

**WORLD'S MOST
FUTURE READY
BOARDS** 

2022

Top 10 Bulletin



2022 **WORLD'S MOST FUTURE READY BOARDS**

Category: 100 largest publicly listed companies

| Rank | Business Name | Country | Score |
|------|---------------------|----------------|-------|
| 1 | Microsoft | United States | 74.0% |
| 2 | GlaxoSmithKline | United Kingdom | 72.2% |
| 3 | BNP Paribas | France | 68.9% |
| 4 | Goldman Sachs Group | United States | 67.4% |
| 5 | Sanofi | France | 65.4% |
| 6 | Reliance Industries | India | 65.1% |
| 7 | Unilever | United Kingdom | 64.9% |
| 8 | Enel | Italy | 64.4% |
| 9 | AXA Group | France | 62.2% |
| 10 | Rio Tinto | Australia | 61.8% |

Synopsis

The purpose of TSBR is to showcase different dimensions of sustainable business leadership and corporate governance.

We have created the 'World's Most Future Ready Board' ranking to highlight ESG-prepared boards of directors (BoD) that are resilient and able to respond to material sustainability issues. Businesses that have not yet achieved this level of good corporate governance can use the Top 10 as role models to prepare for the future. We provide a detailed view of each company and what drives their scores.

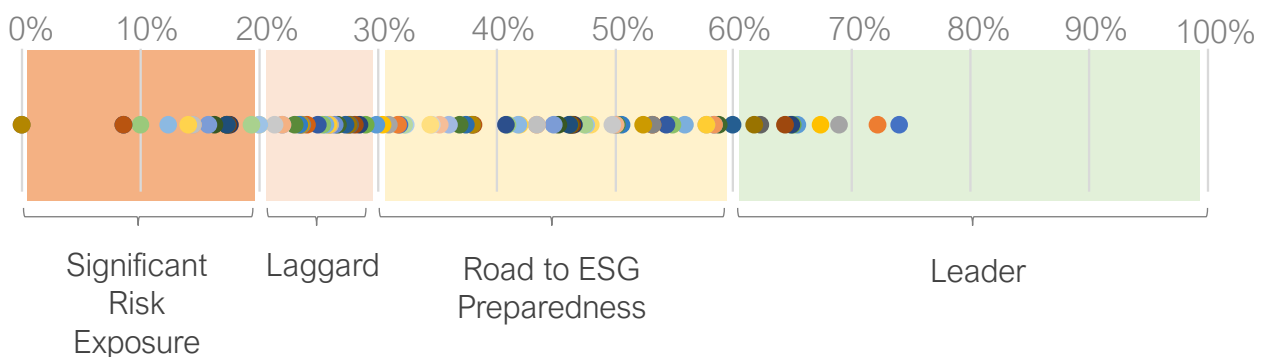
No board is the same, nor should they copy one another. We do believe, however, that this ranking will

inspire and motivate others to draw out valuable best practice and improve. As pointed out in our annual report, ESG preparedness, which is the foundation of a future ready board, also has implications for business strategy and stakeholder engagement.

Our ranking approach uses a set of proprietary data points and has been reviewed by a panel of independent experts composed of Non-Executive Directors (NEDs), corporate governance advisors and business educators.

The ranking is based on the largest 100 companies of the Forbes 2000 list and draws on the TSBR annual report.

'Future Ready Score' Ranking Distribution



The 100 largest publicly listed companies as per the Forbes 2000 list have an overweight on American and Chinese companies. The total composition of the sample is: 42 North America (US & Canada), 34 Asia (China, Hong Kong, Japan), 17 Europe, 4 United Kingdom, 3 Australia

Methodology

Our 'Future Ready Score' comprises the following 5 indicators:

1. Materiality disclosure quality in corporate governance policy

Matches the company's sustainability issues stipulated in the relevant committee charter or other corporate governance policy against the business de facto materiality as per Sustainability Accounting Standards Board (SASB).

Weight: 20%

ESG Dimension: Governance

2. Sustainability/Integrated report BoD sign off

Confirms whether the BoD or chair has signed off the company's sustainability or integrated report. If the board chair has a CEO double role, the board or relevant committee must be involved in the report review.

Weight 10%

ESG Dimension: Governance

3. Relevant director's ESG consciousness/competence

Assessment of all directors' ESG consciousness and/or competence on a relevant committee. The assessment follows the TSBR checklist that can be found in our [2021 annual report](#).

Weight: 30%

ESG Dimension: Governance

4. BoD's gender diversity

Our research shows that there is a strong correlation between directors' sustainability consciousness, competence and gender diversity. Hence, this is a significant data point for our ranking approach whilst addressing the social dimension.

Weight: 20%

ESG Dimension: Social

5. Net Zero commitment

Comprises the target year of net zero commitment as well as a multiplier for disclosed milestones leading up to the target date

Weight: 20%

ESG Dimension: Environmental

All data collected were taken from the surveyed companies' websites. Since all organisations are publicly listed, the publishing of their corporate governance policy details is a legal obligation. The proxy used for ESG preparedness at board level is the presence of a relevant board committee that stipulates ESG issues in its committee charter. Terminology for 'sustainability committee' varies. Some committees are named 'ESG' or 'CSR' committee. Some sustainability responsibilities are part of shared committees such as Corporate Governance and/or Nomination Committee, Risk, or Public Policy/Affairs committees. So long as a sustainability narrative is clearly stipulated in their charters, these are referred to as relevant committees. Businesses that do not disclose any sustainability policy as part of their board committee charters do not qualify for the directors' ESG consciousness assessment. Directors must be assigned to a relevant committee to qualify.

Data relating to ESG disclosure quality was collected between July and August 2021. Board compositions and ESG consciousness and competence was reassessed in January 2022. Net Zero information was collected in January 2022.

About Us & Contact

The Sustainability Board Report is an independent not-for-profit project.

We aim to showcase different dimensions of sustainable business leadership and corporate governance. By drawing out best practice, our reports also help individual leaders, organisations and investors to understand the changing landscape of environmental, social and governance (ESG) preparedness, consciousness and competence.

Our findings and research are based on proprietary methodologies. Before drawing conclusions, we take academic papers and thought leadership into account. We aim to combine theoretic concepts with actionable recommendations on a business level.

We support various stakeholders in their sustainability and ESG journeys with useful best practice and thought leadership. We collaborate with business leaders, board advisors and academia to create meaningful, actionable, and potent narratives.

For all enquiries regarding this report, or if you would like to get in touch with one of the contributors, please contact us directly via email.

The spirit of this project is to create an open dialogue with business leaders and their communities.

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The
Sustainability
Board Report™

TSBR

A wide-angle photograph of a modern architectural complex. The foreground is a vast, paved plaza made of light-colored, rectangular tiles. To the right, a curved, light-colored wall features large, circular openings. In the background, several tall, narrow, vertical pillars stand against a clear blue sky. A few small figures of people are visible in the distance, providing a sense of scale. The overall atmosphere is bright and open.

Photo Credits
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