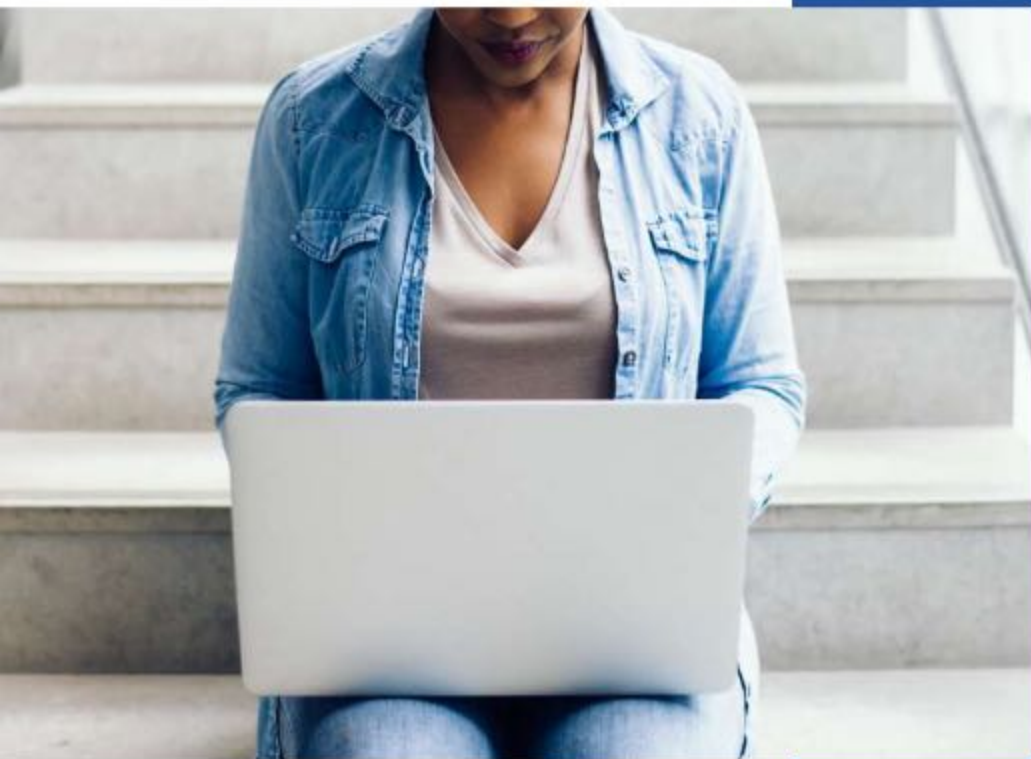
SDGs

WOMEN'S EMPOWERMENT PRINCIPLES
EQUALITY MEANS BUSINESS

- 1** Establish high-level corporate leadership for gender equality.
- 2** Treat all women and men fairly at work – respect and support human rights and nondiscrimination.
- 3** Ensure the health, safety and well-being of all women and men workers.
- 4** Promote education, training and professional development for women.
- 5** Implement enterprise development, supply chain and marketing practices that empower women.
- 6** Promote equality through community initiatives and advocacy.
- 7** Measure and publicly report on progress to achieve gender equality.

United Nations Global Compact
UN WOMEN

UNGC Women's Empowerment Principles



How to Improve Diversity and Inclusion in Practice

Perceptions of Barriers for Working Women

A global, multi-industry survey of female executives found broad agreement that women face bias and discriminatory practices in key areas of talent management.



Source: Authors' 2018-2019 survey of more than 150 female executives in North and South America, Europe, Asia, Africa, Australia, and New Zealand

What are the Problems?

Systemic Thinking of Diversity and Inclusion:

- Talent Attraction
- Talent Recruitment
- Talent Retention
- Talent Promotion and Development
- Offboarding



Talent Management:

- to ensure women & minority representation
- to ensure enabling policies to recruit and retain talent

Quick-Tips: Consider the Recruitment Cycle

TALENT MANAGEMENT PROCESS	PROBLEM	QUESTION TO ASK	WHAT TO DO
Attracting candidates	You lack women candidates relative to your expectations or industry norms.	Are aspects of your recruitment turning away qualified women?	<ul style="list-style-type: none"> Seek candidates outside managers' individual networks, which may be homogeneous. Assess the language used to describe jobs and your company.
Hiring employees	Women candidates do not make it to the offer stage at the same rate that men do.	Are aspects of your hiring process eliminating women whose qualifications and potential meet or exceed those of male candidates?	<ul style="list-style-type: none"> Educate managers about gender bias and how it might influence hiring decisions. Anonymize résumés. Diversify interview panels. Select finalists and evaluate them against defined criteria, rather than hiring on a rolling basis.
Integrating employees	Women seem to be marginalized by their teams and departments.	Are new hires forming the relationships that enable them to contribute optimally and thrive professionally?	<ul style="list-style-type: none"> Create opportunities for employees to work toward shared goals with people who are different from them. Discourage exclusionary social activities, and make sure women are not treated as outliers or extraneous team members.
Developing employees	Women are not building their skills and experience as fast as male peers are.	Do employees have access to training, coaching, stretch assignments, and other components of development, irrespective of gender?	<ul style="list-style-type: none"> Assess how developmental opportunities are awarded, and implement objective criteria for allocating them. Increase women's access to mentors and sponsors.
Assessing performance	Women's performance ratings are lower than those of male peers or lower than expected given hiring assumptions.	Does gender bias affect your evaluation processes and decisions?	<ul style="list-style-type: none"> Educate managers about gender bias and how it might influence the feedback and performance ratings they give employees. Assess the criteria used to rate performance, and eliminate ambiguous, vague, and malleable standards.
Managing compensation and promotion	Women receive lower compensation than male peers or are promoted at lower rates.	Does gender bias influence your processes for determining compensation and making promotion decisions?	<ul style="list-style-type: none"> Establish clear, transparent parameters for salary offers and increases. Regularly review the outcomes of promotion and compensation processes by gender.
Retaining good performers	Women are leaving your company at higher rates than men or sooner than expected.	Do women believe they can advance at your company, and are they rewarded for strong performance?	<ul style="list-style-type: none"> Combat the stigma attached to flexible work arrangements by focusing on measurable aspects of performance. Don't turn a blind eye to harassers. Regularly track attrition and retention by gender.

References: Collen Ammerman and Boris Groysberg, How to close the gender gap, Harvard Business Review (May- June 2021)



Integrating Diversity, Inclusion, and Climate into Sustainability Reporting and SDGs



When you have a particular program and intervention on gender issues,

it is time to start measuring and reporting the impacts.

Key Gender-related Intervention/ Impact

- Equal remuneration between men and women
- Female representation on the board level

Reported through

The Alignment Pathway



GRI Standards to Report Diversity and Inclusion

-
- | | |
|--|----------------------------------|
| 401 Employment | 410 Security Practices |
| 402 Labor/Management Relations | 411 Rights of Indigenous Peoples |
| 403 Occupational Health and Safety | 412 Human Rights Assessment |
| 404 Training and Education | 413 Local Communities |
| 405 Diversity and Equal Opportunity | 414 Supplier Social Assessment |
| 406 Non-discrimination | 415 Public Policy |
| 407 Freedom of Association and Collective Bargaining | 416 Customer Health and Safety |
| 408 Child Labor | 417 Marketing and Labeling |
| 409 Forced or Compulsory Labor | 418 Customer Privacy |
| | 419 Socioeconomic Compliance |



5 GENDER EQUALITY



Learning from Examples:
Alignment between Diversity & Inclusion, GRI Standards, and SDGs



Case 1: Danone, a world leading food company

Danone – Sustainability 2019 : Key Gender Performance

SDG 5 GENDER EQUALITY



SDG 5: GENDER EQUALITY

ACHIEVE GENDER EQUALITY AND
EMPOWER ALL WOMEN AND
GIRLS

Engagement of Danone: Commitment

RELATED BUSINESS THEMES RELEVANT FOR DANONE

Source: SDG Compass

- Equal remuneration for women and men
- Diversity and equal opportunity
- Women in leadership
- Childcare services and benefits

Focus corporate programs

SDG 5 TARGETS TO WHICH DANONE CONTRIBUTES

Source: United Nations

- **Target 5.1:** End all forms of discrimination against all women and girls everywhere
- **Target 5.5:** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

SDG Targets & Indicators

Danone – Sustainability 2019: Key Gender Performance

DANONE 2019 KEY PERFORMANCE INDICATORS

27%

of female executives.

42%

of female directors (2020 target achieved).

51%

of female managers, directors and executives.

18 countries

have implemented the Parental Policy.

39,007

of women professionally empowered through the Danone Ecosystem Fund in 2019.

Key Performance Indicators



**Reported in the sustainability report using:
the GRI Standards
+
Relevant SDG Goals and Indicators**

Alignment Between Diversity & Inclusion, GRI Standards, and SDGs



Key Performance/ Intervention

[Female Representation]

27%

of female executives.

42%

of female directors (2020 target achieved).

[Female Members of Local Community Empowered]

39,007

of women professionally empowered through the Danone Ecosystem Fund in 2019.

GRI Standards



GRI 405: DIVERSITY AND EQUAL OPPORTUNITY
2016



Disclosure 405-1 Diversity of governance bodies and employees

Disclosure 405-2 Ratio of basic salary and remuneration of women to men



GRI 413: LOCAL COMMUNITIES
2016



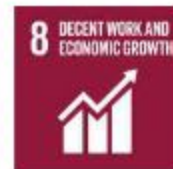
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs

Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities

SDGs Indicators



Indicator 5.5.2
Proportion of women in managerial level



Indicator 8.5.1:
Average hourly earnings of employees, by sex, age, occupation and persons with disabilities



Indicator 5.5.2
Proportion of women in managerial level



Case 2: Enel, an Italian energy company

What Enel is Doing for Women's Empowerment

33% women on the Enel SpA Board of Directors

21%
women in the workforce

5 **Gender** - % of women in selection processes³ 50% women

- S** Diversity and inclusion
- S** People growth
- S** Diversity and inclusion

5 **Gender** - Increase the number of female managers and middle managers

- S** Diversity and inclusion
- S** People growth

2020-2022 Sustainability Plan



Engaging people we work with

2022 targets

Engaging local communities

2030 targets

50% Women in recruitment processes¹

100% People involved in digital skills

Performance appraisal

People² involved **100%**

People² appraised **99%**

Climate survey

People² involved **100%**

People² appraised **87%**

- ▶▶▶ Promote and plan reskilling and upskilling programmes for people in order to support the transition
- ▶▶▶ Increase the number of female managers and middle managers

4 **QUALITY EDUCATION**

Quality education
2.5 mil beneficiaries at 2030³

7 **AFFORDABLE AND CLEAN ENERGY**

Affordable and clean energy
10.0 mil beneficiaries³

8 **DECENT WORK AND ECONOMIC GROWTH**

Decent work and economic growth
8.0 mil beneficiaries³

Enel's Parenthood Policy

Extra days of maternity leave are granted, together with supplementary remuneration, in Argentina, Brazil, Colombia, Peru, Guatemala, Italy, Mexico, United States, and Spain.

For example, in Italy, Enel pays 100% of the normal salary in the first 5 months, compared to the legal requirement of 80%.

As a testament to the commitment concerning the topic of gender equality, for the first time this year Enel was included in the **Bloomberg Gender Equality Index (GEI)**.

Alignment Between Diversity & Inclusion, GRI Standards, and SDGs

Key Performance/ Intervention [Maternity Policy]

extra days of maternity leave, together with supplementary remuneration

GRI Standards



GRI 401: EMPLOYMENT
2016



Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
Disclosure 401-3 Parental leave

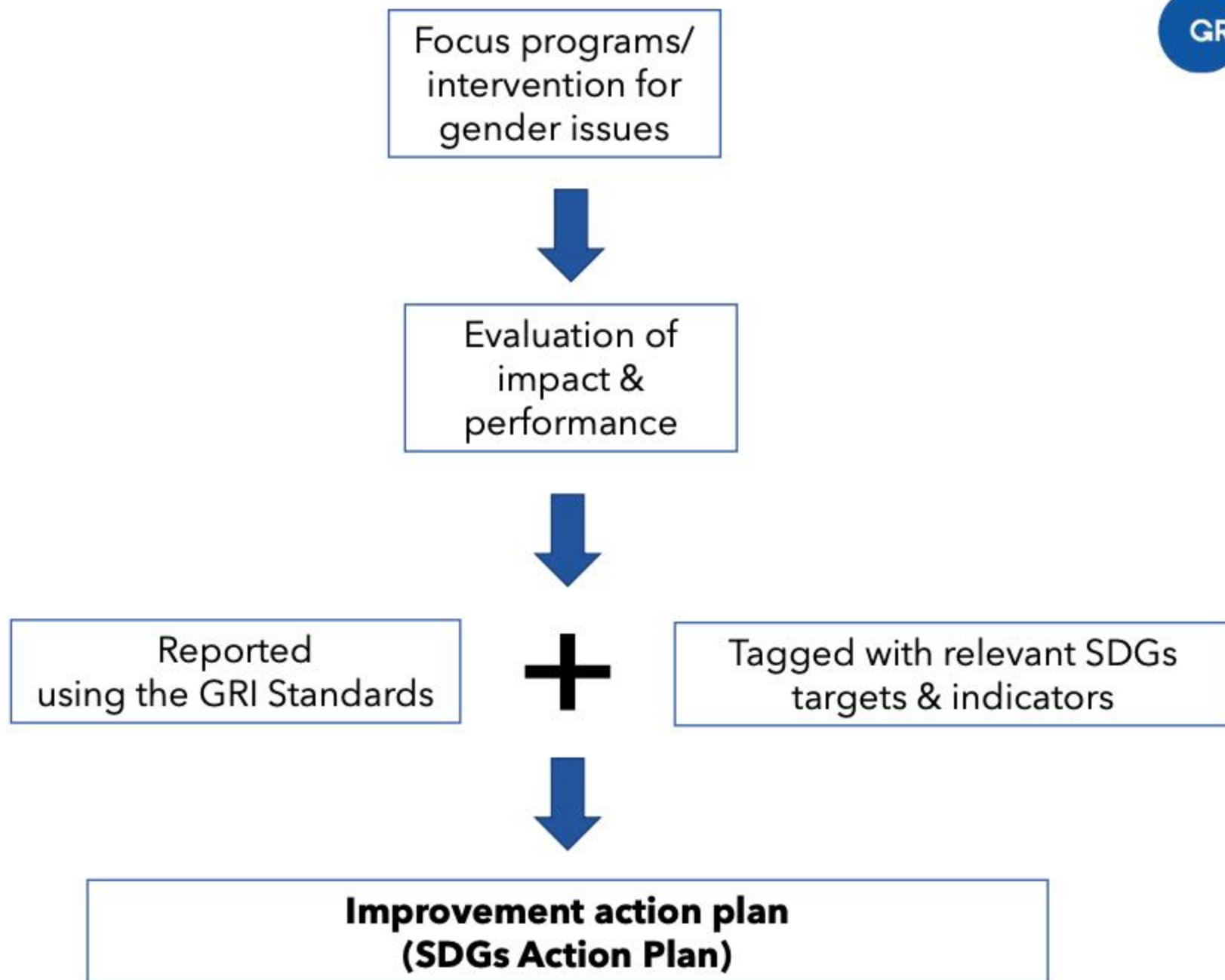
SDGs Indicators

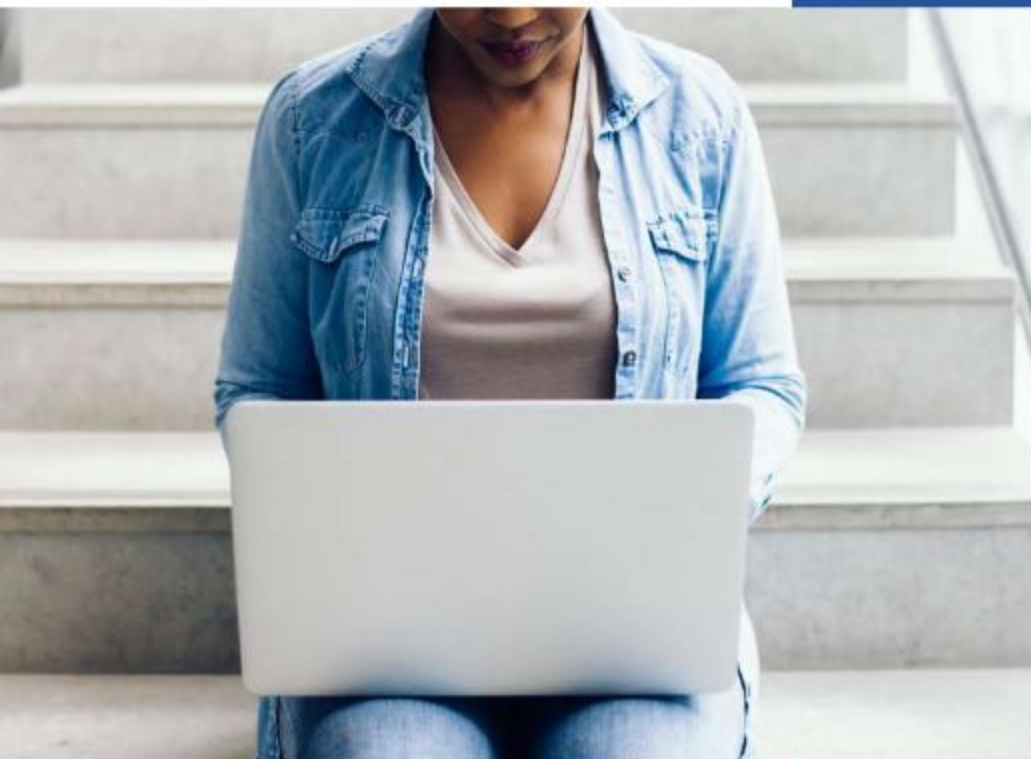


Indicator 5.1.1.
Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex

Indicator 5.6.1.
Proportion of women aged 15-49 years who make their own informed decisions regarding sexual relations, contraceptive use and reproductive health care

Key Take Away





What about external parties/ work partners?

Current Controversies...

What do they tell us?

There's a good chance your cotton T-shirt was made with Uyghur slave labor

Jewher Ilham

Much of the world's cotton comes from the Uyghur region, where the Chinese government is ethnically cleansing its Muslim minority. Fashion conglomerates know this



▲ A Uyghur-American activist rallies in front of the White House in support of the Uyghur Forced Labor Prevention Act, in October 2020. Photograph: Jacquelyn Martin/AP

The Guardian, 9 April 2021

Chocolate industry slammed for failure to crack down on child labour

Children as young as five still exposed to hazardous work in countries including Ghana and Ivory Coast, report reveals



▲ Cocoa beans drying in the sun, Ivory Coast. Hazardous work includes the use of sharp tools, working at night and exposure to agrochemical products. Photograph: Michael Dwyer/Alamy

The Guardian, 20 Oct 2020

Female workers at H&M supplier in India allege widespread sexual violence

Multiple women at Natchi Apparels have reported abuse weeks after 21-year-old worker was allegedly killed by her supervisor

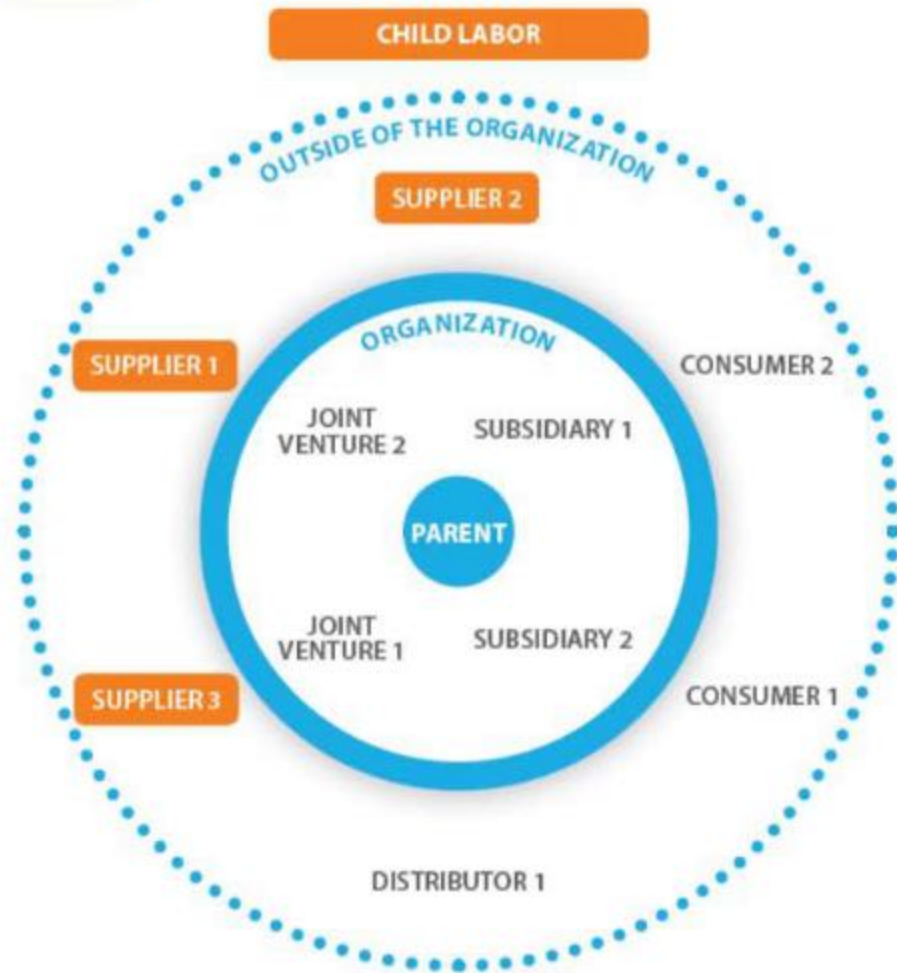


▲ Workers at Natchi Apparels allege that women were sexually and verbally abused while making clothes for H&M and other brands. Photograph: Michaela Rehle/Reuters

The Guardian, 9 March 2021

The Interconnectedness of Your Business

FIGURE 4 An example where the topic of child labor is only relevant to certain entities outside of the organization



Based on the previous examples, child labour, sexual harassment, and forced labour happen in the supply chain.



Case 3: Vodafone, a leading technology communications company in Europe and Africa

Alignment Between Gender Performance, GRI Standards, and SDGs

Key Performance/ Intervention [Diversity & Human Rights in Suppliers]

Procurement with purpose

Since October 2020, Vodafone Group evaluates its suppliers on their commitments to diversity, inclusion and the environment when they tender for new work. A supplier's 'Purpose' accounts for 20% of the evaluation criteria, and suppliers are asked to demonstrate policies and procedures that keep those working on high risk activity safe (10%), support diversity in the workplace (including gender, ethnicity, LGBT+, age and disability criteria) (5%), and to address carbon reduction, renewable energy, plastic reduction, circular economy and product lifecycle (5%).

GRI Standards



Disclosure 414-1 New suppliers that were screened using social criteria
Disclosure 414-2 Negative social impacts in the supply chain and actions taken

SDGs Indicators



Indicator 5.1.1.
"Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex"

<p>13 CLIMATE ACTION</p> 		
<p>TARGET 13-B</p>  <p>PROMOTE MECHANISMS TO RAISE CAPACITY FOR CLIMATE PLANNING AND MANAGEMENT</p>		
<p>TARGET 13-1</p>  <p>STRENGTHEN RESILIENCE AND ADAPTIVE CAPACITY TO CLIMATE RELATED DISASTERS</p>	<p>TARGET 13-2</p>  <p>INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING</p>	<p>TARGET 13-3</p>  <p>BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE</p>

Examples:

Alignment between Climate Issues, GRI Standards, TCFD, and SDGs

GRI Standards & Climate Issues

GRI 301: Materials 2016	GRI 305: Emissions 2016
GRI 302: Energy 2016	GRI 306: Effluents and Waste 2016
GRI 303: Water and Effluents 2018	GRI 307: Environmental Compliance 2016
GRI 304: Biodiversity 2016	GRI 308: Supplier Environmental Assessment 2016

2020 KPI : Green Management

At Samsung Electronics, we have set the following green management goals to reduce greenhouse gas, to manufacture products with minimal environmental impact, and to achieve a circular economy.

Greenhouse gas reductions in product use phase



Compliance of newly developed products with Eco-Label standards



Waste product collected globally



GHG emissions intensity



Waste recycling rate of Samsung Locations



Water use intensity



Samsung's Green Management

Reference: What Sustainability Means for Samsung,
<https://news.samsung.com/us/sustainability-means-samsung/>



Governance

The organization's governance around climate-related risks and opportunities

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

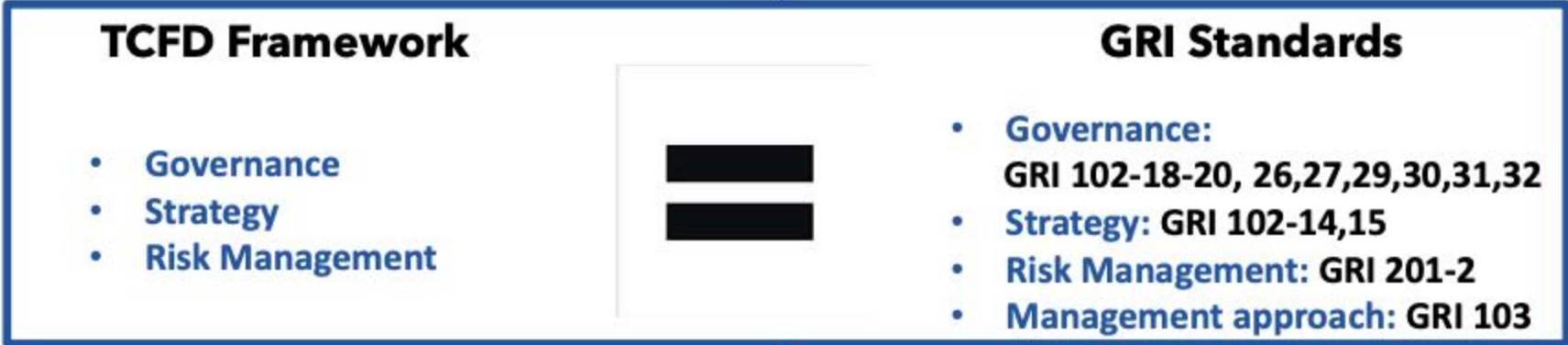
Risk Management

The processes used by the organization to identify, assess, and manage climate-related risks

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Key Environmental Performances
 - i.e., reduction of emission



The Alignment Pathway





Case 4:
Samsung SDI,
**a full-service supplier for lithium ion cells,
battery modules and battery packs**

Samsung SDI's TCFD Framework (1)

Governance

Governance: Governance to manage the risks and opportunities of climate change

At Samsung SDI, its Board of Directors deliberates and decides on the major risk issues that may have grave impact on the Company.

Major issues and response strategies on climate change (use of renewable energy, GHG emission mitigation targets and strategies, etc.) are discussed and managed at the senior management level, including the Company CEO. Our Planning Team is responsible for identifying risks and opportunities across the sustainability management sectors including environment and

society, and for developing risk management and response strategies. As the team is in charge of business strategy and investment operations, this facilitates the alignment between decision-making on climate change issues and our business strategy.

In addition, the EHS & Infra Team calculates GHG emissions generated from business operations and implements energy-saving tasks to help mitigate GHG emissions.

Strategy

Strategy: Potential impact of climate change risks and opportunities on an organization's business, strategy, and finance planning

Risk Factor

To identify risk factors on climate change, we assessed impacts caused by 'transition risks' and 'physical risks'.

Transition risks refer to risks that may arise as a result of the transition towards a low carbon economy in the international community, and can be classified into policy risks, market risks, technology risks and reputation risks.

Policy risks include impacts that affect businesses as a result of carbon prices increasing due to tightening climate change regulations. We assessed these risks based on three carbon price pathways – a high price scenario (full implementation to meet the Paris Agreement goal of 2°C), a medium price scenario (future possible carbon prices), and a low price scenario (full implementation of countries' nationally determined contributions) as well as on future GHG emissions prospects.

While policy risks may not have significant financial impacts on Samsung SDI in the short term, their mid/long-term implications could expose us to additional carbon cost risks due to production increases in the growing EV battery and ESS markets and rising carbon prices. Therefore, this requires us to explore mid/long-term countermeasures to reduce our carbon emissions.

Market risks refer to the impact of climate change on our market demand. Samsung SDI believes that increases in carbon operation expenses at its major customers may not have sizeable impact on their product purchasing power.

Global Average Carbon Price Scenario Analysis to Meet the 2°C Paris Agreement Goal



* Source: IEA and IRENA (2017); Trucost Analysis. Data as of Jun. 2017.

Samsung SDI's TCFD Framework (2)

Risk Management

Risk Analysis Outcomes

Risk	Expected Impact	Risk Impact			Assessment Basis	
		Short-term (0-1 year)	Medium-term (1-5 years)	Long-term (5 years and beyond)		
Transition Risk	Policy	Increasing climate-related policy and regulatory risks	Low	Low	High	Samsung SDI GHG emission prospects and future regional carbon prices based on climate change scenarios * Analytical tool: S&P Trucost
	Market	Low impact of climate change on the financial status of major customers	Low	Low	Low	Financial impact assessments on customer industries and major customers * Analytical tool: S&P Trucost
	Technology	Low risk in consideration of low-carbon product and service offerings and R&D investments	Low	Low	Low	Ratio of sales in low-carbon related industries, ratio of investments in and R&D on low-carbon technology * Analytical tool: S&P Trucost
Physical Risk	Precipitation and Inundation	Risk of floods due to increases in average global temperature	Low	Low	Low	Risk impact assessments made in consideration of the regional proportion of business locations * Analytical tool: Think Hazard Index
	Heat Wave	Rising expenses to maintain the operational conditions of manufacturing	Low	Low	Medium	Risk impact assessments made in consideration of the regional proportion of business locations * Analytical tool: Think Hazard Index

Samsung SDI's Metrics and Targets for Emission

Reference: Samsung SDI - Sustainability Report 2019

2019 Achievements and 2020 Targets

(●: Achieved, ◐: Partially achieved, ○: Under preparation)

* The 2020 target applies to battery business only

KPIs	Unit	2019 Target	2019 Achievement	Level of Achievement	2020 Target
GHG emissions	tCO ₂ e	1,439,321	1,275,165	●	Achieve a 30% reduction from BAU levels in 2020*

Alignment between Emissions, GRI Standards, and SDGs

Key Performance

Global Company-wide Achievement in Reducing GHG Emissions

* Mitigation performance increased in line with change in emission factor

Category	Unit	2017	2018	2019*
Fuel	tCO ₂ e	10,205	9,878	16,306
Electricity & steam	tCO ₂ e	47,305	42,998	104,073
Total	tCO ₂ e	57,510	52,877	120,379

The GRI Standards



- Disclosure 305-1 Direct (Scope 1) GHG emissions
- Disclosure 305-2 Energy indirect (Scope 2) GHG emissions
- Disclosure 305-3 Other indirect (Scope 3) GHG emissions
- Disclosure 305-4 GHG emissions intensity
- Disclosure 305-5 Reduction of GHG emissions
- Disclosure 305-6 Emissions of ozone-depleting substances (ODS)
- Disclosure 305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions

SDGs Indicator

Contribution to the Sustainable Development Goals



Conclusion

- To ensure diversity and inclusion, think beyond just numbers but also how to create enabling environment and policy that encompasses from recruitment to offboarding process.
- Transform your supply chain and business partners to be more gender-responsive.
- Disclose corporate's gender and diversity in the sustainability report, and align the GRI Standards with SDGs Targets and Indicators
- Sustainability reporting (that includes SDGs Indicators) is one way to measure particular impacts in relation to the Sustainable Development Goals.

THANK YOU



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