



Why COSIRI?

Sustainability is no longer optional for all companies



Significant near-term value-at-stake

\$3-5 trillion

in sustainability investment themes by 2030 across various industries



Bolder environmental regulation

30-50%

corporate profits at stake from external engagement, e.g., with carbon pricing



Increasing investor requirements

2-5x

Multiple uplift possible for companies with strong sustainability focus



Shifting customer expectations

15-30%

price premium for sustainably produced products and services across B2C and B2B sectors



Talent moving to sustainable companies

80%

of millennials want to work for a company strong on ESG



First movers capturing value

50%

faster growth in sustainable brands, e.g., Unilever's Sustainable Living Brands versus the rest of the portfolio

The impact is real and bring about irreversible damage for generations



“”

The question at this point is not whether we can altogether avoid the crisis—it is whether we can avoid the worst consequences

U.S. Special Presidential Envoy for Climate John Kerry

Source: Forbes news: Climate breakdown: More than 3 billion lives now threatened by global warming, UN Warns, Feb 28 2022

CEOs consider ESG a priority

55%

of CEOs consider ESG a top or top-3 priority

53%

of those who consider it a priority actually captured net value from ESG

... but face risks from poor execution of their ESG strategy



Exposure to reputational risk and inability to meet expectations through “**green washing**” or “over promising” by treating ESG as a communications exercise without meaningful progress on ESG



Inefficient resource and capital allocation by solely focusing on ESG ratings, inability to make effective trade-offs, and not leaning on “what matters”



Inability to meet demands from shareholders by not meeting fiduciary duties or effectively communicating ESG plan and sources of value



Playing “catch up” by following peers, and not leading on priorities that could unlock value through a “first move” advantage

COSIRI: 8 guiding design principles

...drive ESG for companies reaching NET ZERO



Levers

1 Sustainable Operations

Monitor and control environmental impact from operations across GHG, resources, waste and pollution

2 Sustainable Procurement

Develop the holistic process to select greener material and service providers

3 Sustainable Supply Chain

Transform the supply chain mode, asset planning and network design to decarbonise

4 Circular Product Lifecycle

Design and drive to increase the circularity potential of products

5 Clean Technologies

Adopt and scale up clean technologies to transform brownfield to greenfield and minimise the environmental impact

Enablers

6 Sustainability Strategy (sustainability target and plan, integration of ESG principles and strategic decision,...)

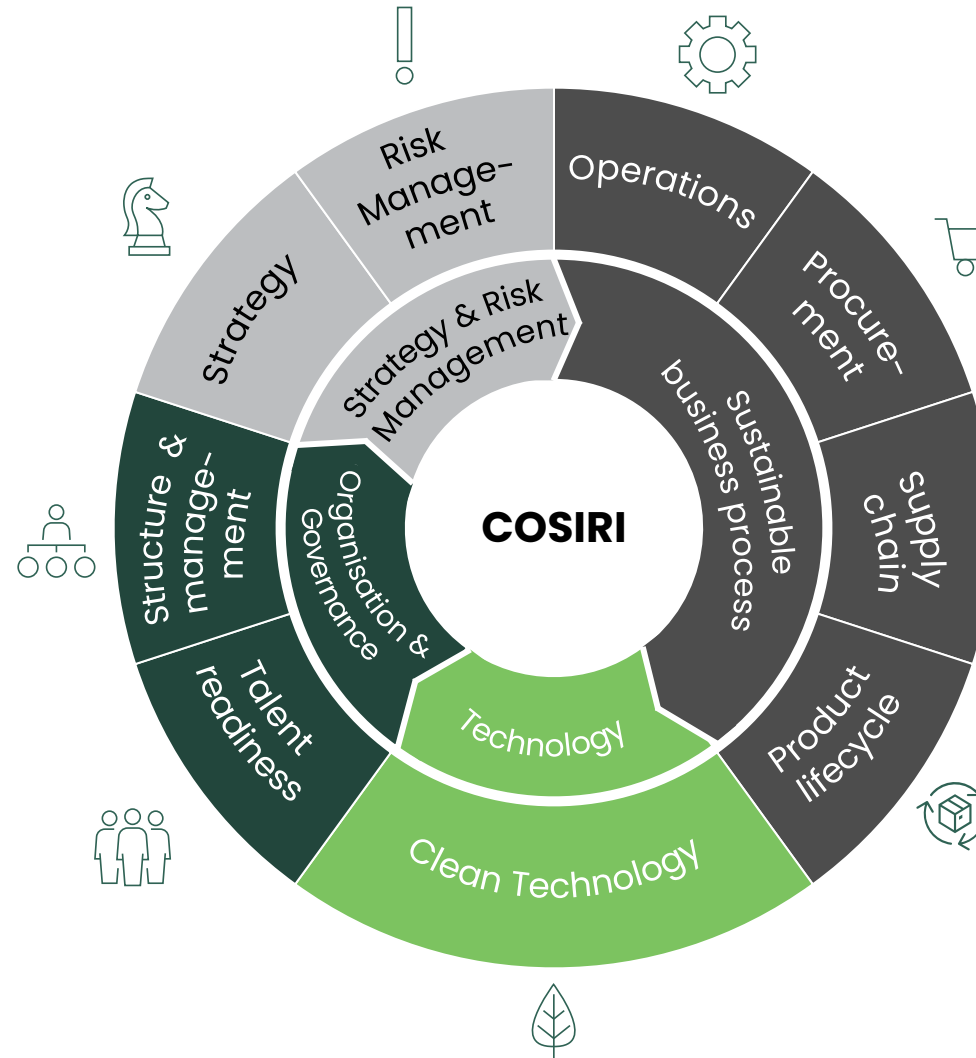
7 Climate risk management (Physical climate risk, transition and compliance risk, reputation risk)

8 Organisation and governance (Talent for sustainability, leadership involvement, external reporting and collaboration)

Framework: COSIRI's provides holistic coverage across Strategy & Risk, Process, Clean technology and Organization & Governance



- 1 Strategy and risk management**
How integrated is ESG in your business strategy and risk management practices?
- 4 Organisation and Governance**
How ready is your organisation in managing your company's sustainability transformation?







- 2 Sustainable Business Process**
How much are environmental outcomes a part of your business processes?
- 3 Clean technology**
What technology do you have in place to drive sustainability in your organisation? How is the technology connected?

MATURITY MATRIX for COSIRI: Dimension overview



Sustainability maturity dimensions

1. Strategy and Risk Management 		2. Sustainable Business Process 				3. Technology 	4. Organisation and Governance 	
A Strategy	B Risk Management	A Operation	B Procurement	C Supply Chain	D Product lifecycle (circularity)	Clean technology	A Talent readiness	B Structure and management
Strategy & targets	Physical climate risk	Green House Gas emissions	Supplier assessment	Transportation & distribution	Product design	Adoption	Workforce development	External communication and engagement
ESG integration	Transition climate risk	Resources (Water, Energy)						
Green Business modelling	Compliance risk	Material Waste	Sustainable procurement process	Supply chain planning	Circularity process management	Transparency & Optimisation	Leadership involvement	Governance
Capital allocation	Reputation risk	Pollution (Air, Soil, Water)						

Greenwashing will be impossible

with globally unique COSIRI factors



- GHG improvements are the top priority in the COSIRI Star rating, and Net Zero improvement – based on a “hygiene calculation” – is a key factor in improving it.
- COSIRI creates an automatic roadmap recommendation based on 4+1 building blocks:
 - Sustainable strategy
 - Sustainable business process
 - Technology
 - Organisation and governance
 - GHG emission reduction
- The COSIRI Prioritisation Matrix calculates the next steps to take for GHG reductions based on international standards and company-specific KPIs.
- COSIRI Dimension results are interlinked across dimensions. For example, ESG leadership cannot move to bandwidth 5 if the workforce hasn’t reached ESG bandwidth 4.
- At least 80% of the GHG reductions of supplying factories are integrated in the COSIRI Star system based on a qualified and quantified calculation.

OUTPUTS: The star emblem will provide quick overview of a Company's sustainability performance



Started – Basic foundations in place such as top down estimations methodology and clear process or procedures to start measuring



Baselined – Progress of measuring critical environmental outcomes and KPIs e.g, GHG emissions across scope 1,2,and 3, as baseline for impact



Early wins – Capture at least 20% impact across selected dimensions, including GHG emissions, versus measured baseline



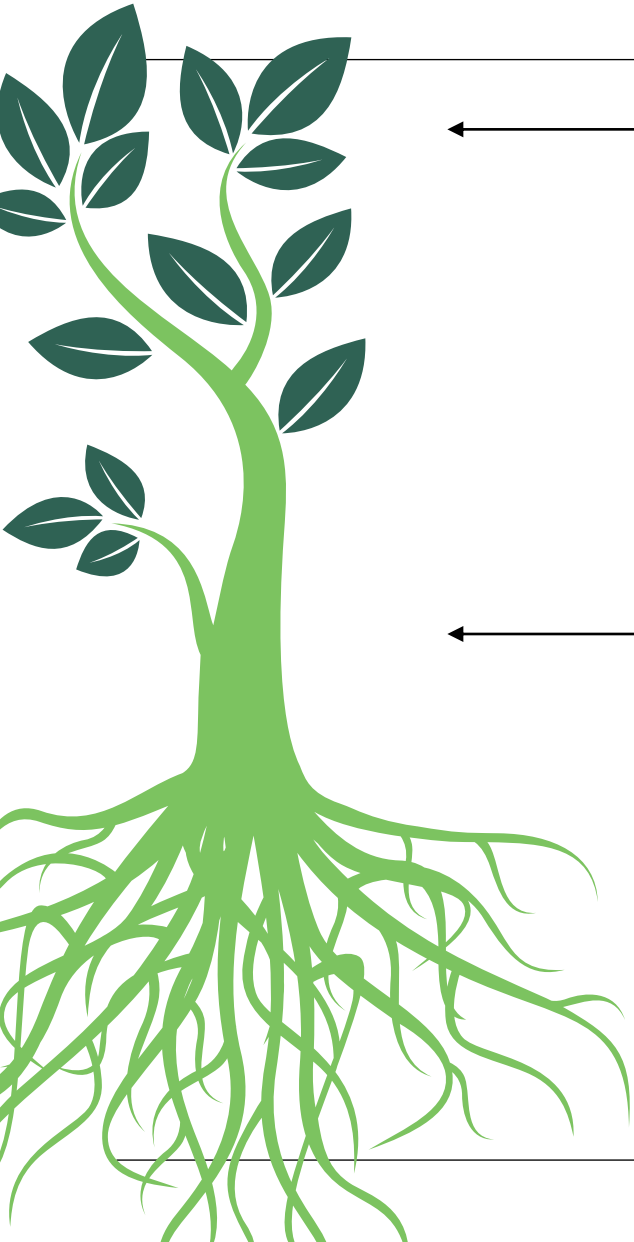
Growing Momentum – Capture at least 40% impact across selected dimensions, including GHG emissions, versus measured baseline



Leader in sustainability – Capture at least 80% impact across selected dimensions, including GHG emissions, versus measured baseline



Tools: COSIRI also helps companies identify high impact opportunities and provide transparency to Consumers



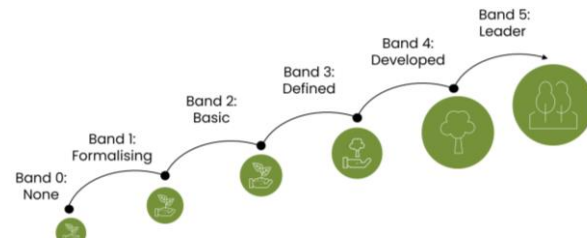
Results

Star Emblem: Provides transparency on NET ZERO achievement – for Consumers buying decision – on a readable star rating

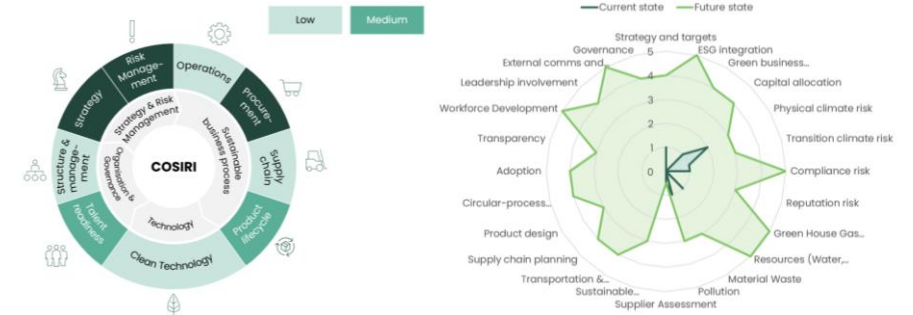


Foundation

Impact focus: Band 3 and above requires demonstration of impact



Heatmap: Provides clarity on where companies stand and what to focus as a next step



Prioritisation methodology: 5 priority dimension based on GHG emissions and business objectives – providing guidance for the next step achieving Net Zero



COSIRI and SIRI share the same value proposition



2. Impact oriented

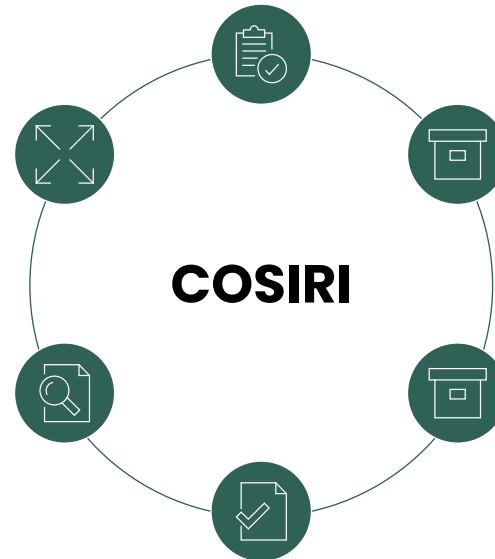
Quantitative, robust scoring methods focused on “real” implications to environmental outcomes

1. Holistic

Provides maturity assessment across multiple sustainability dimensions

6. Modular / Expandable

New metrics can be added as sustainability dimensions evolve including outcomes and risk



3. Neutral

Third-party assessments for neutral and objective outcomes

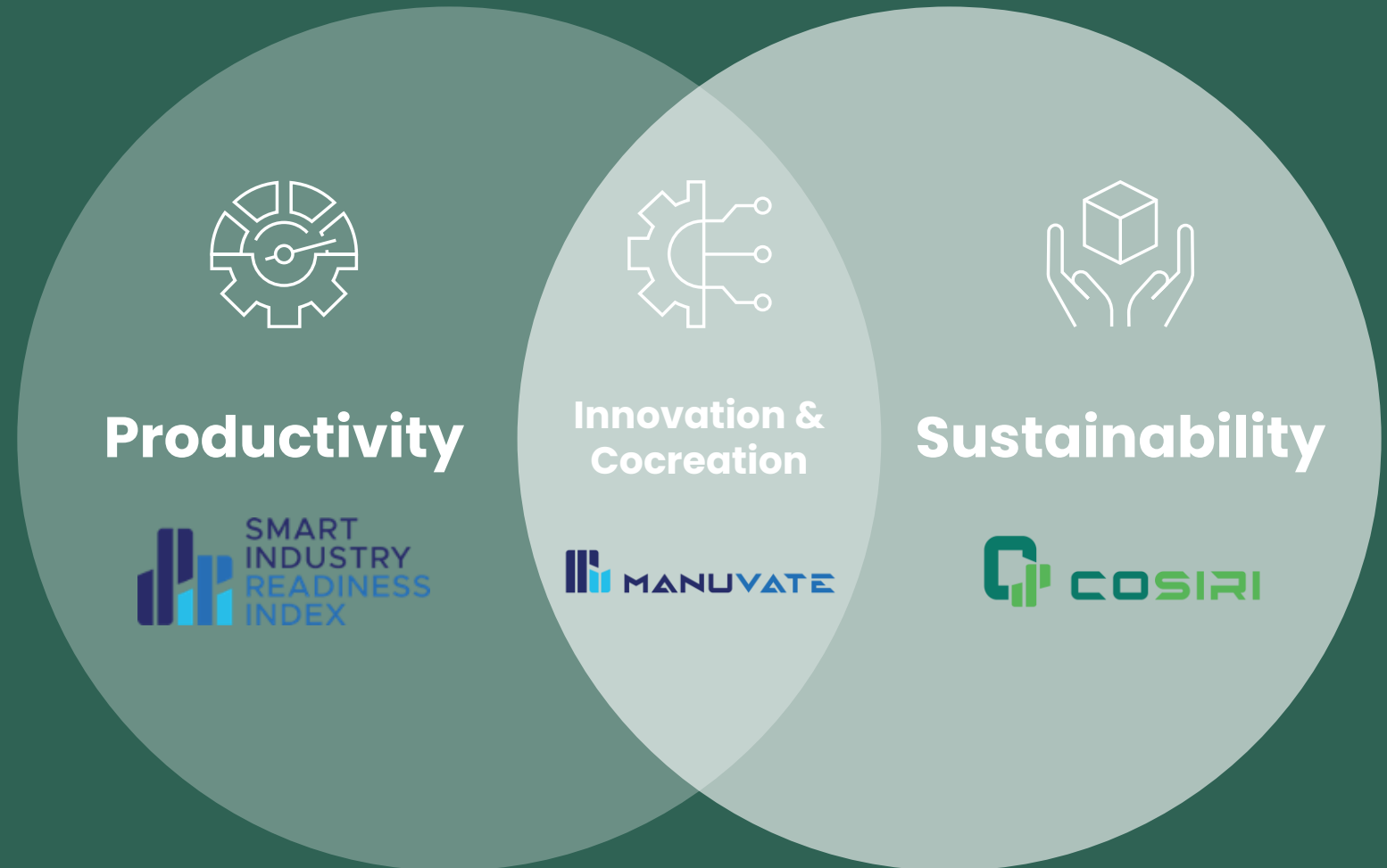
4. Comparable

Able to benchmark companies across subsectors, products and sustainability dimensions

5. Information-proof

Scoring available in place of missing information and rewarding transparency

COSIRI – a set of framework and tools can help companies measure, prioritise and drive ESG



 COSIRI