S FORSYTH BARR

Last data update: **28/11/2022**

Company ticker: SPG

B-Fast Follower

			Property	New Zealand	Property
	Grade	Score	Sector Average	Average	Sector Weight
Carbon	С	49.8%	49.6%	51.9%	20%
Environment	D	40.0%	45.1%	48.9%	20%
Social	B+	68.8%	59.6%	65.6%	20%
Governance	B+	73.1%	63.9%	71.8%	40%
Total	B-	60.9%	56.4%	62.9%	

Forsyth Barr Commentary

SPG scores highest in S and G categories. SPG's S score could be improved with higher scores in the Employee Value Proposition and Diversity sub-categories, but otherwise the Company scores strongly in the remaining sub-categories. SPG's G score is also very solid, dragged down by its lack of a tax governing framework. The Company's worst rating by a fair way is for the E category. No target for water consumption efficiency and non-commitment to protecting biodiversity and a circular economy were the major drivers of the poor rating. For its C score, SPG's GHG levels have been reducing over the last three years, but the lack of longer history reduces the impact this has on its overall Carbon rating.

Carbon		Metric	Data	Score	Weight	Group Score	Group
GHG Emissions	1.01	Is Scope 1 and 2 CO2e (tonnes) tracked and measured by the company?	3 years	0.60	33.33%	40.00%	25.00%
		If so, how many of the last years has it been reported?	3 years	0.60	33.33%		
	1.02	If five years of data, is Scope 1+2 increasing/stable/decreasing?	N/A	0.00	33.33%		
	1.03	Is Scope 3 CO2e (tonnes) publicly reported?	3 years	0.60	33.33%		
Emissions Intensity	1.04	Carbon intensity (tonnes of Scope 1 + 2 CO2e/revenue)	21.3	1.00	50.00%		
/ Transition Risk	1.05	Carbon intensity (tonnes of Scope 1 + 2 CO2e/earnings)	19.9	Unscored	0.00%	50.00%	25.00%
/ Transition Risk	1.06	If five years of data, is carbon intensity increasing/stable/decreasing?	N/A	0.00	50.00%		
	1.07	Is there an emissions reduction target in place?	Yes	1.00	20.00%		
	1.08	If so, is the target science based?	No	0.00	20.00%		25.00%
	1.09	Is the target for actual reductions?	No	0.00	20.00%		
	1.10	Is there a commitment to be Net Zero?	Yes	1.00	20.00%	42.50%	
	1.11	If so, how ambitious and robust is the commitment:					
	1.11.1	If a company has a Net Zero commitment, by what year is the commitment?	2050	0.50	5.00%		
Management	1.11.2	If a company has a Net Zero commitment, is the commitment to a 1.5 degree celsius world?	No	0.00	5.00%		
	1.11.3	If a company has a Net Zero commitment, which emission scopes are included?	Not Specified	0.00	5.00%		
	1.11.4	If a company has a Net Zero commitment, are there interim targets or a goal of a 50% reduction by 2030?	No	0.00	5.00%		
	1.12	Has a physical risk assessment been undertaken?	Yes	1.00	33.33%	66.67%	•
	1.13	Does the company own any proven or probable fossil fuel reserves?	No	1.00	33.33%		25.00%
Risk & Opportunity Management	1.14	Is the proportion of revenue, assets or other business activities aligned with climate-related opportunities reported?	No	0.00	33.33%		
	1.15	Does the company spend capital or have capital commitments (in terms of capital expenditure, financing, or investment) toward climate-related risks and opportunities?	-	Unscored	0.00%		
C - Total							C (49.79%)

Environmental		Metric	Data	Score	Weight	Group Score	Group
	2.01	Does the company have an ISO 14001, EMS, Toitū Envirocare carbonzero or equivalent certification on all applicable sites?	No	0.00	33.33%		•
Environmental Management	2.02	Has the company issued any green/social bonds or committed to a sustainability linked loan?	No Debt Issued	1.00	33.33%	66.67%	16.67%
Systems	2.03	Has the company made any commitments to new build or retrofit to meet level 4, 5 or 6 of the green star (or equivalent Homestar if relevant) standard in owned or leased buildings?	5	1.00	33.33%		
	2.04	Is there a commitment to reduce waste in place?	Yes	1.00	33.33%	53.33%	16.67%
		Is waste intensity data tracked and measured?	3 years	0.60	33.33%		
Waste		If there is five years of data, is it increasing/stable/decreasing?	N/A	0.00	33.33%		
	2.07	Has there been a breach related to resource consent discharges (i.e. nutrient discharge) in the last five years?	-	Unscored	0.00%		
	2.08	Is there a target for achieving water consumption efficiency?	No	0.00	33.33%		
Water	2.09	Is water consumption intensity data tracked and measured?	3 years	0.60	33.33%	20.00%	16.67%
	2.10	If there is five years of data, is it increasing/stable/decreasing?	N/A	0.00	33.33%		
Biodiversity	2.11	Is there a commitment to reduce the impact of the company's operations on biodiversity?	No	0.00	100.00%	0.00%	16.67%
Circular Economy	2.12	Is there a commitment to the circular economy?	No	0.00	100.00%	0.00%	16.67%
Environmental	2.13	Has there been an environmental fine in the last three years?	No	1.00	100.00%	100.00%	16.67%
E - Total							D (40%)

Social		Metric	Data	Score	Weight	Group Score	Group
	3.01	Is there a health & safety policy?	Yes	1.00	16.67%	83.33%	
	3.02	Are there safety management targets in place?	Yes	1.00	16.67%		
Health & Safety	3.03	Is a measure of safety (e.g. LTIFR) tracked and measured?	Yes	1.00	16.67%		12.50%
Health & Salety	3.04	If yes, is data reported?	5+ years	1.00	16.67%		12.50%
	3.05	If there is five years of data, is it increasing/stable/decreasing?	200%	0.00	16.67%		
	3.06	Have there been any workplace fatalities in the last five years?	No	1.00	16.67%		
Human Rights	3.07	Is there a human rights policy?	No	0.00	50.00%	50.00%	12.50%
Hullian Kignis	3.08	Is there a commitment to preventing modern slavery?	Yes	1.00	50.00%	30.00%	12.50%
	3.09	Is there a supply chain code of conduct?	Yes	1.00	33.33%		
Supply Chain	3.10	Is there an environmental policy for the supply chain?	Yes	1.00	33.33%	66.67%	12.50%
	3.11	Is there a formal commitment to pay vendors a living wage?	No	0.00	33.33%		
		Have there been any product or service faults (unplanned) resulting in,				100.00%	
Product Quality &	3.12	for example, disruption to operations or recalls (including FDA regulated	No	1.00	100.00%		40.500/
Accessibility		products if relevant), in the last three years?					12.50%
,	3.13	Portion of care beds offered at standard rate?	-	Unscored	0.00%		
Employee Value Proposition /	3.14	Is employee turnover measured and publicly reported?	No	0.00	25.00%	25.00%	
	3.15	If yes, is it <10%, <20%, >20%?	N/A	0.00	25.00%		12.50%
•	3.16	Is there a contemporary parental leave policy?	Yes	1.00	25.00%		12.50%
Culture	3.17	Has the company made a living wage commitment?	No	0.00	25.00%		
	3.18	Does the company track and measure ethnicity diversity metrics?	No	0.00	50.00%		
Diversity	3.19	Does the company track and measure the % of women managers in	67%	0.50	50.00%	25.00%	12.50%
3.19	relation to % of women employees?	07 /0	0.50	30.00%			
Community	3.20	Is there a policy to manage community involvement?	Yes	1.00	100.00%	100.00%	12.50%
Relations		is there a policy to manage community involvement:	Yes	1.00			12.30%
Stakeholder	2.21	Is the business model stakeholder centric?	V	1.00	100.00%	100.00%	12.50%
Relations	3.21	is the pusitiess model stakeholder centric:	Yes	1.00	100.00%	100.00%	12.50%
S - Total							B+ (68.75%)

Governance		Metric	Data	Score	Weight	Group Score	Group
Sustainability	4.01	Is there a sustainability strategy?	Yes - Seperate	0.50	20.00%	70.00%	•
	4.02	Is remuneration linked to achieving sustainability performance?	Yes	1.00	20.00%		
	4.03	Any recent level 3, 4 or 5 controversies?	No	1.00	20.00%		
	4.04	Has there been a breach of UN Global Compact principles or are they on the watch list?	Compliant	1.00	20.00%		14.29%
	4.05	Does the company have B Corporation or Future-Fit certification?	No	0.00	20.00%		
	4.06	Does the company have shares with different voting rights?	No	1.00	25.00%		
nvestor	4.07	Is there potential for a 'blocking' shareholder?	9.56%	1.00	25.00%		
rotections	4.08	How many anti-takeover devices are there?	3	1.00	25.00%	75.00%	14.29%
Totections	4.09	Is there any evidence of significant unequal treatment of minority shareholders in any equity raisings in the last three years?	Neutral	0.00	25.00%		
	4.10	Do non-executive and independent Board members comprise the	100%	1.00	12.50%	100.00%	
	4.11	Is the CEO, the Chair?	No	1.00	12.50%		
	4.12	What is the average Board tenure?	5.6	1.00	12.50%		
	4.13	What is the average number of Board member affiliations?	Null	Unscored	0.00%		
oard	4.14	What is the size of the Board (number of people)?	6	1.00	12.50%		14.29%
	4.15	Is a Board skills matrix disclosed?	Yes	1.00	12.50%		
	4.16	Does the company have a policy for maintaining a well-balanced Board?	Yes	1.00	12.50%		
	4.17	Are all audit-committee members non-executive directors?	100%	1.00	12.50%		
	4.18	Is the Board's gender diversity sufficient? (i.e. <2/3 one gender)	33%	1.00	12.50%		
	4.19	Is the auditor tenure >10 years?	7 years	1.00	25.00%	100.00%	14.29%
uditors	4.20	Has the lead audit partner rotated in the last five years?	Yes	1.00	25.00%		
uuitoi 3	4.21	Is auditor compensation for non-audit publicly reported?	Yes	1.00	25.00%		
	4.22	If yes, >70% of statutory audit fees — average over last three years?	10.26%	1.00	25.00%		
Data Security &	4.23	Is there a cybersecurity policy in place?	Yes	1.00	50.00%	100.00%	14.29%
trategy	4.24	Is there a data privacy and protection policy in place?	Yes	1.00	50.00%		14.27%
ax	4.25	Does the Board have a tax governing framework in place?	No	0.00	100.00%	0.00%	14.29%
Reporting & Assurance	4.26	First quartile Bloomberg disclosure score	24.20	0.00	33.33%	66.67%	
	4.27	External assurance of sustainability report or disclosures?	Yes	1.00	33.33%		
	4.28	Has the company acted with integrity in financial reporting and in the timeliness and balance of corporate disclosures within the last five years?	Yes	1.00	33.33%		14.29%
- Total							B+ (73.1%

Data sourced from Forsyth Barr analysis, company disclosures, Refinitiv Eikon, Sustainalytics and Bloomberg.