

Toolkit for SMEs who want to publish sustainability reports

"Dig the well before you are thirsty" - Chinese proverb

Paia has developed a Toolkit which will provide SMEs with necessary resources, abilities and skills to produce a sustainability report in line with SGX's requirements. Paia is rolling out training sessions and workshops catered to SMEs' needs for producing quality sustainability reports.

Why are SMEs listed on SGX required to produce sustainability reports?

The Singapore Exchange (SGX) has published [Sustainability Reporting Guidelines](#) requiring listed companies to report on sustainability on a 'comply or explain' basis. Under this regime, companies that do not follow SGX sustainability reporting guidelines will be expected to explain why.

What is GRI?

Paia's toolkit is aligned with the GRI G4 guidelines. The Global Reporting Initiative, or GRI, is an independent organisation that helps businesses and governments understand and communicate their impacts related to environment, social and economic performance.

Investors want to know about your energy bills

The shift comes as a result of investors demanding more disclosure from companies on their sustainable aspects of business. Many large and small companies are already managing their risks. However, they now need to think about how to communicate these efforts, for example energy & water savings, labour practices and compliance.

**Toolkit on sustainability reporting for SMEs
to be launched by Paia in February 2016**

What you will learn

Paia's toolkit for SMEs includes a five-stage approach in fulfilling the company's requirements in sustainability reporting:

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Gap Analysis & Sustainability Strategy	Materiality Assessment & Stakeholder Engagement	Data Collection & Compilation	Drafting of first sustainability report	Project Review & Recommendations

The toolkit will be rolled out with training sessions on the 10 March, 28 April and 24 May 2016.

SIGN UP EARLY TO GET A DISCOUNT!

For more information, please contact Paia at 3157 6033 or send an email to Anita Uppal anita@paiaconsulting.com

Benefits from reporting, based on testimonials from over 400 SMEs ¹:

1. Develop vision and strategy on sustainability

During the reporting process, you are able to identify a link between the implementation of the reporting process and your strategic development.

2. Improve management systems, internal processes and set goals

A key benefit of the reporting process is that it allows your company to track progress and highlight areas needing improvement, so that you can manage what you measure and make changes where necessary.

3. Identify strengths & weaknesses

The reporting process provides early warning of trouble spots – and shows up unexpected opportunities. These discoveries can help your company's management to evaluate potentially damaging developments before they emerge as unwelcome surprises (i.e. risk management), and/or grab opportunities before your competitors. It is also common that your company will identify critical issues which had not been considered before.

4. Attract, motivate and retain employees

Your company's high performance standards and reputation are "intangibles" that help to attract and motivate employees. This will increase the trust between your company as an employer and its employees and so enhance your reputation. In the end, your workforce will contribute more and stay longer if it is motivated, empowered, and in agreement with strategic objectives.

5. Enhance reputation, achieve trust and respect

Your company's key stakeholders are influenced by the reputation, respect and trust you have earned. As such, there are always concerns about how much the reputation of your company might be damaged by public disclosure on potential risks or bad news. The natural instinct is for you to avoid such admissions; however, balanced reporting can create trust and respect. This means reporting both on what goes well and also on where there is room for improvement.

6. Attracting funding

Providers of financial capital are asking tough questions of companies these days. Lending institutions and investors increasingly take into consideration performance in different aspects of sustainability issues when evaluating companies, e.g. good governance, ethical values, social priorities and environmental actions. Non-profit organizations are in a similar situation where they are dependent on donors and/or sponsors to fund their project activities. Implementing a GRI reporting process can help your company to improve the general management of sustainability issues and be prepared to talk openly about your performance. This demonstrates high-quality performance management which can provide access to funds.

¹ Global Reporting Initiative (GRI) *Ready to Report. Introducing sustainability reporting for SMEs*
Link: <https://www.globalreporting.org/resource/library/Ready-to-Report-SME-booklet-online.pdf>

7. Transparency and dialogue with stakeholders

The sustainability reporting process is an important tool to achieve transparency and disclose sustainability performance to your company's stakeholders. As an SME, your stakeholders are likely to be clients, suppliers, local community pressure groups, providers of financial capital, employees and owners.

Through the relationships which the reporting process can create between your company and its stakeholders, you can receive feedback on your business operations, which will enable you to review processes and identify business opportunities.

8. Achieve competitive advantage and leadership

Sustainability reporting is still not common practice across all regions and sectors, especially for SMEs. For this reason, your company can be identified as a "leader in sustainability". This is especially important because an increasing number of larger companies screen potential and current suppliers for their economic, social and environmental performance and the impact this may have on their own supply chain. By being able to show existing and potential clients your company's commitment to conducting business in a sustainable manner, you increase your chances of being selected as a preferred supplier by larger companies.