Appendix

Table 11. TCFD’s 11 Questions [4]

|  |  |
| --- | --- |
| INDEX | CONTENT |
| tcfd\_1 | How does the company's board oversee climate-related risks and opportunities? |
| tcfd\_2 | What is the role of management in assessing and managing climate-related risks and opportunities? |
| tcfd\_3 | What are the most relevant climate-related risks and opportunities that the organisation has identified over the short, medium, and long term? Are risks clearly associated with a horizon? |
| tcfd\_4 | How do climate-related risks and opportunities impact the organisation's businesses strategy, economic and financial performance, and financial planning? |
| tcfd\_5 | How resilient is the organisation's strategy when considering different climate-related scenarios, including a 2°C target or lower scenario? How resilient is the organisation's strategy when considering climate physical risks? |
| tcfd\_6 | What processes does the organisation use to identify and assess climate-related risks? |
| tcfd\_7 | How does the organisation manage climate-related risks? |
| tcfd\_8 | How are the processes for identifying, assessing, and managing climate-related risks integrated into the organisation's overall risk management? |
| tcfd\_9 | What metrics does the organisation use to assess climate-related risks and opportunities? How do the metrics help ensure that the performance is in line with its strategy and risk management process? |
| tcfd\_10 | Does the organisation disclose its Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions? What are the related risks and do they differ depending on the scope? |
| tcfd\_11 | What targets does the organisation use to understand/quantify/benchmark climate-related risks and opportunities? How is the organization performing against these targets? |

Table 12. TCFD’s 11 Guidelines[4]

|  |  |
| --- | --- |
| INDEX | CONTNET |
| tcfd\_1 | Please concentrate on the board's direct responsibilities and actions pertaining to climate issues, without discussing the company-wide risk management system or other topics. |
| tcfd\_2 | Please focus on their direct duties related to climate issues, without introducing other topics such as the broader corporate risk management system. |
| tcfd\_3 | Avoid discussing the company-wide risk management system or how these risks and opportunities are identified and managed. |
| tcfd\_4 | Please do not include the process of risk identification, assessment or management in your answer. |
| tcfd\_5 | In your response, focus solely on the resilience of strategy in these scenarios, and refrain from discussing processes of risk identification, assessment, or management strategies. |
| tcfd\_6 | Restrict your answer to the identification and assessment processes, without discussing the management or integration of these risks. |
| tcfd\_7 | Please focus on the concrete actions and strategies implemented to manage these risks, excluding the process of risk identification or assessment. |
| tcfd\_8 | Please focus on the integration aspect and avoid discussing the process of risk identification, assessment, or the specific management actions taken. |
| tcfd\_9 | Do not include information regarding the organization's general risk identification and assessment methods or their broader corporate strategy and initiatives. |
| tcfd\_10 | Confirm whether the organisation discloses its Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions. If so, provide any available data or specific figures on these emissions. Additionally, identify the related risks. The risks should be specific to the GHG emissions rather than general climate-related risks. |
| tcfd\_11 | Please detail the precise targets and avoid discussing the company's general risk identification and assessment methods or their commitment to disclosure through the TCFD. |

Table 13. TCFD’s 11 Assessment[4]

|  |  |
| --- | --- |
| INDEX | CONTNET |
| tcfd\_1 | In describing the board's oversight of climate-related issues, organizations should consider including a discussion of the following:  1. processes and frequency by which the board and/or board committees (e.g., audit, risk, or other committees) are informed about climate-related issues;  2. whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization’s performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures; and  3. how the board monitors and oversees progress against goals and targets for addressing climate-related issues. |
| tcfd\_2 | In describing management's role related to the assessment and management of climate-related issues, organizations should consider including the following information:  1. whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues;  2. a description of the associated organizational structure(s);  3. processes by which management is informed about climate-related issues; and  4. how management (through specific positions and/or management committees) monitors climate-related issues. |
| tcfd\_3 | In describing the climate-related risks and opportunities the organization has identified over the short, medium, and long term, organizations should provide the following information:  1. a description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms;  2. a description of the specific climate-related issues potentially arising in each time horizon (short, medium, and long term) that could have a material financial impact on the organization; and  3. a description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organization.  Organizations should consider providing a description of their risks and opportunities by sector and/or geography, as appropriate. |
| tcfd\_4 | In describing impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, organizations should discuss how identified climate-related issues have affected their businesses, strategy, and financial planning.  Organizations should consider including the impact on their businesses, strategy, and financial planning in the following areas:  1. Products and services  2. Supply chain and/or value chain  3. Adaptation and mitigation activities  4. Investment in research and development  5. Operations (including types of operations and location of facilities)  6. Acquisitions or divestments  7. Access to capital  Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.  Organizations should describe the impact of climate-related issues on their financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.  Organizations that have made GHG emissions reduction commitments, operate in jurisdictions that have made such commitments, or have agreed to meet investor expectations regarding GHG emissions reductions should describe their plans for transitioning to a low-carbon economy, which could include GHG emissions targets and specific activities intended to reduce GHG emissions in their operations and value chain or to otherwise support the transition. |
| tcfd\_5 | In describing the resilience of the organization's strategy, organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a low-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks.  Organizations should consider discussing:  1. where they believe their strategies may be affected by climate-related risks and opportunities;  2. how their strategies might change to address such potential risks and opportunities;  3. the potential impact of climate-related issues on financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities); and  4. the climate-related scenarios and associated time horizon(s) considered. |
| tcfd\_6 | In describing the organization's processes for identifying and assessing climate-related risks, organizations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks.  Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.  Organizations should also consider disclosing the following:  1. processes for assessing the potential size and scope of identified climate-related  risks and  2. definitions of risk terminology used or references to existing risk classification  frameworks used. |
| tcfd\_7 | In describing the organization's processes for managing climate-related risks, organizations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks. In addition, organizations should describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations. |
| tcfd\_8 | In describing how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management, organizations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management. |
| tcfd\_9 | In describing the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process, organizations should provide the key metrics used to measure and manage climate-related risks and opportunities, as well as metrics consistent with the cross-industry.  Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable.  Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies.  Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a low-carbon economy.  Metrics should be provided for historical periods to allow for trend analysis. Where appropriate, organizations should consider providing forward-looking metrics for the cross-industry, consistent with their business or strategic planning time horizons. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics. |
| tcfd\_10 | In disclosing Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks, organizations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate, Scope 3 GHG emissions and the related risks. All organizations should consider disclosing Scope 3 GHG emissions.  GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions. As appropriate, organizations should consider providing related, generally accepted industry-specific GHG efficiency ratios.  GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate the metrics. |
| tcfd\_11 | In describing the targets used by the organization to manage climate-related risks and opportunities and performance against targets, organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with the cross-industry, where relevant, and in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a low-carbon economy.  In describing their targets, organizations should consider including the following:  1. whether the target is absolute or intensity based;  2. time frames over which the target applies;  3. base year from which progress is measured; and  4. key performance indicators used to assess progress against targets.  Organizations disclosing medium-term or long-term targets should also disclose associated interim targets in aggregate or by business line, where available.  Where not apparent, organizations should provide a description of the methodologies used to calculate targets and measures. |

Table 14. TCFD’s Prompts[4]

|  |
| --- |
| TCFD Assessment Prompts |
| Your task is to rate a sustainability report's disclosure quality on the following <CRITICAL\_ELEMENT>:  <CRITICAL\_ELEMENT>: [question]  These are the <REQUIREMENTS> that outline the necessary components for high-quality disclosure pertaining to the <CRITICAL\_ELEMENT>:  <REQUIREMENTS>:  ====  [requirements]  ====  Presented below are select excerpts from the sustainability report, which pertain to the <CRITICAL\_ELEMENT>:  <DISCLOSURE>:  ====  [disclosure]  ====  Please analyze the extent to which the given <DISCLOSURE> satisfies the aforementioned <REQUIREMENTS>. Your ANALYSIS should specify which <REQUIREMENTS> have been met and which ones have not been satisfied.  Your response should be formatted in JSON with two keys:  1. ANALYSIS: A paragraph of analysis (be in a string format). No longer than 150 words.  2. SCORE: An integer score from 0 to 100. A score of 0 indicates that most of the <REQUIREMENTS> have not been met or are insufficiently detailed. In contrast, a score of 100 suggests that the majority of the <REQUIREMENTS> have been met and are accompanied by specific details.  Your FINAL\_ANSWER in JSON (ensure there's no format error): |

Table 15. MSCI Key Issues’ Queries

|  |  |
| --- | --- |
| QUERIES | |
| Environment | {"Carbon Emission": "What are the contents of a company's annual environmental impact audit, environmental audit evidence, environmental management systems, compliance with ISO 14001 standards, plans and targets for reducing toxic emissions in the supply chain, and emissions of NOx, SOx, particulate matter, and hazardous waste?",  "Financing Environmental Impact": "What are the contents of a company's assessment of ESG risk management in financing activities, climate risk analysis, green investment or green finance, and sustainability-related financial products?",  "Product Carbon Footprint": "What are the contents of a company's assessment of greenhouse gas or carbon emissions related to suppliers, manufacturing processes, procurement, and logistics?",  "Biodiversity & Land Use": "What are the contents of a company's biodiversity and land restoration efforts?",  "Raw Material Sourcing": "What are the company's sustainable practices plans and goals for procuring raw materials in the supply chain?",  "Water Stress": "What is the company's targets, strategies, practices to reduce its Water Resource Management?",  "Electronic Waste": "What are the contents of a company's electronic waste recycling and disposal efforts?",  "Packaging Material & Waste": "What are the company's practices and goals for managing packaging materials and reducing environmental impact?",  "Toxic Emissions & Waste": "What are the contents of a company's annual environmental impact audit, environmental audit evidence, environmental management systems, compliance with ISO 14001 standards, plans and targets for reducing toxic emissions in the supply chain, and emissions of NOx, SOx, particulate matter, and hazardous waste?",  "Opportunities in Clean Tech": "What are the contents of a company's investments in clean energy technology?"} |
| Social | {"Health & Safety": "What are the contents of the company's improvements, practices, and goals regarding health and safety?",  "Human Capital Development": "What are the contents of the company's employee grievance procedures, employee satisfaction surveys, employee stock subscription, labor disputes, non-monetary benefits, and employee training?",  "Labor Management": "What are the contents of the company's employee stock subscription, non-salary benefits, employee satisfaction surveys, and employee training opportunities?",  "Supply Chain Labor Standards": "What are the contents of the company's policies and practices regarding labor in the supply chain?",  "Chemical Safety": "What is the company's startegies and practices in Chemical Safety?",  "Consumer Financial Protection": "What are the contents of the company's debt collection practices, employee training related to consumer financial protection, fair marketing practices, promotion of financial literacy education, and financial product complaint handling?",  "Privacy & Data Security": "What is the company's strategies in Privacy & Data Security?",  "Product Safety & Quality": "What is the company's practices in Product Safety and Product quality?",  "Responsible Investment": "What are the contents of the company's policies and practices regarding various responsible investment initiatives, ESG investments, and dedicated ESG personnel?",  "Community Relations": "What are the contents of the company's policies and practices regarding local/community impact, human rights policies, and local procurement?",  "Controversial Sourcing": "What is the company's practices in Controversial Sourcing about material?",  "Access to Finance": "What are the contents of the company's innovations and practices in microfinance/microinsurance and the distribution of financial services?",  "Access to Health Care": "What measures does the company take to evaluate its practices in providing healthcare access, particularly in low- and middle-income countries, including the number of products and R&D projects targeting these countries, the scope of business expansion plans, measures to help local manufacturers meet international quality standards, support for local drug monitoring, training of healthcare workers, improving drug supply chains, participation in public-private partnerships, enhancement of local public health infrastructure, and implementation of affordability-based pricing policies, and how do these indicators reflect the company's commitment and actions in promoting global healthcare accessibility?",  "Opportunities in Nutrition & Health": "What are the company's practices and contents in developing healthier products, reducing artificial ingredients in food products, and lowering sugar content in food and beverage products?"} |
| Governance | {"Board": "What are the company's practices and contents regarding independent directors, board diversity, audit oversight, compensation oversight, and nomination processes and strategies?",  "Pay": "What are the company's practices and policies regarding CEO pay-performance alignment, executive pay disclosure, termination and change of control provisions, equity plan dilution, and non-executive director compensation, including specific indicators such as CEO equity policies, long-term and short-term pay performance, sustainability-linked compensation, pay controversies, internal pay equity, golden parachutes, dilution rates, and director equity policies?",  "Bussiness Ethics": "What is the contents about monitoring business ethics and corruption issues?",  "Ownership & Control": "What are the company's practices and policies regarding ownership structure, one-share-one-vote, control mechanisms, shareholder rights, director elections, and acquisition terms, including specific indicators such as controlling shareholder influence, diversified ownership issues, cross-holdings, dual-class shares with unequal voting rights, poison pill strategies, amendments to bylaws without shareholder approval, rights to call special meetings, say-on-pay policies, secret ballots, proxy access, annual director elections, cumulative voting, stakeholder protection clauses, and fair pricing provisions?"} |

Table 16. MSCI Key Issues’ Assessments

|  |  |
| --- | --- |
| ASSESSMENTS | |
| Environment | {"Carbon Emission": "The carbon emissions assessment focuses on the company's commitment and actions in setting and achieving carbon reduction targets. This includes using clean energy (such as solar, wind, geothermal, cogeneration, or natural gas), reducing operational and supply chain carbon emissions (including purchasing carbon offsets), and disclosing to CDP.",  "Financing Environmental Impact": "The financial environmental impact assessment primarily focuses on the company's performance in the following areas: ESG risk management systems, ESG risk integration, ESG risk supervision, environmental credit policies, and environmental finance opportunities. These reflect the company's ability to integrate environmental, social, and governance factors into its financing and investment activities, as well as its efforts to promote sustainable finance.",  "Product Carbon Footprint": "Product carbon footprint assessment primarily focuses on the company's management of energy consumption and carbon emissions across various operational stages. This includes evaluating the carbon emissions and energy consumption of suppliers, distribution centers, store operations, manufacturing operations, raw material procurement, transportation, and logistics. The company needs to set quantitative, time-bound emission reduction targets and implement carbon emission or energy reduction plans at each stage, covering all core business and supply chain activities to comprehensively reduce the carbon footprint.",  "Biodiversity & Land Use": "The assessment of natural resources primarily focuses on the company's policies and practices regarding biodiversity protection and land restoration. This includes whether the company collaborates with external stakeholders to address the impact of its operations on biodiversity, has third-party certified ecosystem protection programs, and commits to reducing and restoring disturbances to biodiversity. The company should disclose the scope of its biodiversity and land restoration policies, covering all operations and supply chain activities. Additionally, the company should develop comprehensive ecosystem protection plans and conduct biodiversity impact assessments before settling in new areas to ensure minimal environmental impact.",  "Raw Material Sourcing": "The assessment of raw material procurement primarily focuses on the scope of the company's plans and future goals for implementing sustainable practices in the supply chain. The company needs to develop plans for sustainable land management, reducing methane emissions, and other environmental measures, as well as track the sources of these raw materials to ensure they meet sustainability standards. The company should also make clear commitments to responsible procurement and participate in relevant industry organizations to achieve comprehensive environmental sustainability goals.",  "Water Stress": "The water stress assessment primarily focuses on the company's performance in governance and strategy, as well as water reduction targets. Governance and strategy include the use of alternative water sources, water-saving measures, water recycling rates, and senior management responsibility. Water reduction targets evaluate the company's detail and record in formulating and achieving these strategies.",  "Packaging Material & Waste": "The assessment of packaging materials and waste includes the company's transparency regarding its packaging material composition, the scope of consumer education programs, and the extent of participation in recycling programs beyond legal requirements. The company needs to develop strategies to reduce the environmental impact of packaging, set specific and time-bound goals to increase the content of recycled or renewable materials in packaging, and promote the circular use of packaging materials and waste elimination. The assessment also includes the company's achievements in packaging content and product recycling, reflecting its efforts in sustainable packaging and waste reduction.",  "Toxic Emissions & Waste": "The assessment of toxic emissions and waste includes whether the company conducts annual environmental impact audits, has environmental audit evidence for all operational sites, possesses an environmental management system or one that meets ISO 14001 standards, and has plans and targets for reducing toxic emissions in the supply chain. It also evaluates the company's performance in indicators such as NOx, SOx, particulate emissions, and hazardous waste.",  "Opportunutues in Clean Tech": "Opportunities in clean energy technology include whether the company discloses quantitative targets for increasing investment, the proportion of revenue obtained from clean technology activities, and the level of participation in these activities."} |
| Social | {"Health & Safety": "The assessment of employee health and safety primarily focuses on the coverage of the company's health and safety policies, their applicability to suppliers, the auditing of policies and practices, the responsibility of management and the board of directors for health and safety strategies, and the presence of certified health and safety management systems. The assessment also includes the company's specific targets for reducing employee accidents and fatalities.",  "Human Capital Development": "The assessment of human resources development includes whether the company has internal reporting channels for employees to report grievances, the frequency of employee satisfaction surveys, the participation rate in employee stock ownership plans, the applicability of performance-based variable compensation for non-senior management, the scope of non-monetary benefits, the regularity of performance evaluations and feedback processes, and the coverage of skills and knowledge development training. Additionally, the assessment includes the company's employee turnover rate and the frequency of labor disputes.",  "Labor Management": "The assessment of workforce management includes whether employees are eligible to participate in employee stock ownership plans, the coverage of non-salary benefits (such as pensions, housing allowances, group insurance), and the applicability of performance-based variable compensation. In terms of plans and measures, the assessment evaluates the frequency of employee satisfaction surveys, policies for handling employees after restructuring or layoffs, the scope of skills and knowledge development training, and support for employees pursuing degree programs or certifications.",  "Supply Chain Labor Standards": "The assessment of supply chain labor standards includes whether the company's code of conduct for suppliers covers anti-discrimination, child labor, forced labor, freedom of association, health and safety, minimum wage, overtime pay, and working hours. The assessment also includes whether the company provides labor-related training to suppliers, selects suppliers based on labor management performance, audits the supply chain, and implements corrective action plans for non-compliance issues. Additionally, it evaluates whether the company discloses non-compliance incidents among suppliers and the scope of social audits for Tier 1, Tier 2, and Tier 3 suppliers.",  "Chemical Safety": "The assessment of chemical safety includes the scope of the company's plans for phasing out harmful chemicals, efforts to identify substances at regulatory risk, and the extent of disclosure regarding the registration and use of regulated substances. In terms of plans and measures, the assessment evaluates the company's processes for applying environmental and health standards in new product design, records of reducing reliance on high-concern chemicals, and measures to increase consumer awareness of product chemical composition.",  "Consumer Financial Protection": "The assessment of consumer financial protection includes whether the company has a formal debt collection policy, related employee training, a fair advertising policy, financial education programs, oversight of the complaint resolution process, and a process for handling financial product complaints. It also evaluates whether the company is involved in high-risk financial products and the growth rate of complaints.",  "Privacy & Data Security": "The assessment of privacy and data protection includes the scope and type of certifications for information security management systems, the extent of employee training on privacy and data security, the organization responsible for privacy and data security, measures for responding to data breaches, the frequency of information security system audits, and policies for the collection, use, and retention of customer information. The assessment also includes the company's practices regarding consent policies for secondary use of consumer data, providing data control rights, the scope of data protection policies, and data protection programs covering suppliers and business partners.",  "Product Safety & Quality": "The assessment of product safety and quality includes whether the company has emergency plans to ensure product inventory and reliability, quantifiable customer service metrics and reports, certifications for product safety/quality standards, employee training on product safety and quality, and internal or third-party testing of products. It also includes whether the company has responsible marketing audit/control procedures and policies and procedures. In terms of supply chain and procurement, the assessment covers the company's supply chain risk assessment and mitigation partnerships, certification and auditing of supplier quality procedures, and training suppliers on quality standards.",  "Responsible Investment": "The assessment of responsible investment and ESG integration includes whether the company has dedicated ESG analysts, policies for incorporating ESG considerations into the investment process, participation in various responsible investment initiatives (such as PRI, IGCC, IIGCC, INCR, SIF), and the extent of ESG integration across different types of investments (corporate and non-corporate fixed income securities, hedge funds, alternative investments, publicly traded equities, private equity, and real estate). It also includes whether the company has dedicated ESG engagement staff and detailed engagement policies that cover environmental, social, and governance issues.",  "Community Relations": "The assessment of community relations includes whether the company commits to not operating in protected areas, conducts community impact assessments before entering new areas, and develops policies for indigenous peoples and methods for local community engagement. The assessment also includes whether the company monitors the effectiveness of its human rights policies, provides human rights protection training for employees, has ethical conduct policies covering contracted security service providers, and formulates formal human rights and violence and conflict policies. Additionally, the assessment considers whether the company has local procurement policies and programs to support local communities.",  "Controversial Sourcing": "The assessment of controversial sourcing includes whether the company's procurement practices are controversial, whether it avoids sourcing controversial raw materials, and whether it has policies to address the procurement and use of raw materials that may come from regions associated with human rights violations, illegal trade, environmental destruction, or the funding of violence.",  "Access to Finance": "The assessment of access to finance includes the company's level of participation in microfinance or microinsurance distribution and promotion, the company's innovations in mobile/online distribution channels and other alternative non-branch distribution channels (such as agents or partnerships with retail stores and post offices), especially for underserved groups.",  "Access to Health Care": "The assessment of access to healthcare focuses primarily on the company's practical measures, especially efforts targeting low- and middle-income countries. This includes the number of products and R&D projects aimed at these countries, the scope of business expansion plans, and measures to help local manufacturers meet international quality standards. The assessment also considers whether the company supports local drug monitoring, trains healthcare workers, improves drug supply chains, and participates in public-private partnerships. Additionally, it evaluates whether the company enhances local public health infrastructure and implements affordability-based pricing policies.",  "Opportunities in Nutrition & Health": "The assessment of opportunities in nutrition and health primarily includes whether the company has dedicated resources and strategies to develop healthier and more natural products, reduce artificial ingredients (such as preservatives, colorants, aspartame) in food products, decrease product portion sizes, and lower sugar content in food and beverage products."} |
| Governance | {"Board": "The board assessment covers various categories including leadership, independence, skills, diversity, audit oversight, compensation oversight, nomination process oversight, and strategic oversight. Key indicators include the independence of the chairman, combined CEO/chairman roles, concerns about leadership influence, the presence of independent directors, and the structure of the board. It also examines the existence and performance of audit, compensation, and nomination committees, as well as the board’s skills and diversity, including the presence of women and risk management experts. Additionally, the assessment considers issues related to financial stability, compliance with debt covenants, capital management, regulatory violations, delisting threats, executive misconduct, and other high-impact governance events.",  "Pay": "The assessment of executive compensation covers various categories including CEO equity policies, changes in CEO shareholding, alignment of long-term and short-term pay with performance, sustainability-linked compensation, clawback policies, public criticism of golden hellos, disclosure of executive pay, internal pay equity, severance packages, equity plan dilution, and non-executive director equity policies.",  "Bussiness Ethics": "The assessment of business ethics covers the oversight of ethical issues by governance bodies, the scope of anti-bribery and anti-corruption policies, supplier anti-corruption policies, whistleblower protection, employee ethics training, regular audits of ethical standards, anti-money laundering (AML) policies, and the company's exposure to corruption risks and related disputes, as well as involvement in anti-competitive and ethical controversies.",  "Ownership & Control":"The assessment of ownership and control includes indicators related to controlling shareholders, ownership structure, cross-holdings, tracking stocks, variable interest entities (VIEs), one-share-one-vote policies, takeover defense mechanisms, shareholder rights, board election processes, and acquisition terms, focusing on issues such as voting power, governance arrangements, shareholder influence, director nominations, and compliance with legal protections."} |