

Our position

Access to information is a basic human right, and has proven to be a vital enabler for sustainable development in areas such as health, environment, alleviating poverty and fighting corruption.

With huge quantities of data and information being transmitted and/or stored on a daily basis, companies should proactively engage on SDG16: Peace, Justice and Strong Institutions as an ongoing commitment. Trusted data facilitates informed decision making that is vital regarding a sustainable future. Companies therefore have a responsibility to ensure that data collection, storage, mining and dissemination is undertaken responsibly and securely. At the heart of this is information security, a necessary and logical step in keeping pace with the rapid digitisation undertaken by companies over the last decade.

Positive corporate actions on information security is integral to responsible environmental and social practices. Engagement should encourage companies to limit potential costs by addressing cybersecurity risks and improving overall security of their IT infrastructure.

Trusted technology and data is a critical component of the board's risk oversight responsibilities. A major breach experienced by a listed company will damage investor confidence and can lead to financial penalty. Globally, the board of directors will be called to account for any adverse impact due to their alleged failures to institute appropriate corporate governance to protect against cyber security risk.

What we do

Engagement should encourage companies to reduce potential cyber risks and improve their overall information security. Data protection, data security, and data breach prevention strategies will also help achieve this and should be integrated into information security policies.

A company will be measured against these evolving indicators:

- ◆ A company needs to have various safeguards and procedures in place regarding storage, access, protection and usage. Data collection and data ethics go hand-in-hand. The Privacy by Design concept should be implemented.
- ◆ AI and algorithms used need regular review and refinement, and tested against expected outcomes to assess deviation.
- ◆ The chief information officer (or equivalent) regularly briefs executive management and/or the board of directors on information security risks.
- ◆ A company should have up to date information security experience amongst its board of directors.
- ◆ A company should integrate information security in its risk register and has a structured process to review and update it.

- ◆ A company should put in place fit for purpose information security insurance policies.
- ◆ Companies should possess independent, 3rd party attestation or certification of their InfoSec strategy as part of their enterprise risk management (examples are FedRamp or SOC 2 or ISO 27001, FISMA, or HITRUST certification in the relevant industry). The entire company should have high standards, not just specific business segments or regions.
- ◆ Information Security training for employees should be part of a risk mitigation strategy. A minimum, annual InfoSec awareness training should be in place. Along with additional measures such as enhanced training for specific personnel, special training for the board or executives etc.

How we vote

We make assessment on a case-by-case basis, but for companies that are evidently failing to provide trusted information or ensure IT security, we may vote against the Chair of the Board or other relevant Board of Directors.

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