



ARTICLE 9:

STARTING THE REPORTING JOURNEY — HOW ASEDG AND
GRI CAN HELP BUSINESSES BUILD CLEARER
SUSTAINABILITY REPORTS



OVERVIEW

After exploring the wider reporting landscape in Article 8, the next practical question is this: where should a company begin if it is only starting to structure its sustainability reporting?

For many businesses, especially SMEs and supply-chain companies, the answer is not to jump immediately into the most complex reporting architecture. The better starting point is to build reporting discipline step by step.

That is where ASEDG (ASEAN Simplified Disclosure Guide) and GRI (Global Reporting Initiative) can be useful and can help businesses move from scattered ESG data to a more organised and credible reporting approach.

ASEAN SIMPLIFIED DISCLOSURE GUIDE(ASEDG)

The ASEAN Capital Markets Forum describes ASEDG as a simplified reference guide for SMEs in the global and local supply chains to report ESG disclosures to stakeholders such as customers, financiers and investors, while GRI says that its Standards help organisations understand and report their impact on the economy, environment and people

What is ASEDG?

A simplified guide with 38 Disclosures & 15 key topics across 3 pillars tailored for ASEAN SMEs to help them join global supply chains.

The ASEDG consolidates global standards (IFRS S1, S2, GRI, and TCFD) into 38 priority disclosures grouped into 15 key topics in the core structure of governance, strategy, risk management and metrics and Targets



Aspect	ASEDG	GRI	Complementary Value
Primary role	Practical ESG disclosure guide for SMEs in supply chains	Broader sustainability reporting standard	ASEDG helps companies start ; GRI helps them structure and deepen the report
Main use	First-step, proportionate ESG disclosure	Fuller sustainability reporting with stronger content structure	ASEDG simplifies the entry point, while GRI strengthens reporting quality using “with reference reporting”
Level of detail	Simpler and more manageable	More detailed and modular	ASEDG reduces complexity; GRI adds depth over time
Best value	Helps companies identify what to begin disclosing	Helps shape content pages, material topics and reporting principles	Together they support a clearer reporting journey
How to use together	Use ASEDG to begin practical ESG disclosure	Use GRI alongside it as a reference for report structure and principles	Companies can move from basic disclosure to a more credible sustainability report

WHY A PRACTICAL STARTING POINT MATTER

One of the biggest mistakes companies make is to assume that sustainability reporting must begin with a highly technical, full-scale report. In reality, most businesses start much earlier than that. They begin with customer questionnaires, supply-chain requests, lender questions, board discussions or a first attempt to organise carbon and ESG data internally

The Securities Commission Malaysia says the NSRF is intended to ensure corporate Malaysia provides consistent, comparable and reliable sustainability information, which reinforces the need for companies to start building that discipline early.

That is why practical reporting references matter. They help businesses begin with structure rather than confusion

ASEDG: A PRACTICAL ENTRY POINT FOR SMES AND SUPPLY CHAINS

Although ASEDG is especially relevant to SMEs, it matters more broadly as well.

While SMEs aren't legally mandated to follow IFRS S1/S2 yet, the ASEDG is designed as a "disclosure skeleton" that perfectly aligns with those international standards. Adopting ASEDG today helps companies build readiness for more formal IFRS Sustainability-related reporting expectations over time.

Large companies increasingly depend on smaller suppliers for data across their value chains. That means the reporting journey of bigger companies often depends partly on the reporting readiness of smaller ones. ACMF's 2026–2030 Action Plan says the objective of ASEDG is to guide ASEAN SMEs in providing reliable, comparable and proportionate ESG disclosures and to strengthen their ability to participate in resilient regional and global supply chains.

So ASEDG is not just about helping SMEs report for their own sake. It also supports a broader supply-chain reporting ecosystem

GRI: A BROADER REFERENCE FOR SHAPING THE SUSTAINABILITY REPORT

If ASEDG helps businesses get started practically, GRI helps businesses think more broadly about how to shape the sustainability report itself.

GRI says its Standards enable any organization to understand and report on their impacts on the economy, environment and people in a comparable and credible way. It also explains that the Standards are a modular system made up of Universal Standards, Sector Standards and Topic Standards to be used together.

That makes GRI especially useful when a business wants to move beyond basic disclosure and start structuring a fuller sustainability report.

In practice, GRI can help a company answer questions such as:

- What are our most significant sustainability impacts?
- Which topics should we report on?
- Which sector issues are especially relevant to our business?
- How do we structure a report that covers more than climate alone?

This is why GRI remains widely used. It provides practical architecture for thinking about report content, material topics and broader impact reporting.

THE ROLE OF MATERIAL TOPICS IN GRI

One of the most useful aspects of GRI is its focus on material topics.

GRI's glossary and standards define material topics as those representing the organization's most significant impacts on the economy, environment and people, including impacts on human rights. That gives businesses a practical way to decide what matters most in the report instead of trying to report on everything at once.

This is important because sustainability reporting becomes much more useful when it is focused, relevant and connected to the real impact of the business.

ASEDG and GRI do not do the same job

ASEDG is best understood as a simplified guide that helps SMEs begin ESG disclosure more practically and proportionately.

GRI is a broader sustainability reporting standard that helps organisations structure reporting around their impacts.

So, if a business is only starting out, ASEGD may feel more accessible. If a business is trying to build a more complete and more structured sustainability report, GRI may provide more depth.

That is why the two can work well together:

- ASEGD can help a company begin,
- while GRI can help it deepen and organise the reporting journey over time.

HOW THIS FITS WITH MALAYSIA'S REPORTING

This also needs to be seen in the context of Malaysia's broader reporting direction.

As discussed in Article 8, the NSRF is designed to strengthen sustainability disclosures in Malaysia and uses the ISSB standards as the baseline sustainability disclosure standard for companies in Malaysia. That means IFRS S1 and IFRS S2 are increasingly central for formal reporting direction, especially for listed issuers and larger entities.

In that context, ASEGD and GRI should be seen as practical supporting references, not replacements for IFRS-based reporting where IFRS Sustainability becomes the main expectation.

That is an important distinction.

A company might use:

- GHG Protocol to measure emissions,
- ASEGD to start practical ESG disclosure,
- GRI to structure broader sustainability report content,
- and IFRS S1 / S2 where more formal investor-oriented reporting is required

A SENSIBLE WAY FOR COMPANIES TO BEGIN

“For SMEs starting their ESG journey, a practical first step under ASEDG may be to focus on a small number of core disclosures rather than trying to cover everything at once”

A For companies starting the reporting journey, a sensible path may look like this:

First, organise the data the company already has — especially carbon, workforce, governance and key operational data.

Second, use a practical guide such as ASEDG to begin thinking about what should be disclosed and how to respond to stakeholder expectations in a more structured way.

Third, use GRI as a broader reference when the company is ready to shape a more complete sustainability report, identify material topics and strengthen report architecture.

Fourth, keep the wider reporting direction in mind — especially IFRS S1 and IFRS S2 in Malaysia, and ESRS where EU exposure becomes relevant

This staged approach is often more realistic than trying to do everything at once.

ASEDG-A PRACTICAL ASEGDG STARTER SET FOR SMES

A practical SME starter set using ASEGDG as an entry point — not an exhaustive list, and not a statement that these are the only disclosures that matter. ASEGDG is intended as a simplified guide for SMEs in supply chains, and your earlier NSRF material also reflects the broader ESG pillars of environmental, social and governance

Companies may begin with the following starter parameters before expanding over time.

ESG Pillar	Starter Focus Area	What to Start Tracking / Disclosing	Why It Matters / Practical Use
Environmental	Scope 1 emissions	Fuel used directly in company vehicles, generators, boilers, forklifts or operations	Helps the company understand direct emissions it controls
Environmental	Scope 2 emissions	Purchased electricity consumption and related emissions	Usually, one of the easiest environmental data points to collect from utility bills
Environmental	Total energy use	Electricity plus direct fuel use	Gives a broader picture of operational energy demand
Environmental	Emissions intensity by revenue/production	Total Scope 1 + Scope 2 emissions divided by annual revenue or production value/units	Helps SMEs show carbon efficiency relative to business output and compare what is appropriate referencing industry standards. Makes disclosure more measurable and comparable. Per employee carbon also be used
Environmental	Energy intensity by revenue/production	Total energy use divided by annual revenue/production	Useful for tracking whether growth is becoming more energy-efficient and appropriate referencing industry standards. Makes training disclosure more measurable and comparable
Environmental	Waste generated	Main waste streams, approximate volumes, and whether waste goes to landfill, recycling or other treatment	Helps identify operational inefficiencies and waste hotspots
Environmental	Total Waste recycling	Portion of total waste recycled or recovered	Gives a simple indicator of improvement beyond total waste alone
Environmental	Scheduled / hazardous waste	Whether hazardous or regulated waste is generated, and how it is handled	Important for compliance and environmental risk control
Environmental	Water consumption	Total water use and major areas of consumption	Useful for manufacturing, process or facility-intensive businesses
Environmental	Water intensity by revenue/production	Total water use divided by annual revenue/production	Helps show whether water efficiency is improving as the business grows and appropriate referencing industry standards
Social	Employee headcount	Total number of employees, broken down if possible, by permanent, contract & gender	Establishes the basic workforce profile

Social	Employee training	Training hours, training programmes, staff development and upskilling efforts	One of the easiest and most meaningful social indicators to begin with
Social	Average training hours per employee	Total training hours divided by total employees	Makes training disclosure more measurable and comparable
Social	Occupational health and safety	Workplace incidents, lost-time injuries, safety training, and safety management approach	A core social disclosure for operational businesses
Social	Lost-time injury / incident count	Number of accidents or incidents in the reporting period	Helps show whether safety performance is improving
Social	Community / stakeholder engagement	Basic description of any community support, local engagement or stakeholder communication	Helpful where the SME has a visible local operating footprint
Governance	Code of conduct / ethics policy	Whether the company has a basic code of conduct or ethics statement	Provides a simple governance foundation
Governance	Anti-bribery and anti-corruption policy WBP	Whether the company has a policy and basic controls on bribery or improper payments	A core governance expectation for most businesses
Governance	Health and safety policy	Whether the company has a formal H&S policy and responsibilities assigned	Important where operational or factory activity exists
Governance	Environmental / sustainability policy	Whether the company has a basic environmental or sustainability statement	Helps show the company is beginning to formalise ESG direction
Governance	Data governance / reporting responsibility	Who is responsible for ESG data collection and reporting internally	Critical for building reporting discipline
Governance	Board / management oversight	Whether ESG is reviewed by the board, directors or senior management	Shows sustainability is starting to enter governance discussions
Governance	Compliance and regulatory matters	Any major regulatory non-compliance, fines or governance breaches	Important for credibility and stakeholder trust
Governance	Supplier / procurement expectations	Whether suppliers are asked to follow any basic ESG, ethics or compliance expectations	Useful for SMEs beginning to build supply-chain discipline

GRI can be used as a supporting reference alongside ASED

Area	GRI Reference	Practical Parameter / Disclosure Focus	How an SME can use it
General disclosures	GRI 2: General Disclosures 2021	Organizational details, activities, workers, governance, strategy, policies, stakeholder engagement	Use this as the basic “company profile + governance + reporting context” section of the report. (Global Reporting Initiative)
Material topics	GRI 3: Material Topics 2021	Identify material topics, explain why they matter, and describe how the company manages them	Use this to decide which ESG issues to prioritize instead of reporting everything. (Global Reporting Initiative)
Energy	GRI 302: Energy 2016	Energy consumption, energy intensity,	Useful for tracking electricity and fuel use, especially if you already

Water	GRI 303: Water and Effluents 2018	reductions in energy consumption Water withdrawal, water discharge, water consumption	disclose Scope 1 and Scope 2. (Global Reporting Initiative) Useful for SMEs with factories, processing facilities, laundries, food production, or heavy facility use. (Global Reporting Initiative)
Emissions	GRI 305: Emissions 2016	Scope 1, Scope 2, Scope 3, emissions intensity, other air emissions	Good reference for linking carbon disclosures to a broader sustainability report. GRI has also published interoperability material with IFRS S2 for GHG emissions. (Global Reporting Initiative)
Supplier screening	GRI 308 / GRI 414	Supplier environmental assessment and supplier social assessment	Helpful for SMEs or larger companies starting to build ESG expectations into procurement or supply-chain oversight. (Global Reporting Initiative)

BASIC CONTENT SHEET

Section	What to include	Purpose
1. Organisational details	Legal name, trading name, ownership, legal form, headquarters, countries of operation	Establishes who the company is and where it operates
2. Reporting entities / boundary	Entities included in the sustainability report, subsidiaries or business units covered, any differences from financial reporting boundary	Clarifies what parts of the organisation are covered in the report
3. Reporting period and contact point	Reporting year, reporting frequency, publication date, contact person or department	Explains the reporting cycle and who to contact
4. Activities and value chain	Main business activities, products and services, markets served, supply chain, downstream relationships	Helps readers understand what the business does and how it creates impacts
5. Employees and workers	Total headcount, employee categories, workers who are not employees where relevant	Gives a basic workforce profile
6. Governance structure	Board or management structure, committees, ESG oversight, reporting responsibility	Shows how governance supports sustainability reporting
7. Strategy and sustainability context	Short statement on business strategy, sustainability priorities, key risks and opportunities	Connects the organisation profile to sustainability direction
8. Policies and practices	Code of conduct, anti-bribery, whistleblowing, health and safety, sustainability or environmental policy	Shows the internal framework guiding responsible business conduct
9. Stakeholder engagement	Main stakeholder groups, how they are engaged, key issues raised	Demonstrates that the company listens to stakeholders

10. Material topics link

Brief note on the key sustainability topics identified by the company

Connects the organisation section to the rest of the report

Final Thoughts

Many businesses, in particular SMEs, do not need to start with the most complex sustainability reports.

They need to start with a clearer structure.

That is where ASEDG and GRI can add value.

ASEDG helps businesses, especially SMEs, begin in a practical and proportionate way.

GRI helps businesses build a broader and more organised sustainability report around their most significant impact.

Together, they can help turn sustainability reporting from an overwhelming exercise into a more manageable journey.

In Article 10, we will turn to IFRS Sustainability and ESRS — looking at where they are similar, where they differ, and what that means in practice for companies navigating more formal disclosure expectations.