



THE ROLE OF SEC IN **MAINSTREAMING SUSTAINABILITY** IN THE MINDSET OF ITS STAKEHOLDERS AND **SUSTAINABILITY REPORTING** **UPDATES**

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Securities and Exchange Commission

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How we started?



SEC Memorandum Circular No. 4,
Series of 2019

SUSTAINABILITY REPORTING
GUIDELINES FOR PUBLICLY-LISTED
COMPANIES



SEC MEMORANDUM CIRCULAR NO. 4
Series of 2019

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

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

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

Submission with SEC Form 17-A

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

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

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

Comply or Explain Approach

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

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

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

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

Pasay City, Philippines, 15 February 2019.

Published:

Morla Bulletin, February 21, 2019
Morla Standard, February 21, 2019

For the Commission:

EMILIO B. AQUINO
Chairperson



IR Framework

Aims to monitor how the capitals are used and created by the business model and discloses the companies' strategies in light of risks and outlook



SEC Reporting Template

Overarching framework building upon globally accepted standards.



SASB Standards

Provides industry-based sustainability standards for more than 77 specific industries



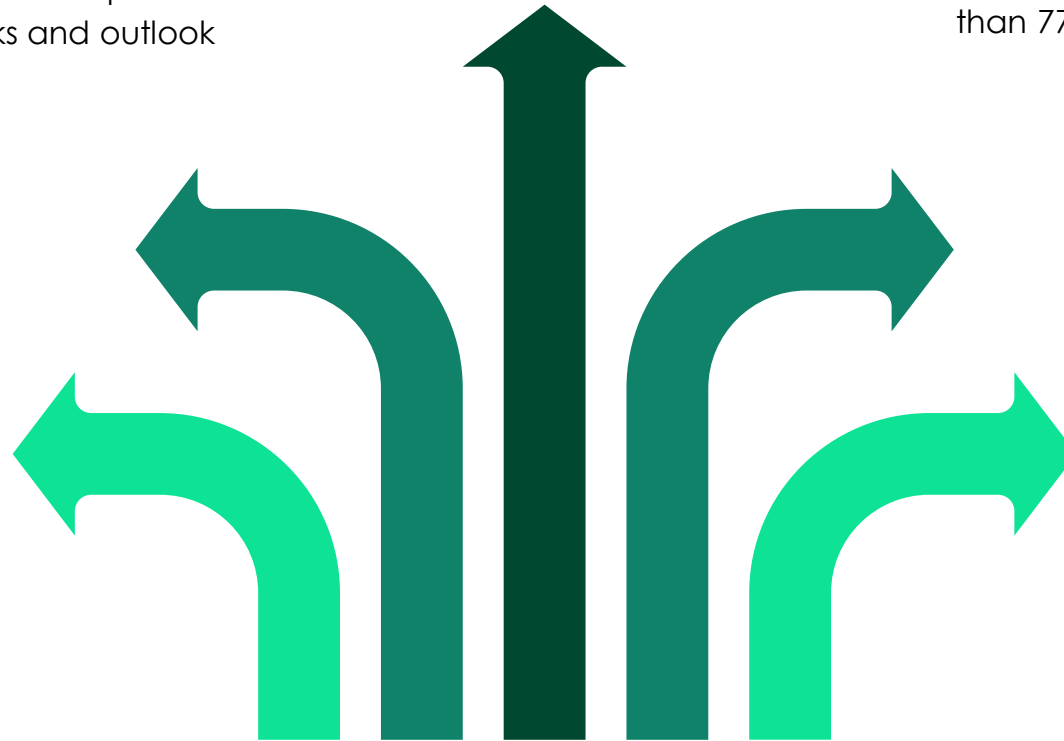
GRI Standards

GRI Standards has a comprehensive reporting requirement covering governance, economic, environmental and social topics



Task Force on Climate-Related Financial Disclosures

Recommendations on climate-related financial disclosure focused on climate-related risks, opportunities, and financial impacts



**SUSTAINABLE
DEVELOPMENT
GOALS**



**NO
POVERTY**



**ZERO
HUNGER**



**GOOD HEALTH
AND WELL-BEING**



**QUALITY
EDUCATION**



**GENDER
EQUALITY**



**CLEAN WATER
AND SANITATION**



**AFFORDABLE AND
CLEAN ENERGY**



**DECENT WORK AND
ECONOMIC GROWTH**



**INDUSTRY, INNOVATION
AND INFRASTRUCTURE**



**REDUCED
INEQUALITIES**



**SUSTAINABLE CITIES
AND COMMUNITIES**



**RESPONSIBLE
CONSUMPTION
AND PRODUCTION**



**CLIMATE
ACTION**



**LIFE
BELOW WATER**



**LIFE
ON LAND**



**PEACE, JUSTICE AND
STRONG INSTITUTIONS**



**PARTNERSHIPS
FOR THE GOALS**



SUSTAINABILITY REPORTING GUIDELINES FOR PUBLICLY-LISTED COMPANIES

**Comply / Explain
Approach**

Submitted with Annual Report

**Non-attachment of Sustainability Report
Incomplete Annual Report**



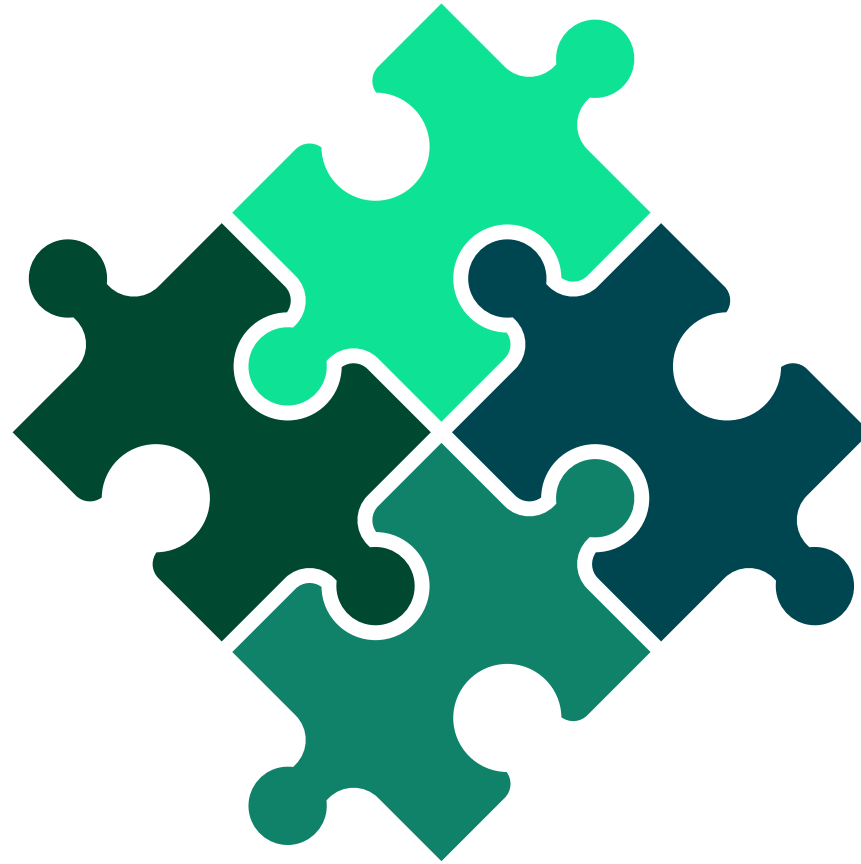
Economic

Impact on the Economic Condition of its Stakeholders at local, national, and global levels



Environment

Impact on living and non-living natural systems, including land, air, water and ecosystems



Social

Organization's internal and external impacts on the social systems within which it operates



Corporate Governance

Conduct of business in an ethical and responsible manner



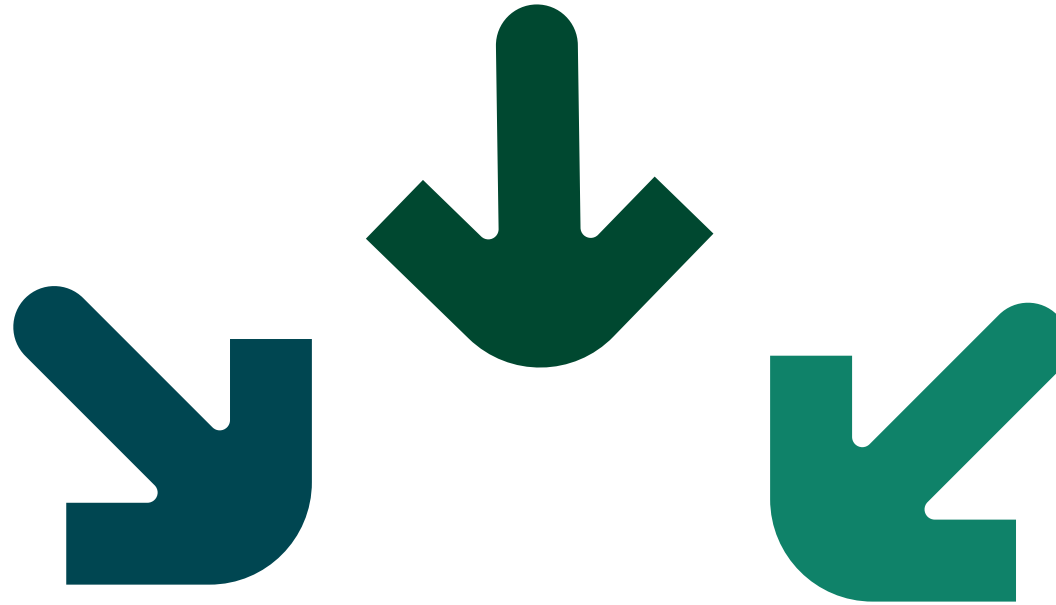
Sustainable Development Goals

Products and services creating value to society

Significance of an organization's economic, environmental, and social impacts

Substantive influence on the assessments and decisions of stakeholders and investors

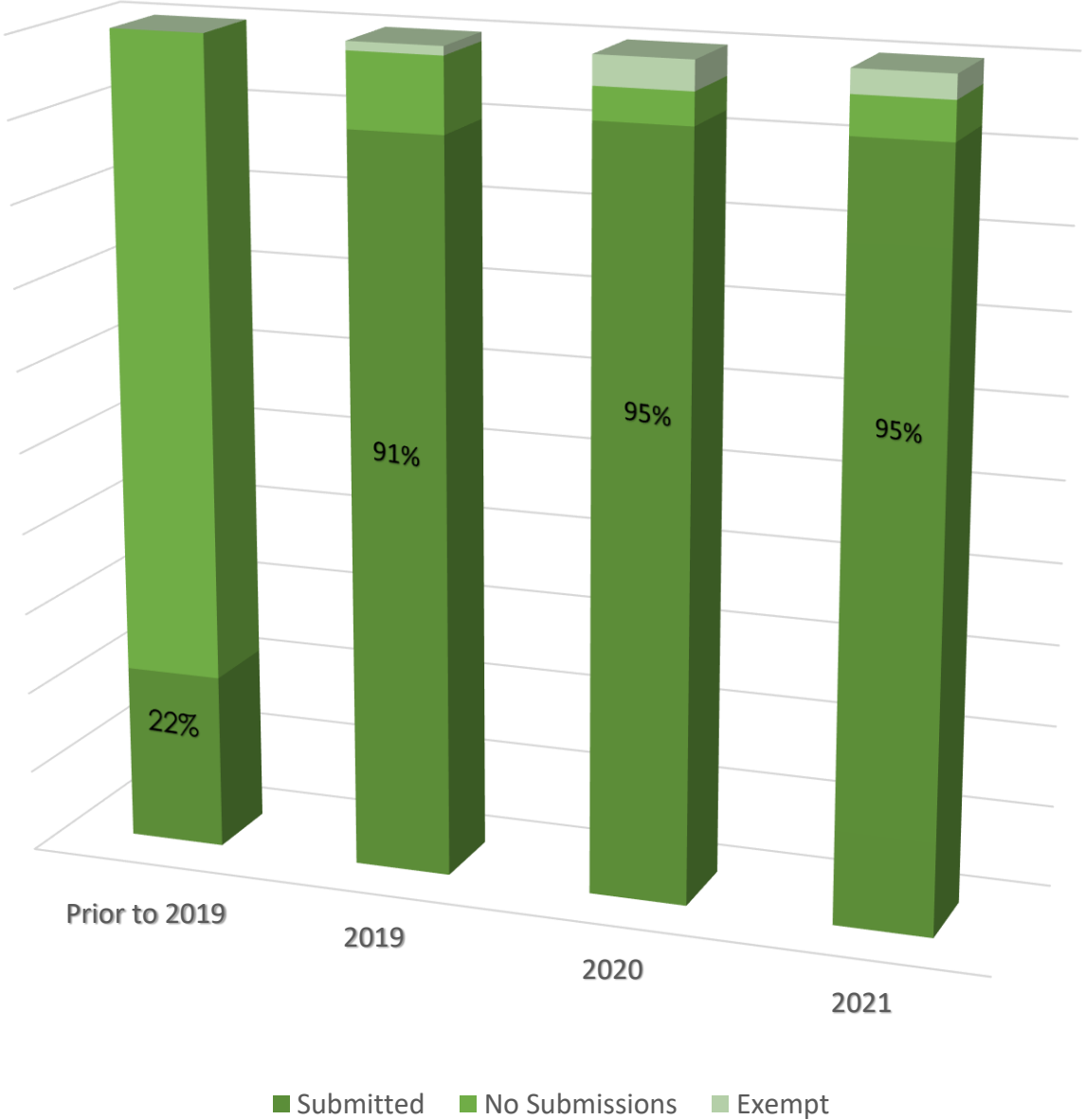
Substantive effect on the organization's ability to create value over the short, medium and long term



MATERIALITY

Sustainability Report Submissions

Sustainability Report Submissions by Publicly-Listed Companies





In partnership with:

7th SEC-PSE CORPORATE GOVERNANCE FORUM Business Resiliency and Innovation in a New Normal Era November 12, 2020, 9:00AM to 3:10PM via Zoom Webinar

Keynote Speech
Karl Kendrick T. Chua
Acting Socio-Economic Planning Secretary
National Economic and Development Authority

SEC Regulatory Updates
Kelvin Lester K. Lee
SEC Commissioner

MESSAGES
Emilio B. Aquino - Chairperson, SEC
Ramon S. Manzon - President and CEO, The Philippine Stock Exchange, Inc.
Ephyro Luis B. Amatong - SEC Commissioner

PANEL DISCUSSIONS
Jocelyn C. Villar-Altagima - Good Governance Associates and Practitioner of the Philippine Stock Exchange
Donald Patrick Lim - DTIC/ONE Holding Corporation
Mabel Wang - Sustainability Consulting, Sustainable Bluebird Limited
Ricardo Nicanor N. Jacinto - Metro Retail Stores Group, Inc.
Alinnettes Go Adigue - Investcorp Philippines
Edgar Sabidong - Atty. General
Ma. Aurora D. Geotina-Garcia - Philippine Women's Economic Network
Tim Daniels - IRI Group

MODERATORS
Rosario Carmela Gonzalez-Austria - Ayala Corporation
Matthias Gelber - The Philippine Stock Exchange, Inc.



SEC-GRI Workshop Series on Corporate Governance and Sustainability

AUGUST 18-27 2021
10:00AM - 12:00NN

- Session 1 (Aug. 18, 2021):** Updates and guidance on sustainability reporting for Philippines PLCs
- Session 2 (Aug. 20, 2021):** Corporate Leadership and Governance
- Session 3 (Aug. 25, 2021):** Human Capital and Work Environment
- Session 4 (Aug. 27, 2021):** Environmental Impact Management

#PhilippineSEC @SECPhilippines sec.gov.ph In global reporting initiative: grl #GlobalReportingInitiative @GRI_Secretariat



SEC-OCEANA SUSTAINABILITY REPORTING TRAINING ON ENVIRONMENT

Theme: "Business and Environmental Sustainability: Achieving the Balance"
November 7-8, 2022 | 1:00-5:00PM



Atty. Emilio B. Aquino
Chairperson, Securities and Exchange Commission



Dir. Rachel Gumtang-Remalante
Director, SEC Corporate Governance and Finance Department



Atty. Gloria Estenzo Ramos
Vice President, Oceana



Atty. Gwen Gana
Commissioner, Commission on Human Rights



Sen. Loren Legarda
Keynote Speaker



Mr. Carlo Delantar
Export Industry Businessman



Atty. Liza Osorio
Legal & Policy Director, Oceana



Sec. Arsenio Balisacan
NEDA Secretary

CAPACITY BUILDING EXERCISES & PARTNERSHIPS ON SUSTAINABILITY REPORTING



2022 SEC - GRI Workshop Series

Sustainability Reporting Learning Sessions for the Publicly Listed Companies

- Session 1:** Updates and Guidance on Sustainability Reporting for Philippine PLCs
- Session 2:** Creating an Inclusive Environment for Sustainability
- Session 3:** Back-to-Basics on Sustainability Reporting
- Session 4:** Beyond Sustainability Reporting



8TH SEC-PSE CORPORATE GOVERNANCE FORUM CORPORATE GOVERNANCE AND SUSTAINABILITY FOR THE NEXT NORMAL

19 November 2021 | 9:00 AM - 3:15PM

via Webinar

2021 WORLD INVESTOR WEEK INVESTOR PROTECTION WEEK





Thank you!

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(July 2022)

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