

SG Matrix for Logistics, Transportation, and Freight Forwarding

Pillar	Key Criteria	Specific Focus Areas	Actions/Initiatives	KPIs/Indicators
Environmental	1. Carbon Emissions Reduction	- Fuel efficiency in transport	- Invest in electric/hybrid vehicles	- CO ₂ emissions per km/ton (gCO ₂ /km/ton)
		- Alternative fuel adoption	- Use route optimization software	- % of fleet using clean/renewable energy
		- Fleet electrification	- Offset carbon emissions	- Fuel efficiency (L/km)
	2. Energy Management	- Energy consumption in warehouses/offices	- Install solar panels	- Energy consumption (kWh)
			- Use energy-efficient lighting (LEDs)	- % of renewable energy in total consumption
			- Optimize HVAC systems	
	3. Waste Management	- Packaging waste reduction	- Use eco-friendly/biodegradable packaging materials	- % of materials recycled
		- Recycling programs	- Implement recycling systems	- Volume of waste produced (tonnes/year)
	4. Water Management	- Water usage efficiency in operations	- Install water-saving fixtures	- Total water usage (liters)
			- Optimize vehicle washing systems	- Water reuse/recycling rate
	5. Environmental Compliance	- Meeting regulatory standards	- Monitor emissions	- Number of environmental violations
			- Conduct environmental audits	- Compliance rate with environmental laws
	6. Sustainable Sourcing	- Working with environmentally conscious suppliers	- Prioritize eco-certified vendors	- % of suppliers meeting sustainability criteria
			- Require supplier ESG compliance	

Social	Key Criteria	Specific Focus Areas	Actions/Initiatives	KPIs/Indicators
	1. Employee Health & Safety	- Driver safety	- Implement safety training programs	- Number of accidents/incidents (per year)
		- Warehousing accidents	- Provide PPE	- Lost Time Injury Frequency Rate (LTIFR)
		- Health and wellness programs	- Install telematics for drivers	
	2. Diversity & Inclusion	- Workforce diversity	- Develop D&I policies	- Gender diversity ratio
		- Equal opportunities	- Offer bias-awareness training	- % representation of underrepresented groups
	3. Training & Development	- Skills development for drivers/staff	- Conduct skills workshops	- Hours of training per employee/year
			- Provide upskilling programs and certifications	- Training completion rate
	4. Labor Rights	- Fair wages	- Implement fair wage policies	- Employee turnover rate
		- Work hours	- Ensure compliance with labor laws	- % of employees receiving fair wages and benefits
		- Labor policies		
	5. Customer Satisfaction	- Service reliability	- Conduct customer satisfaction surveys	- Net Promoter Score (NPS)
		- Quality of service	- Improve customer communication	- Customer complaint resolution rate
		- Transparent communication		
	6. Community Engagement	- Social contributions	- CSR initiatives (e.g., education, environment)	- \$ spent on CSR programs
- Local community relations		- Partner with local NGOs	- Number of community projects completed	
7. Human Rights & Ethics	- Supply chain transparency	- Audit supply chain practices	- % of suppliers audited for human rights compliance	
	- Preventing forced labor/human trafficking	- Implement strict codes of conduct		

Governance	Key Criteria	Specific Focus Areas	Actions/Initiatives	KPIs/Indicators
	1. ESG Governance Structure	- Board oversight of ESG strategy	- Form an ESG committee	- Number of ESG-related meetings
		- ESG accountability	- Appoint ESG-specific roles (e.g., Chief Sustainability Officer)	- ESG integration into annual reporting
	2. Business Ethics & Anti-Corruption	- Compliance with anti-bribery and anti-corruption laws	- Conduct regular ethics training	- Number of reported ethical breaches
			- Implement whistleblower systems	- % of staff trained on ethics and compliance
	3. Transparency & Reporting	- ESG disclosure	- Publish annual sustainability reports	- ESG rating (e.g., MSCI, Sustainalytics)
		- Compliance with reporting standards (e.g., GRI, SASB, TCFD)	- Track and disclose ESG metrics	- % compliance with reporting frameworks
	4. Data Privacy & Cybersecurity	- Protecting client and operational data	- Implement data encryption	- Number of cybersecurity breaches
			- Train staff on cybersecurity practices	- % of staff completing cybersecurity training
	5. Supply Chain Governance	- Supplier ESG performance	- Implement supplier ESG scorecards	- % of suppliers audited
		- Supply chain risk assessment	- Conduct supplier audits	- Number of suppliers with ESG compliance violations
	6. Regulatory Compliance	- Meeting industry-specific regulations	- Monitor legal developments	- Number of legal or regulatory breaches
			- Regular internal compliance checks	- Compliance audit success rate
	7. Risk Management	- Climate-related risks	- Integrate ESG risks into risk management frameworks	- Climate risk disclosures
		- Operational risks	- Adopt TCFD guidelines	- % of risks mitigated through ESG practices