



Supplement to Standards Outcome Report

Services

This is a supplement to the Standards Outcome Review report for the Services sector, prepared for the SASB Standards Council meeting on June 24, 2014. This supplement contains detailed feedback from SASB Industry Working Groups (IWG) for this sector. The Standards Outcome Review report addresses these comments, and based on a review of the comments and additional research, the SASB Standards Development team will put forward for a 90-day public comment period (PCP) on July 16, 2014, accounting standards for the ten industries in the Services sector.

Section 1

This section provides the percentage of IWG members that determined each issue in an industry, for all eight industries, to be material. Green bars indicate that the IWG respondent agrees that the issue is material, red bars indicate that the IWG respondent disagrees, and orange bars indicate that the IWG participant considers that the issue maybe material, but has substantial reservations. These responses determine which issues the SASB Standards Development team investigates further in greater detail to present material issues for public comment.

Section 2

Section 2 lists all the comments received during the IWG, including: the industry, disclosure topic¹, question type on the survey, interest group, suggested disclosure topic where IWG members suggested adding a topic, or response to whether an issue presented to the IWG is considered material, and detailed comments.

Comments related to issues on which there was IWG consensus regarding materiality will be considered when creating issue descriptions for the sustainability accounting standards, and revising industry briefs.

Comments related to other issues have been considered when revising or eliminating issues as being material, as discussed in the Standards Outcome Review report.

Comments related to suggestions for new issues have been considered when adding material issues to an industry, as discussed in the Standards Outcome Review report.

All other comments relate to industry definitions, SASB's overall approach, and IWG participation experience, and will be considered for process improvements.

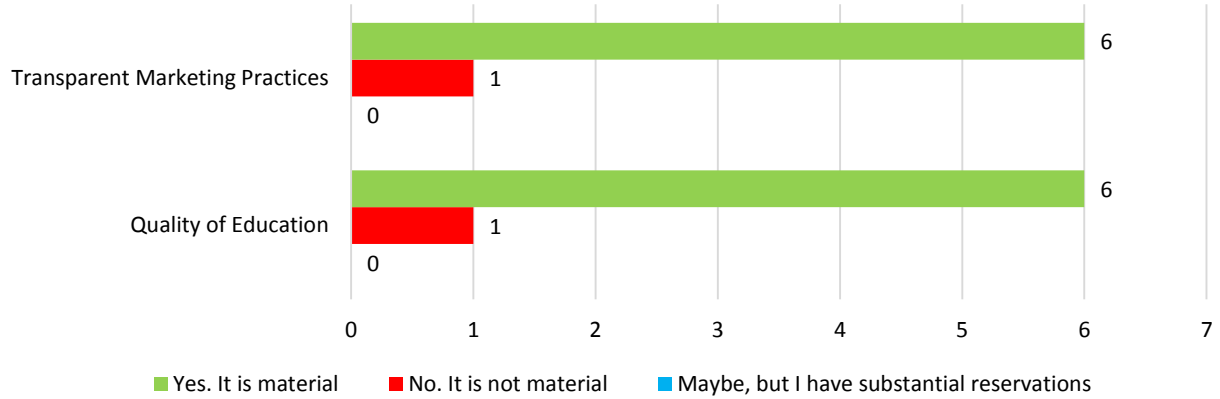
¹ In cases where general comments were made that related to a sustainability topic already presented by SASB for an industry, these comments have been mapped back to the topic.



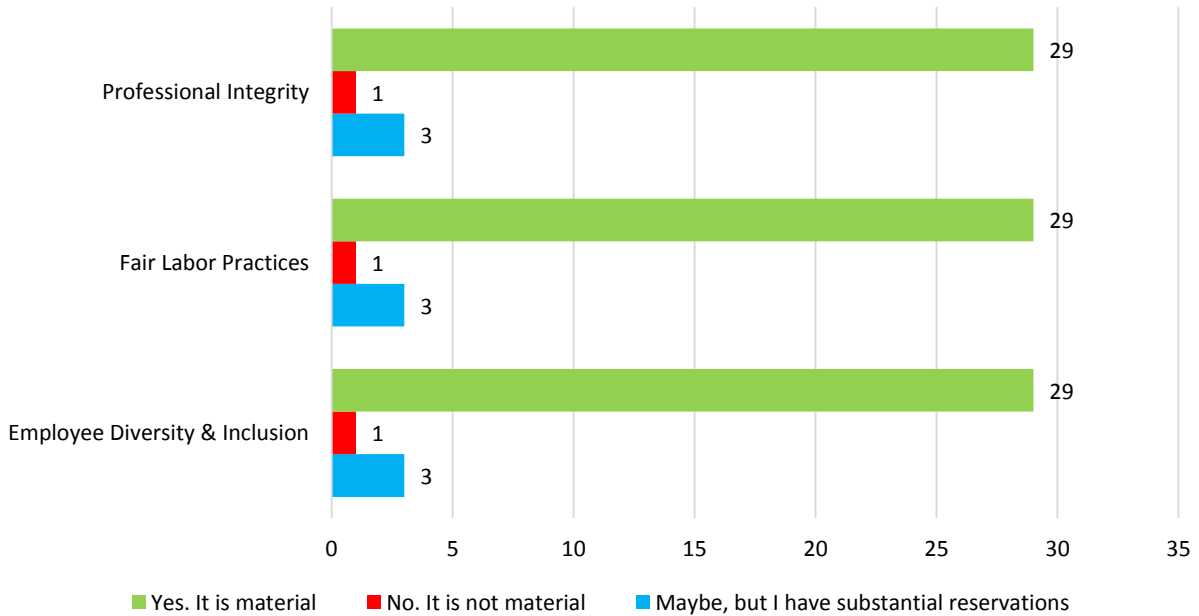
Section 1 - IWG Assessment of Materiality

In your opinion are the following material sustainability issues to the given industry?

Education

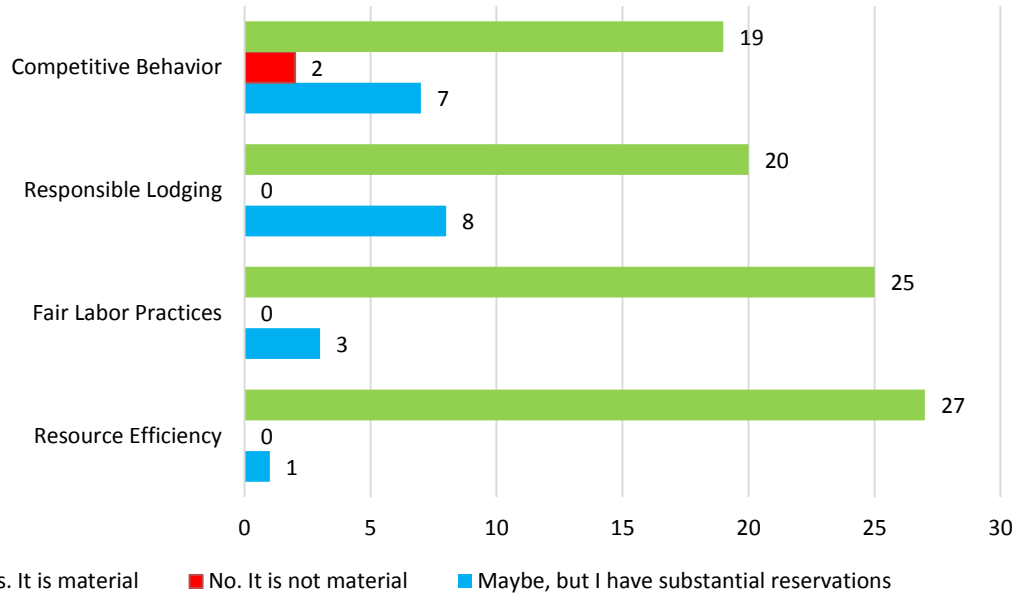


Professional Services

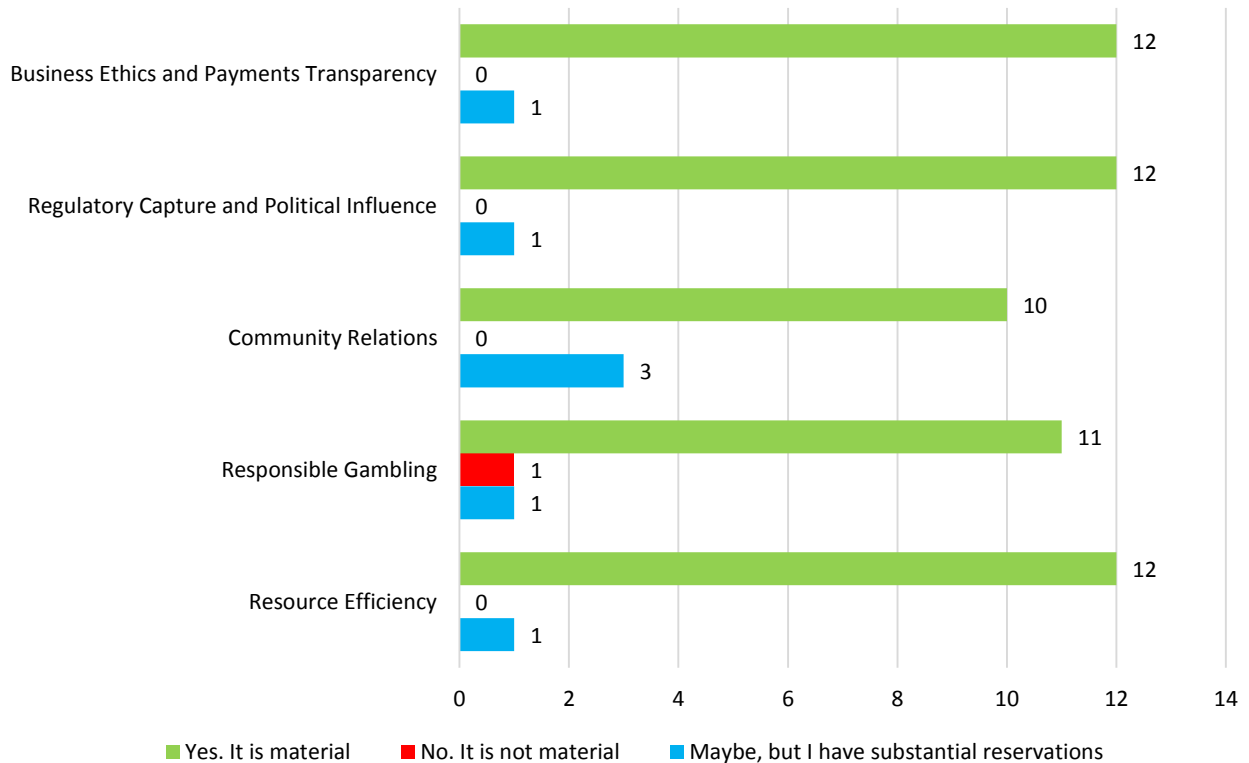




Hotels & Lodging

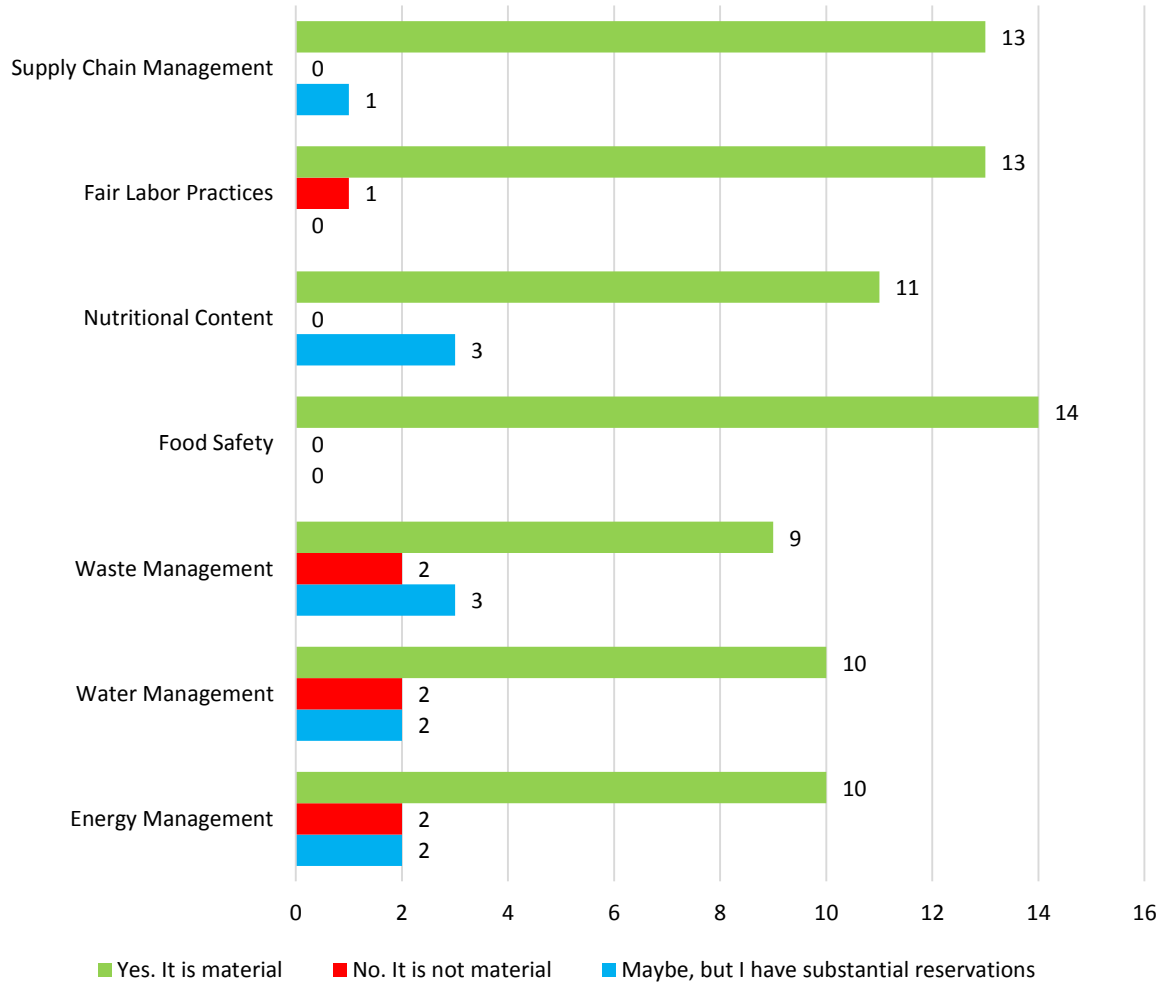


Casinos & Gambling



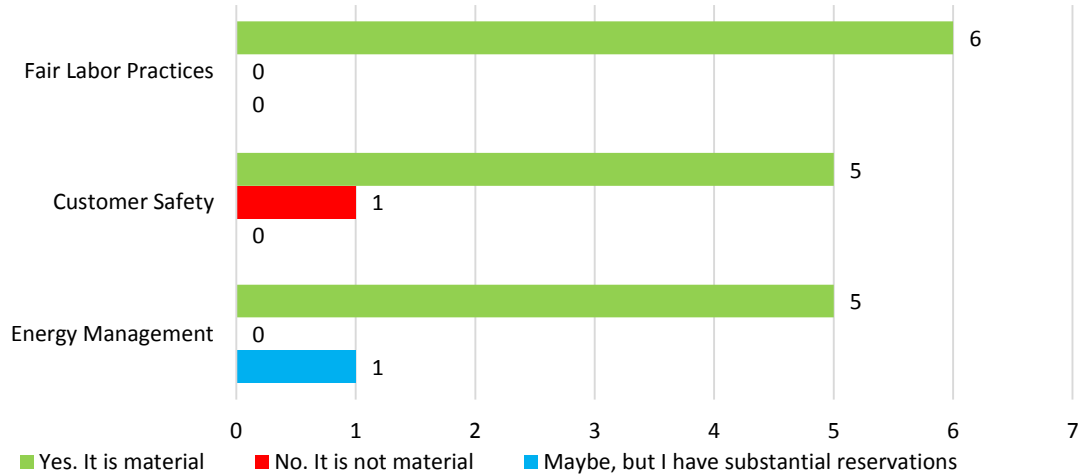


Restaurants





Leisure Facilities

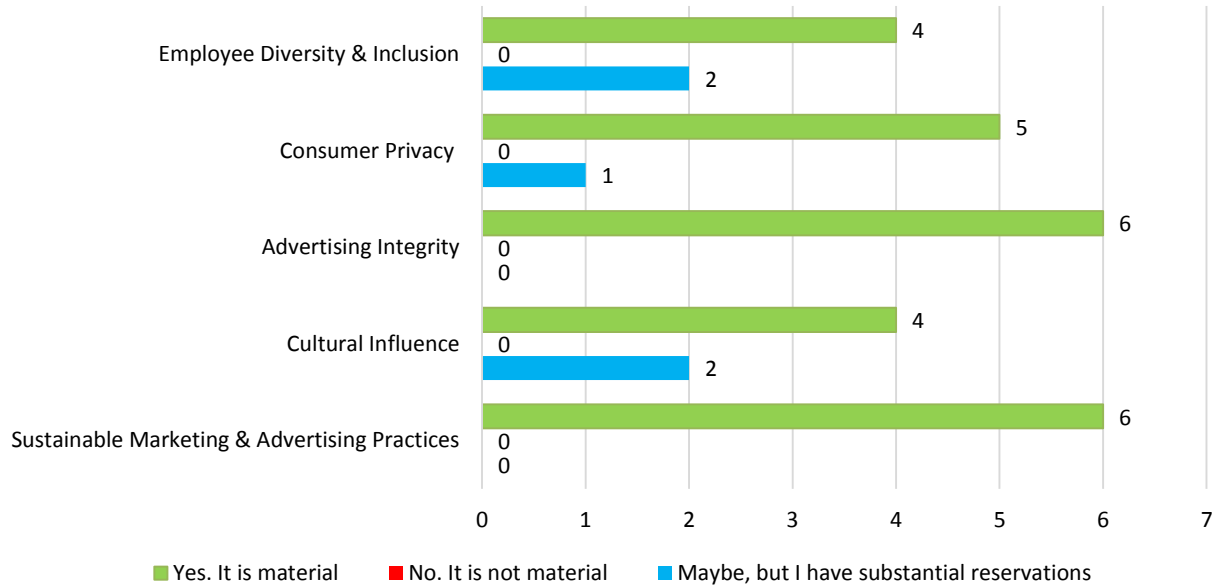


Cruise Lines

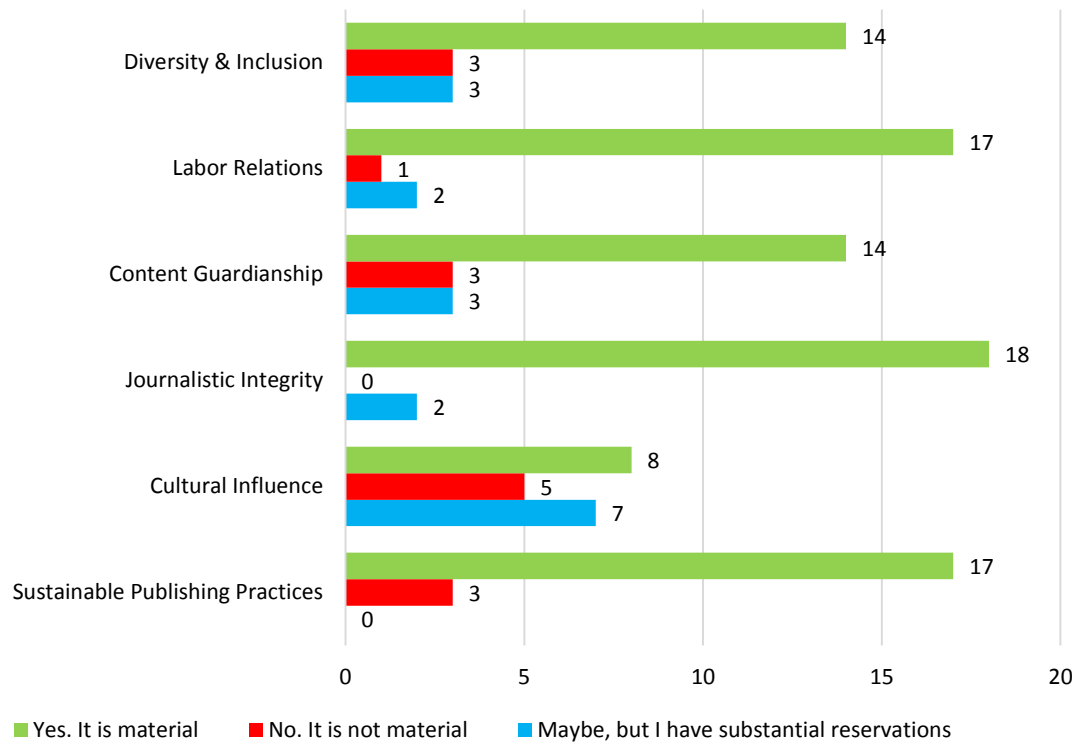




Advertising & Marketing

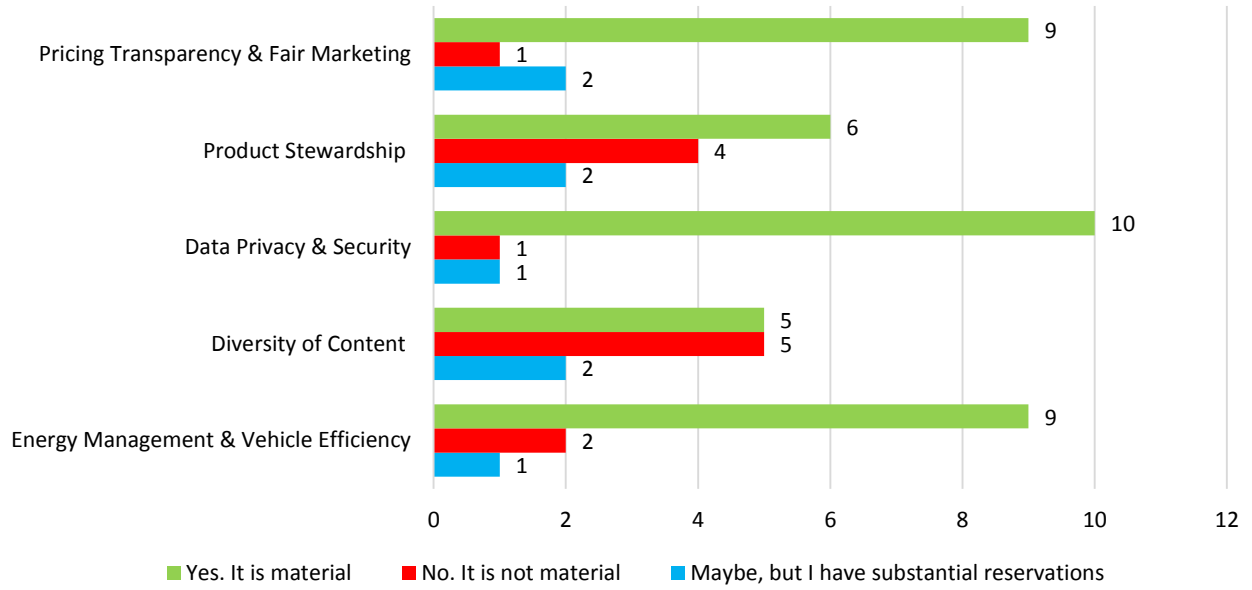


Media Production & Distribution





Cable & Satellite





Section 2 - IWG Comments on Disclosure Topics

Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Advertising & Marketing	Advertising Integrity	Material Issue?	Corporation	Yes	Advertising integrity indicates that the marketer is acting on behalf of society and not making any false claims in order to strength its own positioning. Since we are an advertising agency within Omnicom, we also abide by a set of rules that encourage ethical practices from both a societal and environmental point of view. Reference - http://csr.omnicomgroup.com/governance/core-values/
Advertising & Marketing	Advertising Integrity	Material Issue?	Corporation	Yes	Lack of advertising integrity and enforcement create material issues. There are cases in the U.S. and UK where governmental regulatory bodies have fined companies on 'false advertising' that you can research and document. My concern for SASB additionally, is the use of the word 'marketing' paired with 'advertising' as one whole in this section is not an act of integrity. Allow further explanation. While definitions of 'marketing' can vary, most MBA programs with a marketing concentration or marketing courses would lay claim to the definition of 'marketing' as being made up of the '4 Ps' which are denoted as 'Product', 'Price', 'Promotion', 'Place' (distribution). Again, definitions vary in terms of describing marketing, but most will talk about the 4 Ps. A supporting example follows: http://www.businessdictionary.com/definition/marketing-mix.html "A planned mix of the controllable elements of a product's marketing plan commonly termed as 4Ps: product, price, place, and promotion. These four elements are adjusted until the right combination is found that serves the needs of the product's customers, while generating optimum income. Sometimes the first P (Product) is substituted by presentation." This category of SASB excludes the marketing topics of product, pricing, and distribution aspects of 'marketing' and the associated 4 Ps functions. Therefore, it is strongly suggested to SASB to to one of two things. Either , keep the word 'marketing' and expand this section to include aspects for materiality on all 4 Ps. Or, to change the word from 'advertising' and 'marketing to 'advertising, ,PR, ad marketing communications" to designate and differentiate it contains only the "P" for "promotion.. It is unfortunate that general society slips the word 'marketing' as code for advertising, pr, or sales when it is not. Advertising, PR, and sales activities are truly sub-components of the "P" for promotion or said another way marketing and pr communications. So, for integrity the concern is this section should be retitled. It should also include not only the service firms but the corporate entities who buy 'advertising, pr, and marketing communications' services and thus 'own' the end product produced in terms of the end use. Added below are different urls and links of information as it relates to different legal guides in the



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
					<p>marketing “P” for promotion and/or advertising, PR and marketing communications for added input and review: http://www.ftc.gov/news-events/press-releases/2012/10/ftc-issues-revised-green-guides http://www.aef.com/on_campus/classroom/speaker_pres/data/3005 http://www.mars.com/global/about-mars/mars-pia/our-brands/communicating-responsibly/marketing-our-brands-responsibly.aspx http://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-publishes-final-guides-governing-endorsements-testimonials/091005revisedendorsementguides.pdf http://www.business.ftc.gov/documents/bus71-ftcs-revised-endorsement-guideswhat-people-are-asking http://www.spotrunner.com/policies/advertising.aspx http://nbcuadstandards.com/files/NBC_Advertising_Guidelines.pdf http://www.kilpatricktownsend.com/~media/Files/articles/LPearsonAdvertisingBasics.ashx http://www.thompsoncoburn.com/Libraries/Firm_Documents/CRS_-_Shift_to_Digital_Advertising.pdf http://www.dwt.com/FTC-Announces-COPPA-Rule-Changes-01-17-2013/ http://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-staff-revises-online-advertising-disclosure-guidelines/130312dotcomdisclosures.pdf http://epic.org/privacy/telemarketing/</p>
Advertising & Marketing	Consumer Privacy	Material Issue?	Corporation	Maybe	This is an interesting question. I think it will become increasingly material with the number of high profile breaches that have occurred. Previously, I would have thought that most investors came at this from a neutral perspective, but now....I'm not so sure.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Advertising & Marketing	Consumer Privacy	Material Issue?	Corporation	Yes	<p>Consumer privacy and freedom remains a large material issue. Next described are several different points on the topic as supporting evidence of this perspective. Consumer laws and regulations seek to protect any individual from loss of privacy due to failures or limitations of corporate customer privacy measures. Loss of privacy is not measurable totally as it pertains to materiality of the individual. By illustration data security and the the 'right and practice' by companies 'to require' registration of birthdates, names, addresses, fingerprints, and other information in order to receive 'content' like white paper can be debated but is going on. In turn these companies take on to 'own and store' individual's private data in a database that in turn can be potentially hacked and breached. There has been no dialogue or legal law about whether or not the 'requirement' to trade 'private data' for "free information" for instance is an invasion of privacy. But, that could become a pending material issue. Certain industries such as healthcare or the practice of law go back in history up through today of having 'oaths' of privacy requirements for practicing doctors or lawyers. They are not allowed to avoid mentioning ills of patients to others, not only to protect them, but to protect their families privately or in a public communications campaign or court. This is brought up to illustrate that privacy and communications practices could have variables by industry type. The same basic idea as modern consumer privacy law and regulation, which recognizes that innocent third parties can be harmed by the loss of control of sensitive information, and that therefore there is a responsibility beyond that to the 'customer' or 'client'. With the adaptation of technology into product safety, advertising, PR, and marketing practices, in turn, the 'line' of what is private seems to be morphing. For example reference marketing trade publication article that appeared in Advertising Age on the subject of privacy: http://adage.com/article/datadriven-marketing/10-privacy-trends-marketers-watch-2014/245866/ In American society at present there is public and legal debate in the house and senate in terms of business and government influence about privacy and metadata, eavesdropping etc. In addition, consumers who have personal and private data collected, whether that be an address or fingerprint, do not know how it may be used beyond a scope of permission that the company can have it 'in exchange for a white paper or something like that. The consumer certainly does not want private information stolen or abused or turned into stolen identities. The consumer may not want contact information 'sold' in terms of being added into a list for direct mail offers. But these practices exist. Also, consumers may enjoy going on line in social media in venues such as Facebook or Linked in have a limited suite of privacy controls. Recently, a major technology company created advertising to people on twitter 'complaining' of one brand of mobile phone and these people were aggregated into a database and 'advertised' offers for alternative</p>



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					<p>choices. Certain companies may begun to establish 'privacy officers' and policies' for managing data, audit compliance, etc. This was recently mentioned in an article published in an e-zine to chief marketing officers, referenced here: http://www.cmo.com/content/cmo-com/home/articles/2013/9/4/privacy_CWTK.html Certain types and sectors of the broad marketing industry and their representative associations have begun to develop privacy codes of conduct statements. One example is the mobile marketing association: http://www.mmaglobal.com/node/1563 Consumers are also subject to pirated products and labels and the topic of consumer protection for pirated or falsified products entering the marketplace can complicate interactions. Information from the FTC: http://www.ftc.gov/about-ftc/bureaus-offices/bureau-consumer-protection/our-divisions/division-marketing-practices In summary, privacy rights are a fundamental aspect to American society and with in has a relationship to communication and certainly pr and marketing communications forms of communication practices. When it comes to online customer data, marketers today have to balance a fine line between companies and consumer privacy and effective marketing communications practices. Many privacy advocates are pressing for legislation to restrict the collection and use of online data. SASB is advised to monitor any potential changes and developments. Reference sources of information: http://www.ftc.gov/consumer-protection/consumer-privacy http://www.sba.gov/content/privacy-law https://www.aclu.org/technology-and-liberty/consumer-privacy https://cdt.org/issue/consumer-privacy.</p>
Advertising & Marketing	Cultural Influence	Material Issue?	Corporation	Maybe	<p>From a brand perspective, it can be a challenge to segment brand and parent company. For example, brand A may have a very positive message which challenges cultural and societal norms, and yet brand B reinforces negative stereotypes. In this instance, should the investor place greater emphasis on brand A or B?</p>



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Advertising & Marketing	Cultural Influence	Material Issue?	Corporation	Maybe	<p>Overall: Cultural influence is affected by more than advertising -- and allow me to add -- PR campaigns. PR should be included in this section as well as advertising and addressed. The concern for singling out advertising only as a cultural influence misrepresents the total cultural influence pyramid. For instance, cultural influences could be affected by newscaster commentary and often is, advocacy groups, lobbyists, legal regulation, officials' speeches, new immigrants and perspective brought, different population segments of a society older ages to younger ages and differing lifestyle choices and the geographic concentrations of people and their voting jurisdictions and representatives etc. Certainly advertising is a communication influence tool and one that can be powerful. But, and most important, it is not a sole source of cultural influence. A supporting example of newscaster influence is list below: http://www.kilpatricktownsend.com/~media/Files/articles/LPearsonAdvertisingBasics.ashx There are 'subset' issues to be defined and address within cultural influence that go beyond only 'opinion' influence addressed in the preceeding comments. A few to mention include: access, bias, social media,/social footprinting, tracking and behavior change, technology and advertising 'mashups'. A few comments on these subsets that add to material cultural influence follow: Access: There is also the question of access to information and whether than be in the form of advertising, PR, online, posters, other, etc. in reaching any population consistently, fairly, and evenly and who does or does not wish to be contacted. Example: http://epic.org/privacy/telemarketing/ Bias: There is concern with regards to advertising as a material issue affecting cultural influence and how it can create bias or create divisions. As supporting evidence review the topic of what is called 'climate change' and the associated science and communications of who and what to believe on the topics. It has gone to a point of camps of 'believers' and 'non-believers.' where advertising and other direct or subversive communications are used on different sides that ultimately lead to confusion instead of resolution for society as a whole. Social Media: The cultural influence and impact of networks and networking is still not entirely known. And should be flagged for study and updating by SASB. An example is the factor of 'social influence' needs to be defined more and entered into the discussion. For example, how consumer products reviews are used by a host organization to favor or disfavor a perception or outcome. Tracking and behavior change: Another sub-set of cultural influence is advertising tracking and behavioral change and influence and online ad re-targeting and database cross tabbing and the influence that can have on purchasing choices, civic discourse and dialogue, as well as advertising geo-targeting of devices like mobile phones and location. Technology and advertising mash ups: Another sub-set of cultural influence and advertising is through the mashing up of technology,</p>



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					advertising, and applied product use. An example is the selected 'requirement' to apply fingerprinting and eye retina scans to open your laptop and/or safety deposit box instead of a human signature on paper by certain organizations. The pros and cons and trade offs of the smash up and use of different technologies, advertising, and marketing can create security issues of stored data as well as who truly has the rights to have that data really and the fine line between privacy, supposed security, and transparency. Marketing and PR communications policy: There are no required policy regulations by which companies and their supporting service organizations have a management system in place for their creation, deployment, and tracking of advertising, PR and marketing communications as well as how they address and safeguard on any of the topics mentioned here. Following is one example of a corporate marketing policy statement: http://www.mars.com/global/about-mars/mars-pia/our-brands/communicating-responsibly/marketing-our-brands-responsibly.aspx The major force of regulation focuses on 'truth in advertising' and enforcement as a cultural influence in particular for children. However, in the last 20 years there has more change in the advertising and PR and marketing communications profession that most other professional discipline. This is due to invention and use of many disruptive technologies. By the length of this answer, the hope was for SASB to realize and consider to revisit is advised continued updating the advertising and PR and marketing communications section on a fairly regular basis and to follow new bills and laws before Congress in the topical areas of advertising, privacy, transparency, truthfulness, labeling, etc. and be prepared to update as new inventions come to society, evolve, or get regulated with new legal updates.
Advertising & Marketing	Does not apply	Add Issue	Corporation	Client Responsibilities	I'm not sure this is a realistic ambition, but if anyone can think about it SASB can.... Percentage of new clients/partners screened using environmental/CSR criteria. If we can set expectations across the board, then we should see some serious change. Let's do it!
Advertising & Marketing	Does not apply	Add Issue	Corporation	Disclosure of carbon usage [GHG EMISSIONS - BUSINESS TRAVEL]	The advertising and marketing industry requires a high level of travel. This should be captured in carbon footprint or GHG reporting. The holding company Omnicom tracks this on an aggregated level across all agencies.



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Advertising & Marketing	Does not apply	Add Issue	Corporation	Human Capital [EMPLOYEE HEALTH, SAFETY AND WELLNESS]	Issues like employee health and wellness, including: presenteeism, employee mental health, employee training and others are crucial to sustainable operations.
Advertising & Marketing	Does not apply	Add Issue	Market Participant	Governance [SEVERAL CORPORATE GOVERNANCE ISSUES]	management incentives, alignment of interests, board composition, long term orientation of management
Advertising & Marketing	Does not apply	Add Issue	Corporation	Transparency	When it comes to buying products or dealing with a business or organization, transparency, or the willingness of a company or organization to share information openly and ethically with its stakeholders. An example of self-selected transparency is Patagonia's decision to show how materials are sourced from start to finish in its products. Another example is the transparency of information on how a company may manufacture its products in factories and the willingness to communicate in a CSR report where it does or does not have violations at factories and what it is doing to improve and progress. Resource:
Advertising & Marketing	Does not apply	Add Issue	Corporation	Sustainability of the marketing supply chain [SUPPLY CHAIN MANAGEMENT]	The ANA has formed a committee to address the marketing supply chain and sustainability:
Advertising & Marketing	Does not apply	Add Issue	Corporation	Brand valuation and ISO standard	There is an ISO standard for valuation of a brand. Some companies can elect to have their brand valued. In the case where a brand is 'valued' it is a material issue of the 'value' has gained or lost, particularly as effected by mergers, marketing communications campaigns, cultural influences, and other factors.



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Advertising & Marketing	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	As described earlier section the use and defintion of the word 'marketing' is not correct. Please reference this section for added explanation and reference. Suggest to SASB to replace 'marketing' to 'marketing communications to include advertising, PR, content marketing etc.) The word 'marketing in it true sense refers to product development and management, pricing, distribution as well as the marketing communications aspects of marketing.
Advertising & Marketing	Does not apply	Other Comment	Corporation	DNA - Other Comments	<p>Edits and Additions to the Briefing:</p> <ul style="list-style-type: none"> • Regulatory Trends in the Advertising & Marketing Industry <ul style="list-style-type: none"> o Add EU sustainability and social responsibility directive • Sustainability-related Risks and Opportunities <ul style="list-style-type: none"> o Add climate change as a risk • Environment <ul style="list-style-type: none"> o Add business air travel o Add employee commuting o Add sustainable procurement o Green Meeting Industry Council principles o Add managing GHG emissions (Scopes 1, 2 and 3) o Add recycling § Evidence: City ordinances o Add business model innovation § Accounting for externalities § Social capital o Natural Capital (Suggest, if not right away, reference natural capital in the near future.) o Further evidence: KPMG report Carrots and Sticks • Sustainable Marketing & Advertising Practices – TBD • Social Capital <ul style="list-style-type: none"> o Add Volunteerism and Community Engagement • Cultural Influence <ul style="list-style-type: none"> o This section is misleading, it needs to be revised or eliminated o This section should be re-titled “Marketing and Ethical Advertising” o There are several mischaracterizations in this section: <ul style="list-style-type: none"> § The text gives too much power to traditional advertising, while social media and other new forms of media have become very influential. § Earned media is the most credible form of media. This isn’t what advertising firms do. § The following sentence is confusing: “Earned media has the added benefit of being seen as the most credible type of advertising...” It has mischaracterized earned media as a type of advertising. § Advertising is not necessarily credible • Advertising Integrity <ul style="list-style-type: none"> o This section should be renamed “Professional Integrity” and moved to Governance and Leadership, it doesn’t just apply to advertising, it applies to all communications. o Add customer privacy o Add conflict minerals o Add customer Satisfaction o Add upholding ethical standards in new markets o Communications integrity o Including social media o Code of conduct o Word of mouth guidelines o Integrity on all media channels: <ul style="list-style-type: none"> o Owned o Hybrid o Social o Traditional o Paid • Consumer Privacy & Data Security <ul style="list-style-type: none"> o Data centers, cloud computing



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					<ul style="list-style-type: none"> • Human Capital <ul style="list-style-type: none"> o Add employee health & wellness § Preventative health measures, including: <ul style="list-style-type: none"> • Presenteeism Statistics • Mental health • Obesity and physical wellness § Evidence: Obamacare, Happiness Index o Add Employee training and development o Add very active citizenship programs § Evidence: Trust Barometer, G4, SASB Orientation Principles, SPLC • Employee Diversity & Inclusion <ul style="list-style-type: none"> o Include veterans § Evidence: OFCCP o Include disabled employees § Evidence: OFCCP • Leadership & Governance <ul style="list-style-type: none"> o Add supply chain § Evidence: G4 § Metrics: Spend & Supplier Code of Conduct o Add risk management § Human Rights Issues • Evidence: United Nations Global Compact § License to Lead • Evidence: Edelman Trust Barometer o Add business continuity § Evidence: State of Green Business Report o Table 2: Material Sustainability Topics & Accounting Metrics § Remove “Cultural Influence” and re-categorize sub-topics: <ul style="list-style-type: none"> • “Percentage of reach achieved through earned media” should be removed, this refers to Financial Disclosure, not sustainable factors • “Number of violations of the Children’s Advertising Review Unit (CARU) Self-Regulatory Program for Children’s Advertising” should be moved to Leadership & Governance • “Description of significant environmental and social trends affecting key customer segments and their impact on demand for registrant’s products or services” should be moved to “Environment”
Advertising & Marketing	Does not apply	Other Comment	Market Participant	DNA - Other Comments [GHG EMISSIONS - BUSINESS TRAVEL]	carbon footprint disclosure as an accounting metric should be added to the sustainability portion. this is easily measurable (many companies provide the service) and key for any service company especially global ones as air travel is a big contributor. linked to this an additional measure on carbon credits purchased to offset carbon footprint. happy to provide more info.
Advertising & Marketing	Does not apply	Other Comment	Corporation	DNA - Other Comments	Please continue dialogue on the metrics as several of those mentioned are 'after the fact' and as enforcement catches up. It is further noted that there are no 'metrics' for marketing awards, marketing policies, adherence to different marketing association conduct statements, discussion of use and enforcement of management systems. SASB my like to consider expanded discussion and review of metrics for tracking and disclosing consumer complaints tracking and consumer praise of marketing practices, products, and services.



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Advertising & Marketing	Employee Diversity & Inclusion	Material Issue?	Corporation	Yes	Omnicom has a few programs that encourage diversity and inclusion in the workplace. Resource - http://csr.omnicomgroup.com/workplace/global-diversity/diversity/ Not only is there an emphasis on ethnic diversity through the creation of specific programs, but also a concern with women in senior level management. Resource - http://csr.omnicomgroup.com/workplace/global-diversity/women-in-management/
Advertising & Marketing	Employee Diversity & Inclusion	Material Issue?	Corporation	Maybe	Should be material for any organization, but as to how it affects the investment decision? This should be an expectation of all organizations.
Advertising & Marketing	Employee Diversity & Inclusion	Material Issue?	Corporation	Maybe	It seems the topic of employee diversity and inclusion is a matter of governance and not advertising and marketing and pr communications practice.
Advertising & Marketing	Sustainable Marketing & Advertising Practices	Material Issue?	Corporation	Yes	http://www.ftc.gov/news-events/press-releases/2012/10/ftc-issues-revised-green-guides http://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-issues-revised-green-guides/greenguides.pdf
Cable & Satellite	Data Privacy & Security	Material Issue?	Market Participant	Yes	NSA and target data leak are examples of how important data privacy and security is going to be in the future.
Cable & Satellite	Data Privacy & Security	Material Issue?	Public Interest & Intermediaries	Yes	The industry brief refers to data privacy only in the context of customer records and credit card data. These companies are also providing Internet (email and web) services, and often telephone service. In light of recent disclosures regarding NSA surveillance, companies like Comcast and Time Warner should be viewed in the same context as AT&T and Verizon when it comes to customer privacy.
Cable & Satellite	Data Privacy & Security	Material Issue?	Market Participant	Yes	Critical to safeguard consumers data



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Data Privacy & Security	Material Issue?	Corporation	Maybe	Legal and regulatory fines and settlements are already reported in a public company 10-K. This would be a duplicative effort.
Cable & Satellite	Data Privacy & Security	Material Issue?	Market Participant	No	These items do not impact cable / satellite cash flows.
Cable & Satellite	Data Privacy & Security	Material Issue?	Corporation	Yes	I believe that cybersecurity is and issue for any company that uses the Internet.
Cable & Satellite	Data Privacy & Security	Material Issue?	Public Interest & Intermediaries	Yes	This is a material issue for any company that collects and stores personal information, as the Target and Adobe cases illustrate. Both firms' market cap and revenues took big hits. With the cable/satellite industry moving towards providing more content via mobile/tablet applications, as well as the inevitability of the cable industry players to become predominantly providers of internet connectivity and cloud services, the risk increases. Any breach of data by one of these companies will drive customers (especially valuable business customers) toward the competition, the traditional telco providers (e.g. Verizon, AT&T).
Cable & Satellite	Data Privacy & Security	Material Issue?	Market Participant	Yes	Data privacy is proving to be more difficult to assure, and more costly, every day, as the recent incursion at Target illustrates. The more subscribers/customers in the database, the more attractive that database is to hackers, some of whom may be state-sponsored, if reports about Chinese army hackers and Iranian government hackers have any truth to them.
Cable & Satellite	Data Privacy & Security	Material Issue?	Corporation	Yes	Breaches in Data Privacy & Security can quickly erode trust between consumer and provider. The Industry Brief does a good job of identifying the reputational risks from insufficient management in this area.
Cable & Satellite	Diversity of Content	Material Issue?	Market Participant	No	Not really a material issue as content is really driven by audience
Cable & Satellite	Diversity of Content	Material Issue?	Market Participant	No	Content is produced based on consumer demand. Some subsidized channels exist such as cspan. Over the past ten years there has been a material increase in the diversity of content such that i do not think it is an issue.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Diversity of Content	Material Issue?	Corporation	No	Social trends that are material to a public company are already discussed in the 10-K.
Cable & Satellite	Diversity of Content	Material Issue?	Market Participant	Yes	Content is a major determinant of market share and pricing power.
Cable & Satellite	Diversity of Content	Material Issue?	Corporation	No	I believe all of the programmers have contracts with payTV providers in the cable and satellite industry.
Cable & Satellite	Diversity of Content	Material Issue?	Corporation	No	I don't see how this could lead to a material impact on the balance sheet of a company.
Cable & Satellite	Diversity of Content	Material Issue?	Public Interest & Intermediaries	Maybe	Given the utility-like nature of the services that cable/satellite providers offer, the risk of alienating minority customers through content is small. Content is driven by audience size, which drives advertising dollars. Rather than the cable/satellite companies being held responsible for carrying a lack of diverse content, I believe that we will see a natural market-based drive towards the minority audiences. The caveat is: if more cable/satellite companies take stakes in content providers (a la Comcast), this may indeed become a directly material issue for the industry.
Cable & Satellite	Diversity of Content	Material Issue?	Market Participant	Maybe	I feel like this should be material, but I don't know of anything that actually supports the materiality of content diversity. The two studies cited in the "evidence" section didn't really indicate materiality, to me, though they vaguely pointed in that direction. But saying that cable and satellite providers that offer diverse content "may" better appeal to target minorities isn't a very strong statement of conviction for materiality.
Cable & Satellite	Diversity of Content	Material Issue?	Corporation	Yes	There is a tension inherent in this issue. While it's true that diverse program offerings can improve reputation and brand value, niche programmers are not always highly rated. At the same time, the more they proliferate, the higher the cost to the consumer, due to increasing programming fees. See: http://nypost.com/2012/12/27/twc-playing-rough-with-niche-programmers/ So while this issue is certainly material, it's not the highest priority.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Does not apply	Add Issue	Public Interest & Intermediaries	Net Neutrality [NET NEUTRALITY]	Net neutrality is essentially treating all data packets the same when it comes to transit on networks, regardless of type or source. The FCC put regulations in place to ensure net neutrality in 2010, but early this year, a federal court struck them down as unnecessary because customers have the ability to choose from multiple providers. The immediate effect is that disruptive technologies such as Netflix will have to pay broadband network providers to send their data across the providers' networks. Whether good or bad, the result is that a major new revenue source has been created that could be banned again by more carefully worded regulations. That in itself would make net neutrality material. However, since broadband internet access has become an essential utility for anyone that wants to conduct research for a school paper, run a business or simply stay connected with family and friends. The cost of building and maintaining broadband networks are immense and providers certainly should be able to charge for the use of their networks, but charging the content providers directly and customers (who are the 'users') indirectly many feel is unfair. The FCC, Congress, legislatures and the courts all could further change the landscape. Until there is final resolution, the amount of revenue, expense and potential liability and risk that are tied to this issue demand that net neutrality be considered a material issue.
Cable & Satellite	Does not apply	Add Issue	Market Participant	Control over content [CONTENT GUARDIANSHIP]	Cable and satellite providers, especially those that offer internet as well as TV and movies, are likely to carry content that many viewers regard as offensive (e.g., internet porn, x-rated movies). The degree to which they provide users the ability to censor this content as they wish for themselves and family members is important to a lot of viewers. I think all the major services probably do offer this, but it may not be so standardized that differentiation could provide a competitive advantage (or erase one). I don't have any citations to offer here, I jsut know we
Cable & Satellite	Does not apply	Add Issue	Market Participant	Labor management relations [LABOR RELATIONS]	Companies in this industry tend to be highly unionized, and if there are prolonged disagreements with labor can have significant impacts.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Does not apply	Add Issue	Market Participant	quality of service [CUSTOMER SATISFACTION]	Most cable and satellite companies have multiple complaints about the quality of service, and many have long records of customer complaints and settlements. That can get expensive, which tends to make better service both a competitive advantage and a risk management tool.
Cable & Satellite	Does not apply	Add Issue	Corporation	Technology accessibility [ACCESS AND AFFORDABILITY OF SERVICES]	I use accessibility in a sense related to providing access to connectivity services to address information and digital divide issues. As technology progresses and demand for information increases, cable TV and especially Internet connectivity services provided by these companies are increasingly seen as basic services. Considering that these services are growth drivers for the industry the potential impact this might have can be significant. In many countries, there is an increasing amount of proposed legislation aimed at promoting universal access to these services, especially applied to underprivileged or underserved communities. The manner in which companies address regulatory risk and evolving trends associated with this issue is material. Sustainability Reports increasingly show initiatives such as “social fees”/ “low cost services” limited to underprivileged communities (initiatives which also have value creation potential in market share and piracy management costs), initiatives related to addressing digital divide issues, education programs, etc.
Cable & Satellite	Does not apply	Add Issue	Public Interest & Intermediaries	Open Internet Access [NET NEUTRALITY]	Failure of these companies to provide open Internet access and abide by network neutrality principles opens them to substantial legal, financial and reputational risk. For example, one outcome of the current debate on the FCC's net neutrality principles is that the FCC could be that Internet access is reclassified as a Title II service, essentially making it subject to common carrier regulation. By opposing net neutrality principles, the cable operators (and telephone companies) open themselves to much greater regulatory risk.
Cable & Satellite	Does not apply	Add Issue	Market Participant	Net Neutrality [NET NEUTRALITY]	[see link]
Cable & Satellite	Does not apply	Comment on Brief	Market Participant	DNA - Comment on Brief	Dont understand MI6, MI7 etc



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Does not apply	Comment on Brief	Public Interest & Intermediaries	DNA - Comment on Brief	I think you may be defining the "industry" incorrectly. Cable companies like Comcast and TWC are more akin to (and competitive with) AT&T and Verizon than they are to Netflix and Hulu. Comcast - because of its vertical integration (and as one of the largest owners of content in the U.S.) is in a league of its own. I'm not sure how you define this industry anymore, particularly as so much video consumption moves to mobile. AT&T and Verizon wireless services are as important to some of the competitive and sustainability discussions.
Cable & Satellite	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	Language in page 10 of the brief is incorrect. DTV did not settle with customers or admit guilt, the money paid was to the US states to cover their investigation costs.
Cable & Satellite	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	I don't think inaccuracies, but I would expect more discussion of fiber alternatives, such as Verizon to enter in, as well as wireless providers and their value, such as ATT, Verizon, etc. Also, I don't see much discussion of waste, and I would expect to see that.
Cable & Satellite	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	I'm not sure this is an inaccuracy, but I'm not sure where this comment fits so I'll put it here. Earlier I suggested that it might be more useful to divide the energy-efficiency metrics into electricity and transportation rather than product stewardship and energy efficiency.
Cable & Satellite	Does not apply	Innaccuracy	Public Interest & Intermediaries	DNA - Innaccuracy [NET NEUTRALITY]	I don't think you understand the larger implications of the network neutrality debate.
Cable & Satellite	Does not apply	Other Comment	Corporation	DNA - Other Comments	There is some overlap between the "Media Production & Distribution" sector brief and the "Cable & Satellite" sector brief.
Cable & Satellite	Does not apply	Other Comment	Corporation	DNA - Other Comments	Very nicely written white paper. I was impressed at the research that went into this.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cable & Satellite	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [NET NEUTRALITY]	I am impressed with how accurate the industry brief is, although I was very surprised that net neutrality was only mentioned briefly. The story has not been fully written on that yet, which means that risk and uncertainty remain high. The report also refers to net neutrality regulation, should it stick, as a positive trend for the industry, a notion that I wholly disagree with. Although it would bring certainty, it is highly unlikely that the FCC, regardless of who is in the White House, will take a more 'provider friendly' stance on net neutrality in the future. Furthermore, if the FCC does not act, the Consumer Financial Protection Bureau (CFPB) or the FTC very well could step in.
Cable & Satellite	Does not apply	Other Comment	Corporation	DNA - Other Comments	Many of these items are not issues that are considered material to our investors today. To the extend any of these items become material, we would be required to disclose them anyway under SEC rules.
Cable & Satellite	Does not apply	Other Comment	Corporation	DNA - Other Comments [CONTENT GUARDIANSHIP] + [LOCAL CONTENT]	I omitted two issues for which I could not find the right place, which are not critical but are significant in terms of market share, risks and reputation. One of them is the protection of vulnerable audiences by means of technology innovation and tools to empower audiences to filter content. The other issue is the quantity of local content (often shown as a percentage of total content carried). These issues, although directly related to another Working Group (Media Production and Distribution) are usually included in Sustainability Reports from companies in the present WG and are sort of a Product Stewardship related to content as a product, in which Cable and Satellite Companies share a responsibility
Cable & Satellite	Does not apply	Other Comment	Market Participant	DNA - Other Comments	An opportunity, e.g., conference call, for ideas exchange with other IWG participants would be interesting.
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Market Participant	Yes	for distribution energy management and vehicle efficiency is important example verizon fios.
Cable & Satellite	Energy Management & Vehicle	Material Issue?	Market Participant	No	Satellite companies do not have larg fleets, cable companies do, but they are not huge when compare to other industries



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
	Efficiency				
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Market Participant	No	These items do not have a material impact on cable / satellite cash flows. Additionally, they are becoming increasingly less important as cable / satellite companies employ fewer truck rolls and smaller set top boxes.
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Corporation	Maybe	I don't believe it is something our investors are concerned about at this time.
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Corporation	Yes	The paper cited a \$300M annual energy cost, and this doesn't incl fuel costs and fleet capex. So, this certainly seems material. A swing of 20% could be a \$60M change, which seems material to me.
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	The industry's fleet vehicles are most likely one of the most visible assets that consumers, regulators, shareholders and other stakeholders associate with the relevant firms.
Cable & Satellite	Energy Management & Vehicle Efficiency	Material Issue?	Market Participant	Yes	You made the case well in the brief. But I think the brief could be clearer on this topic; energy efficiency of servers is nominally in the realm of how the product is produced and energy efficiency of set-top boxes is nominally about the product, but that distinction is fuzzy in the report. Is it possible to make the division between managing electricity consumption in the value chain (which would include both) and managing energy efficiency of transportation?
Cable & Satellite	Energy Management & Vehicle	Material Issue?	Corporation	Yes	http://twccorporateresponsibility.com/transportation.html



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
	Efficiency				
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Market Participant	Yes	Net Neutrality is becoming more of an issue now.
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Public Interest & Intermediaries	Yes	Customer trust is critical for long-term sustainability. Cable and satellite companies are notorious for providing opaque pricing choices for consumers.
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Market Participant	Maybe	Pricing transparency destroys shareholder value.
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Corporation	Maybe	Legal and regulatory fines and settlements are already reported in a public company 10-K.
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Market Participant	Yes	Pricing is a critical input for estimating future market share. Marketing / promotions are increasing in importance as alternative sources of content become available to cable and satellite subscribers.
Cable & Satellite	Pricing Transparency & Fair	Material Issue?	Corporation	No	We generally only do business with companies within the US and our programming terms are confidential so as not to give away info. to our competitors.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
	Marketing				
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Corporation	Yes	These seem critical to customers in that pricing is an extremely hot topic for people who purchase television and other cable services.
Cable & Satellite	Pricing Transparency & Fair Marketing	Material Issue?	Public Interest & Intermediaries	Yes	In entertainment, pricing is everything. This is why we often see showdowns between the cable companies and owners of local network channels. With the entry into the market of Aereo, Netflix, Hulu and others, this has become accentuated. In a price-driven industry, price will always be material.
Cable & Satellite	Product Stewardship	Material Issue?	Market Participant	No	The companies do take product stewardship seriously. Here is comcast on their stand on product stewardship. http://corporate.comcast.com/csr2012/deepening-trust-through-stewardship However, i think this is a question for content makers rather than cable industry.
Cable & Satellite	Product Stewardship	Material Issue?	Public Interest & Intermediaries	Maybe	Perhaps it's my background, but I don't see the set-top box as a material product stewardship issue. My sense is that the market will become more competitive with third-party providers.
Cable & Satellite	Product Stewardship	Material Issue?	Market Participant	No	Brand recognition / reputation are important because cable companies are generally disliked, and as a result, their customers are more likely to try using alternatives to view content.
Cable & Satellite	Product Stewardship	Material Issue?	Corporation	No	We provide services.
Cable & Satellite	Product Stewardship	Material Issue?	Corporation	Maybe	I don't see the cost to the MSO as being something worthy of materiality. Although there is an envtl impact, I don't see the impact to the balance sheet. Seems like an off-balance sheet cost.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Cable & Satellite	Product Stewardship	Material Issue?	Public Interest & Intermediaries	No	Energy efficiency of hardwired devices, such as cable modems and set top boxes is not an issue that garners a lot of attention from customers and key stakeholders. The footprint of the industry, even when taking its fleet into consideration, is very small in comparison to other industries. While the providers determine the STBs and modems, the energy usage of these devices is not a burning issue, not even to an aggressive and proactive US Energy Department (see: http://www.forbes.com/sites/jeffmcmahon/2014/02/14/another-way-cable-companies-are-ripping-you-off-according-to-steven-chu/)
Cable & Satellite	Product Stewardship	Material Issue?	Market Participant	Yes	file:///C:/Users/jgorte/Downloads/A_Compelling_Global_Resource.pdf
Cable & Satellite	Product Stewardship	Material Issue?	Corporation	Yes	Even though MSOs don't manufacture set top boxes, they are held accountable for their disproportionate energy usage. The industry recognizes the financial, reputational, environmental consequences of the status quo when it comes to set top boxes and has taken steps in the right direction. http://www.nytimes.com/2013/12/24/business/media/agreement-reached-to-cut-power-use-by-cable-devices.html?_r=0
Casinos & Gambling	Business Ethics and Payments Transparency	Material Issue?	Corporation	Maybe	Lack of quantitative metrics
Casinos & Gambling	Business Ethics and Payments Transparency	Material Issue?	Corporation	Yes	Business Ethics are material since one can lose their gaming license if there is evidence of non-compliance with FCPA or other regulatory requirements related to how business is conducted and the relationships maintained. http://www.reviewjournal.com/columns-blogs/inside-gaming/caesars-entertainments-terrible-horrible-no-good-and-very-bad-weekend http://www.masslive.com/news/boston/index.ssf/2013/10/massachusetts_gaming_commissio_1.html However, the challenge for payments transparency is that the 10k (and its referenced appendices) should not effectively become a list of who was paid what amounts.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Casinos & Gambling	Business Ethics and Payments Transparency	Material Issue?	Public Interest & Intermediaries	Yes	The adverse effects of a company not properly monitoring its business ethics and payments transparency include likely regulatory proceedings and legal investigations, the results of which may be fines, or restriction of current licenses.
Casinos & Gambling	Community Relations	Material Issue?	Corporation	Maybe	Disclosing fines only provides a skewed view of company's community relations. Other metrics should be considered, such as philanthropic donations, etc.
Casinos & Gambling	Community Relations	Material Issue?	Public Interest & Intermediaries	Yes	Effective community relations are essential for social license to operate and grow.
Casinos & Gambling	Community Relations	Material Issue?	Corporation	Maybe	Government and community relations are important considerations; however, what would be reported since both are not readily quantifiable and comparable. What spend falls under community relations and what does it provide a shareholder/investor? http://www.reverejournal.com/2014/03/05/gaming-repeal-ballot-question-looms-at-sjc/ http://www.masslive.com/politics/index.ssf/2014/02/massachusetts_gaming_commissio_20.html http://www.unionleader.com/article/20140309/NEWS0604/140309259
Casinos & Gambling	Community Relations	Material Issue?	Public Interest & Intermediaries	Maybe	these soft issues are being reported based on subjective data not objective data
Casinos & Gambling	Community Relations	Material Issue?	Public Interest & Intermediaries	Yes	Community relations are important for the future expansion and growth of the industry. Those companies in the industry who are able to address the issues associated with community relations are able to operate with fewer concerns of license suspensions or project delays.
Casinos & Gambling	Community Relations	Material Issue?	Public Interest & Intermediaries	Yes	Casinos bring in a lot of revenue and the business should be a supporter of the community



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Casinos & Gambling	Does not apply	Add Issue	Public Interest & Intermediaries	Problem gambling prevention and treatment	In addition to doing everything possible to ensure its products are designed, marketed and distributed in a responsible fashion, gambling companies should invest in problem gambling prevention and treatment programs. They need to fund organizations and campaigns which are dealing with the negative downstream impacts of their products.
Casinos & Gambling	Does not apply	Add Issue	Public Interest & Intermediaries	Employee engagement [EMPLOYEE RECRUITMENT, DEVELOPMENT AND RETENTION]	These companies need to invest in employee engagement measures or they will risk not being able to attract and keep talent due to the fact that the product has a negative social stigma.
Casinos & Gambling	Does not apply	Add Issue	Public Interest & Intermediaries	Public contributions [REGULATORY CAPTURE] + [COMMUNITY ENGAGEMENT]	Gambling companies need to measure, manage and optimize their "public contributions" including funding to government agencies, local economic development, contribution to hospitality, entertainment and tourism industries, as they need to maintain public support for their operations. This includes paying "fair share" of taxes.
Casinos & Gambling	Does not apply	Add Issue	Corporation	Smoking Issue [CUSTOMER HEALTH AND SAFETY] + [EMPLOYEE HEALTH AND SAFETY]	Smoke issue has drawn a lot of attention because it directly affect the casino employee and guests' health. Some jurisdiction's new regulation on smoking restriction will cause companies additional cost to make changes to meet the regulatory requirements.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Casinos & Gambling	Does not apply	Add Issue	Corporation	Conditions of work and social protection [EMPLOYEE DIVERSITY & INCLUSION] + [FAIR LABOR PRACTICES]	Activities at significant risk of breaching terms and conditions in International Labour Law, of not providing equal opportunity for a diverse workforce (i.e. gender, age, ethnicity, disability and other indicators of diversity), of not respecting rights to exercise freedom of association and collective bargaining and of the use of abusive labour practices such as forced, compulsory or child labour concerning contracted labour, volunteers and the supply chain.
Casinos & Gambling	Does not apply	Add Issue	Corporation	Economic performance [COMMUNITY ENGAGEMENT]	Direct economic value generated and distributed, including revenues, operating costs, donations and other community investments.
Casinos & Gambling	Does not apply	Add Issue	Corporation	Sourcing and procurement of products and services [SUPPLY CHAIN MANAGEMENT]	Sustainable supply chain management
Casinos & Gambling	Does not apply	Add Issue	Public Interest & Intermediaries	Labor relations [EMPLOYEE DIVERSITY & INCLUSION] + [FAIR LABOR CONDITIONS] + [SUPPLY CHAIN MANGEMENT]	This issue could include health and wellness, unions, and diversity & inclusion of employees. Caesars has included some of these topics in it's GRI G4 report, which we are attaching below for your reference. Additionally a MGM shareholder proposal around human trafficking/forced labor in the supply chain recently came to our attention, which we have included the link to below.
Casinos & Gambling	Does not apply	Comment on Brief	Corporation	DNA - Comment on Brief	I was not able to open the sharefile link.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Casinos & Gambling	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	The brief looks like it was written by someone who doesn't like the gaming industry at all. It was not balanced. There is also a gross misunderstanding of what voluntary and mandatory Responsible Gaming policies and programs are, how it works, and how the regulatory environment requires such legal compliance.
Casinos & Gambling	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	I would contemplate Responsible Gaming as low risk and Promotions/Credit as medium risk.
Casinos & Gambling	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [RESPONSIBLE GAMBLING] + [DATA PRIVACY - EMERGING] [WASTE MANAGEMENT]	Are you aware of the World Lottery Association RG standards? They should be a gambling operators should report on the level achieved, measures underway to advance to the next level or explain why they choose not to adhere to the industry standards. I didn't elevate privacy as a material issue, but in a few years, gambling operators are likely to have account based customer cards, for customer engagement, loyalty programs, RG messaging, etc. and this will create a privacy issue. As well, I think waste management will grow as an issue with landfills closing, organics bans, etc.
Casinos & Gambling	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	thought it was put together very well and will help investors to make informed decisions about where(with in)the industry to put their money. I think that the greatest opportunity exists in the areas of efficiency and generation(energy/water).
Casinos & Gambling	Does not apply	Other Comment	Corporation	DNA - Other Comments	Having been the first company to establish Responsible Gaming policies and programs 25 years ago, which the gaming association followed 10 years later, we continue to have a leading program with outside experts and reseachers. We will be happy to provide additional advice and feedback on the RG section concerns.
Casinos & Gambling	Does not apply	Other Comment	Corporation	DNA - Other Comments	Please continue to engage your global stakeholders as you develop this system.
Casinos &	Does not apply	Other	Market	DNA - Other	The Research Briefing is accurate, comprehensive, relevant, forward-looking and very well written. I am



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Gambling		Comment	Participant	Comments	most satisfied with the SASB IWG Process.
Casinos & Gambling	Does not apply	Other Comment	Market Participant	DNA - Other Comments [RESPONSIBLE GAMBLING] + [COMMUNITY ENGAGEMENT]	I thought you all provided a strong overview. I would, however, broaden it to include more information on underage gamers as there was very little on this topic. This may be a littl off topic, but you may also want to include an explanation of why tribes have casinos and how this has helped many tribes with a way out to address poverty on the reservation and to support members, in ways that they were unable to do so before.
Casinos & Gambling	Regulatory Capture and Political Influence	Material Issue?	Corporation	Maybe	Many organizations may feel that disclosing this information will negatively impact their public image.
Casinos & Gambling	Regulatory Capture and Political Influence	Material Issue?	Corporation	Yes	Highly competitive markets and gaming is highly politically connected.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Casinos & Gambling	Regulatory Capture and Political Influence	Material Issue?	Corporation	Yes	In stable environments, such as Nevada, the fight to prevent additional taxes on gaming occurs; however, there seems to be an understanding that you do not kill the goose that laid the golden egg. While the State continues to look for additional tax dollars, it rarely is proposed and passed in at least one House to increase the gaming tax. In other states, however, depending on who is in office, the tax rate is likely to increase, the number of casinos is likely to change, and the dollars spent to support or oppose these items can be significant. In Nebraska, Warren Buffett is a significant opponent of gambling; whereas Sheldon Adelson spent significant dollars in an attempt to legalize gambling. http://www.followthemoney.org/press/PrintReportView.phtml?r=364 http://casinowatch.org/commentary/buffett_on_gambling.html http://finance.yahoo.com/news/neb-casino-gambling-measure-opposed-154918799.html http://agrinews-pubs.com/Content/News/MoneyNews/Article/Casino-expansion-proposed-in-Illinois/8/27/9941 That said, while some of the contributions are large; lobbyist spend generally is not significant to the income statement. It would be a material consideration to “people” but not necessarily to the shareholder. This may lead the 10k to become a document that discloses random interesting information, which is not its intent.
Casinos & Gambling	Regulatory Capture and Political Influence	Material Issue?	Public Interest & Intermediaries	Yes	to better understand the climate over the next 5-10 years
Casinos & Gambling	Regulatory Capture and Political Influence	Material Issue?	Public Interest & Intermediaries	Yes	The relationship between the industry and regulators consists of both short and long-term risks, with the greatest risk being a company’s loss of social license to operate. As increases in legislative activities continue to be adopted the industry may face additional regulations and have the ability to adapt.
Casinos & Gambling	Resource Efficiency	Material Issue?	Corporation	Yes	Resource efficiency directly relates to the bottom line and company savings.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Casinos & Gambling	Resource Efficiency	Material Issue?	Corporation	Maybe	Resource Efficiency is a material issue. As one example, in Nevada, NV Energy produces 67 percent of its electricity from natural gas. http://www.eia.gov/state/?sid=NV When natural gas prices increase, NV Energy natural gas costs and hence electricity costs, increase significantly. http://energy.nv.gov/uploadedFiles/energynvgov/content/Documents/Meetings/New_Energy_ITF/2012-09-19_NEITFpresentation.pdf and https://www.nvenergy.com/company/energytopics/where.cfm As coal-fired plants are taken off line, the capital costs of utilities will increase and thus be passed on to the customers. In some states, such as Nevada, the large commercial customers subsidize the residential customers. http://www.lasvegassun.com/news/2011/dec/21/residential-power-rates-rising-10-11-percent-after/ As resources become more scarce, the risk of price volatility will increase. However, how does one make efficiency comparable? What would be disclosed and how could it be comparable?
Casinos & Gambling	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	operating costs impact profitability
Casinos & Gambling	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	The industry is highly dependent on energy and water for maintaining business (lighting, water heading, landscaping, etc), and the improvements taken to generate energy and water savings provide positive results from a financial perspective through operating and cash flow results, as well as improvements in public brand and reputation.
Casinos & Gambling	Resource Efficiency	Material Issue?	Market Participant	Yes	This i
Casinos & Gambling	Responsible Gambling	Material Issue?	Corporation	Maybe	Responsible gaming is regulated in many jurisdictions and also considered a best practice, therefore, I don't believe it provides much differentiation for the investor.
Casinos &	Responsible	Material	Corporation	Yes	Shows a company's commitment to social awareness.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Gambling	Gambling	Issue?			
Casinos & Gambling	Responsible Gambling	Material Issue?	Public Interest & Intermediaries	Yes	Gambling can result in problem and pathological gambling having a detrimental effect on individuals, families and communities. Companies need to do due diligence in ensuring proper design, marketing and delivery of gambling products and use technology to ensure voluntary exclusion programs are effective. Failure to have effective RG measures will limit social license to operate and grow and could create reputational and brand risks for companies.
Casinos & Gambling	Responsible Gambling	Material Issue?	Corporation	No	Our commitment to Responsible Gaming is material; however, how can it be defined for investors within the 10k?
Casinos & Gambling	Responsible Gambling	Material Issue?	Public Interest & Intermediaries	Yes	The public pressure around casinos and the gambling industry for its perceived problem in individuals' gambling addictions creates an ongoing issue for the industry. Not only do lawsuits cause a financial burden for companies, but any other violations (ignoring self-exclusion lists, gambling by minors, etc) are offenses which can lead to reputation damages.
Casinos & Gambling	Responsible Gambling	Material Issue?	Public Interest & Intermediaries	Yes	Gaming should be an entertainment experience and the industry should be held accountable for addictions or problems that come from gaming
Cruise Lines	Accident & Safety Management	Material Issue?	Corporation	Maybe	Major incidents can have a material impact on a company, but disclosure would only be appropriate in capturing the impact of an incident on a company's financial performance.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Cruise Lines	Accident & Safety Management	Material Issue?	Corporation	Yes	The safety of Carnival's guests and crew is of paramount importance, and we are constantly updating our safety standards by employing the latest training procedures, knowledge, best management practices and technologies. Carnival's safety principles include maintaining compliance with international ship safety standards; employing state-of-the-art technology in ship design, staffing and operation; conducting rigorous staff safety training and proficiency drills; utilizing a variety of guest communication methods; administering ongoing ship and training inspections; and conducting ongoing equipment maintenance.
Cruise Lines	Accident & Safety Management	Material Issue?	Market Participant	Yes	good job here; well-covered in news too.
Cruise Lines	Accident & Safety Management	Material Issue?	Corporation	Yes	Basic license to do business http://sociallicense.com/
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Corporation	Yes	Fuel prices are a significant business cost and will continue to be in the foreseeable future. Companies are using varied approaches to address rising costs and increasing regulation; these approaches create different risk profiles for companies.
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Corporation	Yes	Many cruise lines have diverse global operations. Therefore they need to be committed to finding ways to continually reduce the environmental impacts from cruise ship operations. This should be based on the understanding and commitment to acting as a global corporate citizen who is dependent on the health of the world's oceans. Establishing and striving to achieve benchmarks in terms of climate and environmental protection, and exceeding regulatory mandates is simply the right thing to do.
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Market Participant	Yes	Brief does a good job outlining significance here; but could talk more more about dangers of idling cruise ships in port--see link http://www.foe.org/news/archives/2013-12-air-samples-at-cruise-ship-docks-worldwide-find-dangerous-soot-lvls



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Corporation	Yes	Pls google EEDI and SEEMP.
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Market Participant	Yes	How a cruise company manages its fuel consumption and emissions directly affects its bottom line. Furthermore, the strengthening of environmental regulations can also impact a company's operations in the future. Companies that are able to manage this issue well will have a competitive advantage.
Cruise Lines	Air Emissions & Fuel Management	Material Issue?	Corporation	Yes	Leadership in conservation of resources with variable - and volatile - costs
Cruise Lines	Community Relations	Material Issue?	Market Participant	Maybe	For this sector, there might be an overlap between ecological impact and community relations. Given the flexibility of cruise lines, community relations i.e. to retain a license to operate are less relevant than for the tourism industry with "fixed" locations i.e. hotels.
Cruise Lines	Community Relations	Material Issue?	Corporation	No	These impacts are not easily comparable between companies, and materiality would depend on specific circumstances.
Cruise Lines	Community Relations	Material Issue?	Corporation	Yes	While Carnival has changed over the years, our commitment to serving the community has remained constant. Our founder, the late Ted Arison, strongly believed in the importance of giving back and that philosophy was ingrained in our Corporate culture early on. We recognize the inextricable link between the health of our business and the vitality and sustainability of our communities, both in our homeports and in the destinations that our ships regularly visit throughout the world. We understand that there may be some impact on sustainability when we engage with, operate in, or cease operating in a community. We continually strive to contribute in a positive social and economic manner to our communities, working in conjunction with local governments, trade associations, tourism organizations and other community stakeholders.
Cruise Lines	Community	Material	Market	Yes	Good coverage



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
	Relations	Issue?	Participant		
Cruise Lines	Community Relations	Material Issue?	Market Participant	Maybe	Community relations are relevant to cruise line companies, however they are not material as other issues given the limited impact they have on the operations of the company. While protests by community groups at ports have occurred in the past, cruise line companies have a number of other ports as options and can find other work arounds.
Cruise Lines	Community Relations	Material Issue?	Corporation	Yes	Basic license to do business http://sociallicense.com/
Cruise Lines	Does not apply	Add Issue	Public Interest & Intermediaries	Climate change related weather disruption [IMPACTS FROM CLIMATE CHANGE]	The Cruise Line Industry could be specifically impacted by weather related events connected to climate change.
Cruise Lines	Does not apply	Add Issue	Market Participant	Water Usage [WATER MANAGEMENT]	All industries (but particularly those that are energy intensive) should have to disclose their annual water usage. While I know most cruise ships use sea water and desalinate, since water and energy are so integrally tied together, I felt it should be noted as something to look out for.
Cruise Lines	Does not apply	Add Issue	Corporation	Corporate Governance [BOARD STRUCTURE]	Transparency on the governance structure of a cruise line and the composition of the organization is important to ensure the accountability of the relevant bodies and individuals. Governance disclosures should describe how the company's highest governance body is established and structured in support of the organization's purpose, and how this purpose relates to economic, environmental and social dimensions.
Cruise Lines	Does not apply	Add Issue	Public Interest & Intermediaries	Climate change [IMPACTS FROM CLIMATE CHANGE]	The threats to business interests (mostly tourism) and human health (dengue spread, malaria, cholera etc.) are material. There are concerns about site-specific conservation and protection of human infrastructure (including cruise ship piers).



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cruise Lines	Does not apply	Add Issue	Corporation	Public Health and Medical	The SASB Passenger Safety issue makes reference to some aspects that should be included separately into the Public Health and Medical materiality issue. It is important for both crew and guests. Companies must maintain public health policies, adhering multiple global standards, procedures and inspection criteria. Vessels must also maintain adequate medical facilities, equipped using –at a minimum- the standards set forth by the American College of Emergency Physicians’ Cruise Ship & Maritime Medicine Section. In addition, we provide our crew members with ongoing health and wellness programs and services to ensure that they remain in good health throughout their employment with RCL.
Cruise Lines	Does not apply	Add Issue	Corporation	Ecological impacts	Ecological impact includes several various material sustainability issues. Commonly thought, is that the greatest material sustainability issue currently is air emissions and fuel management



Cruise Lines	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	<p>Very well written brief. However, I would make a few points (add some things). First, there is a discrepancy between pg. 1 figure of 11.8 million estimated total cruise passengers in North America, and then later on pg. 6 first paragraph when it says 17 million. **Now, please note, I know your analyst did not make a mistake here; the references (I checked them) back up both numbers. However, they both can't be correct and it's not just because it may be for different years (i.e., 2012 vs 2013). What's happening here is that the industry association (CLIA) made either a mistake (or more likely a huge forecast, based on aggregating company forecasts, that didn't come to fruition. If you go back to their Jan 2012 update, they say the NA market is 69% of the 16.365mm passenger total, so ~ 11.3mm estimated for ye2011. Then, at Jan 2013, they break out the NA market (see pg. 8) at 17.2mm for ye2012 and forecast of 17.6mm for 2013. What people will think is that they mixed up NA and global figures here, but they provide their global forecasts of 20.3mm and 20.97mm for 2012yr end and 2013 forecast. So, there's no mix-up here. Then, with their Jan 2014 presentation, they don't break out NA except by visualizing in chart, and it looks like 2012 was actually around 11.5mm and 2013 estimated around 11.8mm, with global looking like if you guess the pictures at 21.25mm or so. The links will be provided below for all of these presentations. Market size, growth, etc. is very important--not only to financial metrics, but to SASB metrics as well. When mature industries begin to slow down, their only way to make money is to cut costs--particularly when there is so much capacity being put on. This could be why it feels like we are seeing an uptick in safety incidents and problems here (not just the big ones the papers pick up either, but power outages, unreported incidents, break-downs, cruise cancellations--I had a problem in March 2012 when Princess canceled a cruise a week before knowing they couldn't replace a part for three/four weeks! This resulted in three cruises (with just this ship) being canceled. I know this because customer service was overloaded for months with all of the issues they said they had to deal with. And it does feel like there are more food issues, more employee dissatisfaction things, etc.--all of which are more likely as business slows, and some companies may cut costs anyway they can. This is why SASB metrics in terms of accidents, passenger safety, human capital, and the environment, are all going to become hugely important here, particularly given what may become an overcapacity situation at some point. So, I would do the following: a)Put in a chart of just how many ships have been added recently, and all the ones yet to come online (you can find all this info in the presentations below); now, your capacity and available berth metrics WILL catch this. But that's a real lagging indicator because what they likely do (already) to bump up utilization/activity ratios is to discount fares dramatically. Unfortunately, the way to make up the revenue shortfall may be seen in compromising food quality, employee wages, benefits, environmental care/ remedies. This isn't specific to the cruise industry--this would likely apply to most maturing industries. The reason for the suggestion is that some companies will say it is too arduous/costly to provide this, but the liability if passenger safety, service</p>
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					<p>quality, or the destination environment is compromised is huge here (and could have big implications for companies and investors). The key here is to get big players like Disney, Royal Caribbean, and Carnival to sign on--but also, make them commit ALL of their subsidiaries to the metrics. With, Carnival, you have your work cut out for you though because it is so many diverse companies (who, oddly enough, have a lot of disparity even among their individual ships). If you revisit the report card that FOE puts out and look up individual ships for some operators, you'll see one ship gets As, and another gets Fs (within the same company. So, my recommendation would be to do the following: a) Strike the reference on pg. 6 of 17mm; b) Mention that growth has been ok (not what they were thinking back in 2010-2011; use recent chart from CLIA; c)put in capacity/ships/berthcoming online; and d)Reiterate how potential for cost cutting here has the potential to result in more incidents if certain metrics not monitored which could impact companies/investors significantly. I think the difference between what they are already reporting, and what you want them to do at SASB (and the SEC) is to provide investors/everyone with more leading indicators that point to where risks are likely to be (so corrective action can be taken proactively at the company level, and so investors /everyone has better information upon which to base decisions. **Also, my understanding is that the average age of passengers has come down significantly in recent years. While it varies by line, you hear 46 yrs old as a number more often these days (because it used to be only retirees had time to travel, but with shorter cruises, more lines, etc, not the case anymore).</p>
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Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Cruise Lines	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	<p>1. Inaccurate statement on p.2, "The requirements for U.S. flagged vessels are among the strictest". This is simply untrue. All flags work to the same IMO requirements, including the US.</p> <p>2. Statement on p.4, middle, "The EPA and U.S. Coast Guard agreed to jointly enforce..." does not belong here. This section is all about the regulations themselves, and not about how they are enforced. There are a myriad of enforcement mechanisms around the world beyond what the US does.</p> <p>3. Page 12, Seabourn Spirit's Captain was Sven Erik Pedersen (not Mike Rogers). The RPG that landed on Spirit did not actually explode. Mike Rogers was a passenger on board (see: http://www.cnn.com/2005/WORLD/africa/11/05/somalia.pirates/).</p>
Cruise Lines	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	At some point it was referred to that only the US flagged vessel is subject to federal legislation. That is incorrect. Also, it was stated at some point that MARPOL referres to grey water. MARPOL does not refer to grey water, only sewage.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cruise Lines	Does not apply	Other Comment	Corporation	DNA - Other Comments	<p>Materiality in all cases depends on the specific circumstances presented, including the nature of the issuer’s business, the importance of a line of business to the issuer as a whole, the specific issues presented within a category, the likelihood of specific facts arising, the likely significance of the impact of specific facts in light of the issuer’s specific circumstances, the mitigating activities that the issuer can take, and the time frame over which a set of circumstances is likely to arise. Therefore, any of the issues set forth in question 1 may or may not be material in the specific circumstances in which they would arise. In the context of our company, we do not expect that any of the identified issues listed in question 1 would be material. Designations of ‘material’ or ‘material with substantial reservations’ in question 1 indicate a belief that this issue may be material for a specific, stand-alone company within the leisure facilities industry, given the factors of likelihood, significance of impact, mitigating activities, and the time frame under which a set of circumstances is likely to arise, as mentioned above. In addition, finding an appropriate and comparable metric for the issues listed in this industry would be very challenging. Absolute numbers can provide a means to track performance of a specific company over time, but comparability would be aided by having a common denominator. Finding an appropriate denominator, and ensuring that it is calculated consistently, would also be challenging and could lead to the publication of confusing or misleading data. One additional question to be considered is the context in which accounting metrics should be presented (to the extent they are appropriate to be included). We believe that many of the metrics would be most useful in the context of existing risk factor disclosure rather than as standalone data. If the data are included in the risk factors, issuers will have a clearer basis for evaluating the need for the disclosure and investors will be able to use the metrics to evaluate the likelihood and magnitude of the risks.</p>



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Cruise Lines	Does not apply	Other Comment	Market Participant	DNA - Other Comments	I think what SASB is doing is extremely important. I have worked with so many CDP, sustainability reports, and have done sustainability assessments and GRI types of analyses myself--none of what's out there goes far or is specific enough. I would love to help in any way. Also, in support of what you are doing, you might stress the following (why I think cruises, leisure, hotels, vacations could become a major example/candidate for SASB metrics): When people are on vacation, they are VERY unforgiving. Vacation/leisure companies are held to a much higher standard in terms of non-financial metrics. So, it behooves every one of them (as an industry) to cooperate. It's not like if you go to a Walmart and buy something that breaks, you return it for a new one. People get vacation time once, twice a year. So, regardless of the price paid, they look forward and value their vacations significantly (because it's memories/can't be replaced). So, these non-financial indicators matter A LOT more to the viability and long-term profitability of a leisure or entertainment business. I had a difficult time ranking the different areas here, because they all matter! So, good luck--it will be a trek, but is much needed by all!
Cruise Lines	Does not apply	Other Comment	Corporation	DNA - Other Comments	We look forward to further discussion and development of these ideas in the working group.
Cruise Lines	Does not apply	Other Comment	Corporation	DNA - Other Comments	I'm not american, so some of the questions are difficult to answer (K-10, F-20) and also there is references made to accident investigation of US passengers. Also the other nationalities accidents are investigated.
Cruise Lines	Ecological Impacts	Material Issue?	Corporation	No	This is a regulated issue without large variance between companies. Technology is largely already addressing these impacts, and materiality would depend on specific circumstances.
Cruise Lines	Ecological Impacts	Material Issue?	Corporation	Yes	Cruise lines should be wholeheartedly committed to protecting the environment, including the marine environment in which their vessels sail and the communities in which they operate, and always striving to prevent adverse environmental consequences and use resources efficiently and sustainably.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Cruise Lines	Ecological Impacts	Material Issue?	Market Participant	Yes	See link to cruise ship report card ranking below. Very hot issue here because if you destroy places you're trying to see (something kind of unique or more extensive in nature to cruise lines), you are killing your business. http://www.foe.org/cruise-report-card
Cruise Lines	Ecological Impacts	Material Issue?	Market Participant	Maybe	Ecological impacts are an issue for cruise line companies however I do not believe they are material at the moment. While cruise lines rely on the natural environment as tourist attractions, fine and consequences to violating environmental regulations are not at the level where it would seriously harm a company's revenue generation. Their reputation may be slightly affected but we have not seen cruise lines pay the price for misconduct.
Cruise Lines	Ecological Impacts	Material Issue?	Corporation	Yes	Basic license to do business http://sociallicense.com/
Cruise Lines	Fair Labor Practices	Material Issue?	Corporation	No	This is a regulated issue, and materiality would depend on specific circumstances.
Cruise Lines	Fair Labor Practices	Material Issue?	Corporation	Yes	Carnival is a diverse organization. Each of our Operating Lines has their own unique culture based on their headquarters location, guests served and the diversity of their employees. We value this diversity of people and thought. We recognize that maintaining a diverse workforce promotes an open, tolerant and positive work environment where everyone's different talents and strengths can be utilized. We work to attract, motivate, develop and retain the best talent from the diversity the world offers. We believe that our ability to be competitive and to thrive globally depends on it. In addition, cruise ship crewmember live and work on board their ships for many months at a time, making it even more important for management to pay attention to their living and working conditions. Also, there is a broad range of international regulations that govern the labor aspects of the maritime industry.
Cruise Lines	Fair Labor Practices	Material Issue?	Market Participant	Yes	I think this was under-covered in brief. Cruise employees are a HUGE part of the overall customer experience. From personal experience with many, many cruise vacations, the top lines are "top" because they take care of their employees and they are happy.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Cruise Lines	Fair Labor Practices	Material Issue?	Market Participant	Yes	Fair Labor Practices are very important since the companies are service companies are rely heavily on its employees to provide an enjoyable customer experience. Cruise line companies have been notorious for hiring people from countries where they can pay low wages among other more lax labour laws. Employees should be treated fairly, which will increase the morale and productivity of of the work force which can be a differentiating factor and competitive advantage for a company overall.
Cruise Lines	Fair Labor Practices	Material Issue?	Corporation	Yes	Chnaging economic patterns control labor sourcing. Economic stability is tied to labor costs.
Cruise Lines	Passenger Safety	Material Issue?	Corporation	No	This is a regulated issue, and is not easily comparable between companies.
Cruise Lines	Passenger Safety	Material Issue?	Corporation	Yes	Cruise lines should be highly committed to the values of protecting the health, safety and security of their passengers, guests, employees and all others working on their behalf, thereby promoting an organization that always strives to be free of injuries, illness and loss.
Cruise Lines	Passenger Safety	Material Issue?	Market Participant	Yes	Heavily dependent upon the employees (as gateway), this may become a bigger issue if industry slows down (and cruise industry tries to save money by cutting employee training, benefits, and ship repairs). More attacks on cruise ships than you might think (just in last couple of weeks). http://www.wsvn.com/story/24833450/new-details-revealed-in-rape-beating-on-board-cruise-ship and http://www.cruise critic.com/news/news.cfm?ID=5733
Cruise Lines	Passenger Safety	Material Issue?	Market Participant	Yes	Passenger safety is of the utmost importance because a loss in confidence on safety issues will lead to fewer customers and ultimately affect the comapny's revenue. Passenger safety is an element of the service cruise line companies provide. If they cannot provide this their whole business will be at risk. We have seen a number of examples of incidents where passenger safety has been compromised, e.g. the sinking of the Costa Cruises ship off the coast of Italy.
Cruise Lines	Passenger Safety	Material Issue?	Corporation	Yes	Consumer confidence in the industry



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Education	Does not apply	Add Issue	Market Participant	Admission Costs / Student Funding / Return of Education	Admission Costs / Student Funding / Return of Education --> In the end education must offer a good return on investment for the student, that should be captured and comparable to other Education Provider
Education	Does not apply	Add Issue	Public Interest & Intermediaries	Regulatory Compliance [EDUCATION RETURN ON INVESTMENT / GAINFUL EMPLOYMENT]	Neither of the two proposed issues truly emphasize or contain metrics related to compliance with local/state/federal/international regulations that could have a material impact on the current operating structure of a for-profit institution. Also, there are no metrics of potential financial impacts related to not complying with existing or pending regulations, such as pay-as-you-go. Granted, the pay-as-you-go is further out on the horizon. For regulations expected to have an impact sooner than later, such as the Gainful Employment Rule, it may be better to move the impacts from Quality of Education into a new material issue of Regulatory Compliance. This will highlight that the regulatory landscape matters, which currently isn't noted in the metrics, and will align better with certain existing MD&A disclosure already being made by for-profits such as Strayer (see pg. 17 in link #1 provided). Also, for the Gainful Employment, a new proposal is expected to be published in the Federal Register on March 25, 2015 and open to comments once it is (see link #2 provided). Although there is a metric addressing Gainful Employment Rule measures in the Brief, consider aligning these metrics with the new proposal as some of the thresholds have changed. For example, two measures are put forth under the new proposed rule: debt-to-earnings (D/E) rates and the program cohort default rate (pCDR). Lastly, consider aligning Transparent Marketing language with the revised Transparency Framework in new proposed Gainful Employment Rule.
Education	Does not apply	Add Issue	Public Interest & Intermediaries	Loss of Accreditation [QUALITY OF EDUCATION]	While there is mention made regarding the potential loss of accreditation in the Quality of Education section, the risks of 1. not being accredited and 2. losing accreditation do not appear to be adequately addressed. Case in point, there is no metric related to accreditation. I was unable to find data on the financial impacts of not being accredited or losing accreditation, but recommend seeing if sources are available. Metrics highlighting accreditation will reinforce the importance of accreditation for consumers in selecting a school and can point out that accreditation is voluntary – something many people may not know.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Education	Does not apply	Add Issue	Market Participant	Financial Responsibility Ratio calculation	The Department of Education relies on a Financial Responsibility Ratio for determining Title IV eligibility. Companies disclose their calculation but not the inputs and assumptions.
Education	Does not apply	Add Issue	Market Participant	Enrollment Definition	I believe there should be a standard basis for defining and reporting enrollment.
Education	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	Lack of nuanced understanding of industry in terms of types of programs, students, accreditation requirements. Lack of appreciation of complexity.
Education	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	This was a straightforward process and easy to complete.
Education	Does not apply	Other Comment	Market Participant	DNA - Other Comments	Proposed accounting standards appear to reflect biased view of industry practices and values and duplicate the work of accreditors and the Department of Education in a manner that would be reductive and add to confusion. Standards should be less ambitious and more precise. A common definition of an enrolled student would be an excellent place to start and is not addressed in the proposed standards. Not the job of SASB to address what it may perceive as reforms needed in industry. Effort is misguided and lacks nuanced understanding of industry practices.
Education	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	You may want to also look at the percentatge of graduates who can maintian employment. This will show not only can they get the job but were they prepared for the job.
Education	Quality of Education	Material issue?	Market Participant	No	The systemic aspects are material, nought else
Education	Quality of Education	Material issue?	Public Interest &	Yes	The Quality of education is huge, the entity must ensure that the are doing what is best for the students.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
			Intermediaries		
Education	Quality of Education	Material issue?	Market Participant	Yes	http://www.sciencedirect.com/science/article/pii/S0883902609000998 http://www.sciencedirect.com/science/article/pii/S0883902609001232 http://www.ncbi.nlm.nih.gov/pubmed/21244126
Education	Transparent Marketing Practices	Material issue?	Market Participant	No	Transparency is never a material issue
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	Yes	Direct impact on business planning
Hotels & Lodging	Competitive behavior	Material Issue?	Market Participant	Maybe	I am not sure what it means!
Hotels & Lodging	Competitive behavior	Material Issue?	Corporation	Maybe	It is a material issue but I am not sure it should be considered under sustainability reporting
Hotels & Lodging	Competitive behavior	Material Issue?	Corporation	Maybe	This category is way too broad and has too many nuances. It is also already regulated.
Hotels & Lodging	Competitive behavior	Material Issue?	Corporation	Maybe	There were lawsuit cases in the US related to anti-competitive behaviour on price fixing. However, it is not a prevalent issue for the industry. Instead, bribery and corruption is a greater risk to hotel and lodging companies' corporate governance and is of much greater concern to stakeholders. This is confirmed in the materiality matrix that we developed through a process of risk assessment and stakeholder engagement: http://www.hshgroup.com/en/~/_media/Files/HSHGroup/Corporate_Social_Responsibility/Sustainability_Reports/Sustainability_Report_2012.ashx



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Competitive behavior	Material Issue?	Market Participant	Yes	Thought maybe this was even overdone a little; competition is a big deal for this industry. However, unless it's collusion or other inappropriate behavior, it's not like anyone (small operators) should be guaranteed a business. If one operator has scale and better agreements with partners (versus a newcomer), this is not a sustainability issue. Bad/unfair business practices is another issue.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	Maybe	o Need to distinguish what is under the boundary of the OTAs versus the hotel companies. Also price fixing is highly subjective in service industries, since it is usually the opposite of undercutting the market (price gauging), need to ensure that lawsuits are not frivolous, and whether it will actually affect investor decisions.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	Yes	See CREST previous page. http://www.responsibletravel.org/resources/documents/reports/Crest_RTI_TrendStats_email1_4%20%282_Small%29.pdf
Hotels & Lodging	Competitive behavior	Material Issue?	Corporation	No	Competitive behavior is more relevant to OTA and for lodging material is Privacy and Internet protocols and description of fines and settlements.
Hotels & Lodging	Competitive behavior	Material Issue?	Corporation	No	Sustainability is not about competition. Hotels can compete about service, price, location etc., but sustainability is not a competition element. Guests will primarily chose because of service, price and location and only if all is equal they may consider sustainability. In the end, sustainability practices should be done to improve the business practices of the hotel, which ultimately leads to better financial results, but it is not a thing hotels compete about. It is of course important to take leadership in driving sustainability, but it is not a competitive platform.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	Maybe	I see this as falling into normal SEC and FASB standards and requirements. So, I think it should be material and observed. But, I am not sure it is part of SASB.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest &	Yes	Competitiveness is linked to sustainability (allowing for example to share profit with employees in addition to fair labor practices...)



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
			Intermediaries		
Hotels & Lodging	Competitive behavior	Material Issue?	Market Participant	Yes	Competitive behavior is an important consideration with lodging. If behaving in a more environmental conscious manner was more profitable, I believe more hotel companies would make such adjustments. As it currently stands, it is not yet definitively profitable to make certain adjustments like having energy efficient light-bulbs in hotel rooms (because guests don't really care and they are more expensive to install). Regulation or incentives might induce more environmentally conscious practices if they eliminated the competitive (profitability) disincentives to do so.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	Maybe	I could be wrong, but I don't believe the practice is especially wide spread, and I don't foresee anti-competitive behavior spreading much in the future. Despite consolidation in the industry, travelers have many lodging choices, including non-publicly traded hotels. If there is collusion to keep prices artificially high, consumers will stay elsewhere. Any hotels engaging in this behavior will quickly see that it doesn't pay off.
Hotels & Lodging	Competitive behavior	Material Issue?	Public Interest & Intermediaries	No	Competition is a given in any business. Ones success or failure is predicated by this process - with or without sustainability.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Supply Chain Management [SUPPLY CHAIN MANAGEMENT]	The supply chain play a critical role in the impact a hotel can have. Choosing the right products and suppliers can significantly change the impact one has on the environment. PUMA proved this with their Environmental Profit & Loss account where the supply chain counted for over 90% of the impact. For the hospitality industry the products used may not count that much, but one should also include how guest get to the hotel. For instance, a for a hotel with lots of overseas visitors 3/4 of the total carbon emission could easily be derived from guest air travel.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Waste Management [RESOURCE EFFICIENCY]	Hotels produces large amounts of waste, particularly if one include its restaurants. This has a significant local environmental impact that should be considered.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Corporation	Water Management	Water shortages around the world is becoming increasingly common. Hotels are large consumers of water. In many places water is heavily subsidized making the cost low, hence, care for saving less of a focus. This has a negative impact on the local communities. Furthermore, if the subsidize are lifted water will become a significant cost for hotels, hence, from a long term sustainability point of view it makes sense to focus on reducing consumption and sourcing water sustainable. As a last point, waste water needs to be treated particularly in places without proper municipal waste water treatment facilities.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Supply Chain Management [SUPPLY CHAIN MANAGEMENT]	Hotels and lodging companies are enormous consumers of inputs provided by third parties (think sheets, toiletries, furniture, construction materials, and especially food in the banquet and restaurant facilities). A hotel that manages its own energy and water consumption well is only part of the story. Choosing suppliers that also minimize their negative impact has increasing appeal to consumers as well as health benefits for guests. Natural toiletries, organic cotton sheets and towels, carpets and paint with low Volatile Organic Compounds (VOC's), wood and furniture from sustainably harvested forests (FSC Certified), organic and locally-sourced sustainable food and beverage... all of these things are material, because the indoor air quality directly affects guest health and may become part of expensive law suits as awareness increases; the other supply chain management issues protect natural assets on which destinations (and therefore lodging companies) depend, and/or in the same way that Responsible Lodging has identified consumer demand, this is a part of what consumers are increasingly looking for.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Greenhouse Gas Emissions [GHG EMISSIONS]	GHG emissions go beyond energy management to include things such as avoiding escaping refrigerant which is 12,000 times more potent than CO2. Global warming is upon us and will affect all business in many ways. Legislation is not far behind. Lodging companies that are not managing GHG's well now, will soon be called out and/or forced to do so by forthcoming legislation.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Customer health and safety [CUSTOMER HEALTH AND SAFETY]	You indicate Food and Beverage is major cost, what if a customer contracts hepatitis? Are the hotels following standards such as HACCP, etc. to mitigate this risk, etc.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	GHG Emissions [GHG EMISSIONS]	Energy usage causes GHG emissions, and as currently presented, there is no opportunity for decoupling issues, approach, and indicators between energy and GHG emissions.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Employee health and safety [EMPLOYEE HEALTH AND SAFETY]	As written, the focus on "fair labor" does not seem to encompass on-the-job employee health and safety, which is not necessarily a matter of fairness or human rights, but operating practices. How have injury rates not been considered important? These people work with knives and electrical outlets!
Hotels & Lodging	Does not apply	Add Issue	Corporation	Bribery and corruption [BUSINESS ETHICS AND TRANSPARENCY OF PAYMENTS]	Fundamental to how a company does business.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Supply Chain Management [SUPPLY CHAIN MANAGEMENT]	The hotel service provision is largely based on goods and services procured. A good company will have made at least some effort to acknowledge that and the best will be pursuing sustainable products and procurement practice.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Resource availability	Many times resource availability the limiting factor in development.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Corporation	Customer satisfaction and health and safety [CUSTOMER HEALTH AND SAFETY]	Customer satisfaction is directly linked to the service industry and performance. Next Health and Safety is critical to the lodging industry and if not adhered to can have a tremendous negative impact.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Stakeholder Engagement	As stated earlier, this is part of, but also separate to fair labor and responsible lodging. How operators interact within communities relative to natural resource use, engagement (philanthropy), etc. is increasingly of great importance in the realm of ESG and metrics. You referenced much of this in your brief, but it warrants priority.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Human rights/trafficking [PROTECTION OF HUMAN RIGHTS]	Poses risk to large multinational brands, and is focus for most large hotel brands. Also consider employee health and safety.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Data privacy [DATA SECURITY]	Growing risk to large companies, including White Lodging, who manages franchises for multiple large brands
Hotels & Lodging	Does not apply	Add Issue	Corporation	Carbon & Waste	With CDP and HCMI is becoming important for B2B sales. Waste is always a consideration for hotel efficiency.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Economic performance	Direct economic value generated an distributed, including revenues and local economic impact



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Corporation	Health and Safety [CUSTOMER HEALTH AND SAFETY] + [EMPLOYEE HEALTH AND SAFETY]	activities at risk of impacting health and safety for guests and team members.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Sourcing and procurement of products and services [SUPPLY CHAIN MANAGEMENT]	Ensuring sustainable procurement practices are followed.
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Responsible Sourcing [SUPPLY CHAIN MANAGEMENT]	The hospitality industry continues to make steady progress in its quest to find ways to document its many sustainability initiatives. It is for example critical to extend responsible practices to outside the walls of the properties as the industry players can influence changes (among suppliers for example).
Hotels & Lodging	Does not apply	Add Issue	Corporation	Human Trafficking [PROTECTION OF HUMAN RIGHTS]	See industry's position statement (link provided).
Hotels & Lodging	Does not apply	Add Issue	Corporation	Community engagement	Philanthropic efforts
Hotels & Lodging	Does not apply	Add Issue	Corporation	Waste Management [RESOURCE EFFICIENCY]	Waste also is an indicator of resource efficiency.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Public Interest & Intermediaries	Climate change [IMPACTS FROM CLIMATE CHANGE]	A huge percentage of hotels and resorts are located near the coast. And, I think it should be a material sustainability issue to be sited, designed and prepared for sea level rise, storm surges, and changes in weather patterns.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Health & Safety [CUSTOMER HEALTH AND SAFETY] + [EMPLOYEE HEALTH AND SAFETY]	Making sure hotels and lodges are safe for guests and employees are of utmost importance to the companies. The financial importance of this issue is high as safety cases would impact employee productivity and retention, the brand and reputation of the companies as well as direct monetary claims and insurance premium. Food safety and hygiene as well as employee health and safety were rated as top priorities by our internal and external stakeholders.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Waste Management [RESOURCE EFFICIENCY]	Hotels and lodging industry generates a significant amount of waste each year. A single hotel purchases more products in one week than 100 families do in a year. California hotels alone generate 112,000 tons of food waste each year. (Sources: http://ianrpubs.unl.edu/epublic/live/g2026/build/g2026.pdf) Waste management has been a hot topic worldwide. Waste if not properly managed can create a world of environmental and social (health) issues in the community. Together with the waste charging scheme implemented in various countries, proper waste management and recycling can help cost saving in the operation.
Hotels & Lodging	Does not apply	Add Issue	Corporation	Community Relations	External engagement with local communities
Hotels & Lodging	Does not apply	Add Issue	Market Participant	Access to Local Resources - Community Conflict	I believe responsible lodging is a catch all that captures risks and opportunities that are worth delineating. The above issue impacts on the licence to operate and potentially the safety of customers.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Add Issue	Market Participant	Human Trafficking - Child Prostitution [PROTECTION OF HUMAN RIGHTS]	While materiality of this issue is less apparent, related controversies could certainly have a negative impact and this should be considered as part of the 'responsible lodging' issue.
Hotels & Lodging	Does not apply	Comment on Brief	Public Interest & Intermediaries	DNA - Comment on Brief [RESPONSIBLE LODGING]	<p>First, I should say that it was a very good brief over all with lots of great information and well presented. For me, however, it was a bit unclear to which element of the lodging industry the survey questions pertained. As noted in the introduction to the brief, companies like Intercontinental own only 0.2% of the hotels that fly their flag. They and the other brand names we all know also manage very few of the hotels that bear their name. So I wonder if it is accurate or useful to compare all the hotels that pay the franchise fee. The brands have a limited ability to control a hotel when they don't own it and they don't manage it. And what to do about the REITs, such as Host Hotels and Resorts, that do own the properties and have real influence on how they are run? The hotel management business is less consolidated, but it would be unfortunate for the brands to get all the sustainability scrutiny and leave the owners and managers out of it.</p> <p>Finally, I felt the Responsible Lodging section could have used a better definition, and the proposed metric doesn't capture the (otherwise quite good) points made about responsible lodging in the brief. This section also seems to incorporate externalities with both new hotel development and the consumer experience offered. It is worth breaking these up into two, as the impacts from new development are vast, and responding to consumer demand for environmentally friendly experiences is done by a whole different part of the lodging company, or often by a 3rd party entirely.</p>
Hotels & Lodging	Does not apply	Comment on Brief	Corporation	DNA - Comment on Brief	It provided a lot of information but not all. It would have been good to see more on current commonly accepted reporting metrics. It was very comprehensive but I rely on personal experience to answer the survey questions.
Hotels & Lodging	Does not apply	Comment on Brief	Corporation	DNA - Comment on Brief	Need more level of detail and clarity as I listed here. Who ever developed this was not factual and did not understand the industry.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Hotels & Lodging	Does not apply	Comment on Brief	Corporation	DNA - Comment on Brief	I could not access the link.
Hotels & Lodging	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	The Responsible Lodging issue was a little bit vague and could have been explained clearer.
Hotels & Lodging	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	With the competitive behavior metric, pp. 11-12. When you list the heat map, "competitive behavior" may come up more than the others, but I feel like this is being taken out of context. If you searched for "competitive behavior" in any industry, it would likely come up more than the other categories. For SASB's purposes, I would think the appropriate focus would be if the behavior is specifically bad business practice or anti-competitive--not just competitive behavior. Competition is part of normal business practice/capitalism. So, it seems unlikely with all of the resources/environmental issues that hotel operators face that price colluding /fixing would be higher on the radar screen. But regardless, on pg. 12, how can competitive behavior not have at least some impact on market share, new markets, and pricing power? Those three boxes in the chart are left blank. Competitive behavior directly impacts all those things (at least medium if not high) impact.
Hotels & Lodging	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	Eric Ricaurte with Greenview Consulting has provided guidance to our team on sustainability reporting; we have seen the guidance and feedback he is providing SASB during this comment period and believe his knowledge of the industry and specific feedback points will be helpful in your further revising and refining your work.



Hotels & Lodging	Does not apply	Innaccuracy	Public Interest & Intermediaries	DNA - Innaccuracy [INDUSTRY DEFINITION] + [WASTE MANAGEMENT] + [HUMAN RIGHTS PROTECTION] + [RESPONSIBLE LODGING] + [RESOURCE EFFICIENCY]	<p>1. Industry Structure and Fragmentation Inadequately Described • Hotel management via third party ownership – that statement is not a new trend, but 20 years old. The current trend is to develop brands and have 3rd party management. The major players franchise the majority of their hotels under brand flags. Also missing Choice, Wyndham, and Best Western that are all based on the franchised model. Owners and franchisees are a larger picture of the industry that should be addressed. How a hotel develops its brand standards, engages franchisees, etc. • “Value Impact” is missing the major issue that additional capital expenditures are often under the budget of the owner of the hotel, and not the operator in the fragmented business model that currently dominates in the U.S. • Brief is light on the timeshare (vacation residential ownership) component of many hotel companies • “For example, hotel operators may face local or regulatory opposition to planned projects or expansion due to adverse environmental impacts...” contradictory, as operators don’t always play a role in development, or are part of the supply chain of the main financial entity doing the development or owning the real estate. • “owned” and “leased” not necessarily the same category, can be different. May be better to separate those out. Sometimes hotel companies own and operate hotels, so they’re owned but not leased. Sometimes they lease as technicality of their management contract, but don’t own, etc.</p> <p>2. Customers, Preference, and Market Segmentation • Reference 58 is a leap, improperly citing the wrong author (Hernion was the press release contact, Verma and Chong were authors), and overall a poorly annotated review. There are several issues, and this brief falls victim to many of them. See for further reading on the polemic issue of not properly reading that study. http://hotelnewsnow.com/Article/12779/Revenue-wont-come-from-labeling-a-hotel-green • Study is missing the segmentation of customer preference. Considering: if the majority of US lodging business comes from business travel and conferences (as indicated in the industry brief), those travelers often do not get to choose independently where to stay and their preference doesn’t necessarily matter. It is either tied to corporate travel agreements or room blocks negotiated by the event organizer. Pressure on hotel industry (the ones likely to report to SASB, GRI, CDP etc.) comes from this larger business that is made up of fortune 500 companies and events catering to them or their supply chain, who they themselves face similar investor pressure for engaging their supply chain. Follow the money – go look up the US’s largest corporate travel buyers, and then follow their sustainability reporting. • Overlooking major influence of TripAdvisor if citing Priceline, Kayak, and Hotels.com for enabling information and customer choice. • Often the word “tourism” is thrown in, but business travel and convention/group business is often times the main source of revenue for the “industry” of major players who would be reporting to GRI or SASB. The majority of hotels worldwide are not branded. Tourism speaks to the entire sector, travel speaks more closely to the</p>
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				<p>corporate hotel industry.</p> <p>3. Over Focus on Coastal Tourism • Researchers should note the distinction between listed US hotel companies and European hotel chains which often have a different model and portfolio. The resort companies that are more vertically integrated and consolidated and focus their business on coastal areas and resorts, such as Sol Meliá, Iberostar, Riu, Barceló, Palace, and others that are subsidiaries of tour operator companies are non-US entities. US hotel companies are largely focused on urban hotels, management of hotels, and franchising of hotels. • The majority of the US corporate hotel industry’s hotel pipeline is in 2nd and 3rd tier metropolitan areas. • Citation number 18 is contradictory if half the US market is business and convention (stated earlier). Making the statement that 80% of tourism takes place near beaches and coral reefs is a big stretch and easily refutable, and when those are located in urban areas, the beaches are not necessarily affected. Hong Kong receives over 50 million tourists a year. Technically they’re close to beaches, but very few of those 50 million ever go to the beach while visiting Hong Kong. Same goes for New York, Washington DC, London, etc. Orlando and Vegas together receive more annual visitors than the entire Caribbean. • “Since hotel facilities often occupy large tracts of land” – may want to research the breakdown of US hotel company portfolio location, urban hotels don’t have this issue. “often” is a strong word. • Should use the word “resorts” more to denote coastal tourism for the hotel industry as opposed to “lodging” • No mention of the Hotel Carbon Measurement Initiative (HCMI)?</p> <p>4. Other Suggestions for Improving the Brief • Wages should be placed in front of purchases as major costs. Many limited service hotels have little F&B cost, and supplies are nominal in comparison the amount it costs to clean the room. • Citing Barbados encouraging Green Globe – fairly random. Need to distinguish between building new hotels (much more stringent or incentivized) versus retrofitting or operational practices. • Reference 32, highly dubious that water is a higher cost than energy for hotels. Energy is often cited as the second highest cost to a hotel after labor, not water. • Missing disabilities and requirements for building via ADA which can affect costs if new regulations come in • If you’re going to put an emphasis on tourism, then why not discuss the impact of unlawful sex tourism? • General issue of where F&B fits into the industry, a large part of full service but not limited service. How should F&B portion of hotels carry the weighting and issues that are found in the restaurant industry? • Risk – is telepresence and reduced business travel not a risk factor or trend or issue to include? • Issue of waste seems overlooked. Hotels generate a lot of waste, and it costs them money (often more to dispose than to reduce or recycle).</p>
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Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy [WASTE MANAGEMENT] + [HUMAN RIGHTS PROTECTION]	"waste" is excluded in the metrics and resource/responsible issues. So are issues of human rights (eg human trafficking is a big priority among hotel companies re: social issues). Also, the more different the property (eg a hotel vs a resort), the more challenging the comparability. The same issue goes for weatherization, sometimes this is bigger driver for resource efficiency more than anything.
Hotels & Lodging	Does not apply	Innaccuracy	Public Interest & Intermediaries	DNA - Innaccuracy	I'm not the best SMR to weigh in on this - need an industry expert to comment.
Hotels & Lodging	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy [INDUSTRY DEFINITION] + [WASTE MANAGEMENT] + [HUMAN RIGHTS PROTECTION] + [RESPONSIBLE LODGING] + [RESOURCE EFFICIENCY]	Please see list below. 1. Franchises are a large % of industry and brand standards not addressed. 2. timeshare major component above and not listed at all? 3. Owned and leased are separate 4. Customer segment such as business travel is missing HUGE part of industry. 5. Impact of online sites like TripAdvisor, Priceline, Kayak to industry? 6. Tourism focus on beaches and coasts in accurate more like concentration in top 20 largest cities in the world. 7. Why is the Hotel Carbon Measurement initiative not mentioned? 8. ADA a big impact on the industry 9. What happened to Waste?



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Hotels & Lodging	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	Owners and franchisees are a larger picture of the industry that should be addressed. How a hotel develops its brand standards, engages franchisees, etc. "Value Impact" is missing the major issue that additional capital expenditures are often under the budget of the owner of the hotel, and not the operator in the fragmented business model that currently dominates in the U.S. "For example, hotel operators may face local or regulatory opposition to planned projects or expansion due to adverse environmental impacts..." contradictory, as operators don't always play a role in development, or are part of the supply chain of the main financial entity doing the development or owning the real estate. Study should consider the difference between travel segments (eg. leisure, business, conference/events) because it has implications on who is making purchasing decision and how that decision is influenced. Business travel and convention/group business is often times the main source of revenue for the "industry" of major players. Reference 32, highly dubious that water is a higher cost than energy for hotels. Energy is often cited as the second highest cost to a hotel after labor, not water. General issue of where F&B fits into the industry, a large part of full service but not limited service. Issue of waste seems overlooked. Hotels generate a lot of waste, and it costs them money (often more to dispose than to reduce or recycle).
Hotels & Lodging	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	I have not done a cross check so cannot reply yes or no.
Hotels & Lodging	Does not apply	Other Comment	Market Participant	DNA - Other Comments	happy to talk more about this in the prelim stages if helpful.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments [SUPPLY CHAIN MANAGEMENT] + [INDUSTRY INSIGHTS]	<p>Overall the suggestions to the Standards are excellent. Look forward to see the end result. There are two concerns I have:</p> <p>Firstly the suggested standards do not address the wider impact hotels have through their supply chain. I think this is critical to address if you truly want to make a difference. One example is how guest get to the hotel - if by long-haul air travel that contributes significantly to the carbon footprint. Furthermore, the choice of products the hotels uses also impacts.</p> <p>Secondly, there are big differences within the hotel industry. A city hotel that outsource all the facilities (e.g. laundry, restaurants, etc.) is hard to compare to a resort with in-house laundry, swimming pools, restaurants, spa, staff living onsite etc. One way to compare is to look at number of resident-nights (guest nights + staff nights, i.e. staff staying onsite). With this figure one could look at energy consumption per resident-night as a good way to compare hotels.</p>



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Hotels & Lodging	Does not apply	Other Comment	Market Participant	DNA - Other Comments	Very well written survey. It is clear that this sector has had a lot more experience with sustainability, and offering up appropriate information and business metrics from my own experience with their financial statements and even sustainability reports. I put down that resource mgmt and environment was the most important for this industry because I do think that's where the most difference in conservation/being more efficient can be made. However, it may be/is likely that in the short term, fair labor practices may be a more volatile sustainability issue and may need to be monitored more closely. While the other two issues are interesting, as noted previously, the issue should be "anti-competitive behavior," not just competitive behavior. While very well-researched, documented, and well-written, it is obvious that this survey was authored by a younger person (since no one would list online travel sites and list Kayak, and not Expedia and Travelocity, pg. 2); and the reality is that nobody owes you anything just because you're a start-up or you're sustainable (same problem in other industries with these expectations sometimes). You still have to be competitive and have a compelling offering/value proposition on your own. Further, with responsible lodging, I didn't put any links because what I've seen/heard is anecdotal through discussions with various people in the travel industry. But what I've heard is that vacationers really do not care so much (when it really comes down to selecting responsible lodging or choices--other than the "put back the towels" initiative). And I know there are surveys out there from Trip Advisor and others that talk about how people are getting more into green lodging, but the sense is that people think it's nice (if the price is equal or better), but most of them won't spend extra money on it. One of the challenges for the industry--think Disney gets it right because they can have their characters kind of teach the kids about it as part of an activity or something--is to figure out a way to get people to make sustainable choices without feeling like they are sacrificing their vacations or relaxation time worrying about sustainability issues.
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	I put a number of comments in other areas of the questionnaire, so please be sure to see those. Finally, I am very pleased to participate in this process and am hopeful my contributions will be of some use. I would be glad to answer any questions related to my participation. I apologize for getting this in so far after the deadline!



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments	Please if possible we would greatly appreciate a receipt confirming that you have received our response, plus a record of how we responded within that receipt.
Hotels & Lodging	Does not apply	Other Comment	Market Participant	DNA - Other Comments	Seems we need to influence decisions made by: a) capital markets, and/or b) guests. Ratings, Rankings, Regulatory, and/or Tax Incentives can induce the desired behavior. It might be interesting to explore alternative mechanisms within each of these.
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [PROTECTION OF HUMAN RIGHTS] + [GHG EMISSIONS] + [EMPLOYEE HEALTH AND SAFETY] + [CUSTOMER HEALTH AND SAFETY]	<p>Other readings that may be helpful for industry ESG context, material sustainability issues, and metrics:</p> <ul style="list-style-type: none"> • “Hospitality Sustainability Reporting: Slow, Steady Progress.” Cornell Hospitality Proceedings 4.8, December 2012. • “Determining Materiality in Carbon Footprinting: What Counts and What Does Not.” Cornell Hospitality Report 12.12, September 2012 • “The Hospitality Industry Confronts the Global Challenge of Sustainability.” Cornell Hospitality Proceedings 4.11, February 2012. • “Developing a Sustainability Measurement Framework for Hotels: Toward an Industry-wide Reporting Structure.” Cornell Hospitality Report 11.13, July 2011. <p>Other topics for consideration to be material:</p> <ul style="list-style-type: none"> o Customer health and safety § You indicate Food and Beverage is major cost, what if a customer contracts hepatitis? Are the hotels following standards such as HACCP, etc. to mitigate this risk, etc. o GHG Emissions § Energy usage causes GHG emissions, and as currently presented, there is no opportunity for decoupling issues, approach, and indicators between energy and GHG emissions. o Employee health and safety § As written, the focus on “fair labor” does not seem to encompass on-the-job employee health and safety, which is not necessarily a matter of fairness or human rights, but operating practices. How have injury rates not been considered important? These people work with knives and electrical outlets! o Customer satisfaction is listed under social capital. How is customer satisfaction not material to a service industry, if it is to be listed at all as a potential issue? o Data privacy issues around breaches of data. o Child Exploitation – Sex Tourism



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Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	I would like to see a metric for Social Capital included, specifically 1) percentage of company paid hours of volunteer/community service to total paid hours, and 2) total charitable contributions as a percentage of total revenue.
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments [FAIR LABOR CONDITIONS] + [RESPONSIBLE LODGING] + [PROTECTION OF HUMAN RIGHTS]	I feel there could be more depth to questions regarding labour standards and responsible lodging. e.g. on the former, screening labour providers and for the latter, human rights and environmental impact assessment of operations.
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments	I believe this needs a lot of work before it can say these are the top indicators for the hotel and lodging industry. I am disappointed in the review and research as it is not accurate and was done by people who do not know our industry that well.
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	Relative to the industry brief organizing a bit more to flow around your identified priority materiality issues would be helpful to cross reference as needed. Good blend of international and US domestic data points.
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments	The Standards seems very basic, and unlikely to have the influence of other more comprehensive. Recognize the challenge of finding auditable metrics, but the ones chosen seem to be very minimal and do not fully take into consideration the complexity of franchise model that most major public players are adopting.
Hotels & Lodging	Does not apply	Other Comment	Corporation	DNA - Other Comments	I encourage you to continue considering your global stakeholders as you develop this system.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [SUPPLY CHAIN MANAGEMENT]	As mentioned previously I see as a concern not seeing the integration of structured content taking deeply into consideration the entire chain of production of the customer experience (suppliers)
Hotels & Lodging	Does not apply	Other Comment	Market Participant	DNA - Other Comments	The Sustainability Accounting Standards are necessary, and becoming increasingly recognized by the various stakeholders at all levels. I am very satisfied with IWG Process. Thank you!
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [IMPACTS FROM CLIMATE CHANGE]	Again, I think a material issue for the sustainability of hotels and lodging industry is to pay attention to disclosures that can be made regarding adaptation and mitigation in the face of climate change.
Hotels & Lodging	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [GHG EMISSIONS]	The SASB should incorporate the Hotel Carbon Measurement Initiative metrics: carbon emissions per occupied room and per use of meeting rooms. This methodology was developed by the industry and the World Travel & Tourism Council and the International Tourism Partnership.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Legally required in many countries and can directly impact the ability conduct business.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Market Participant	Yes	Hospitality firms employ huge numbers of workers -- many foreign, many part-time. Conditions can be bad, if not horrible depending on the function.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Yes	Given that many companies outsource for parts of their operation, consideration needs to be given to how a company monitors its labour supply chain.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Yes	Hotels & Lodging Industry is a labour intensive industry. Employee management has significant impact on the services / products delivery and subsequently affecting the financial performance and long term business sustainability



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Hotels & Lodging	Fair Labor Practices	Material Issue?	Market Participant	Yes	well-covered
Hotels & Lodging	Fair Labor Practices	Material Issue?	Market Participant	Maybe	in my opinion, "fair labor" is a legal concept, not a sustainability issue. A hotel owner and employee will attempt to find the optimal working conditions. If the employee is unhappy, they will leave (and be replaced), or strike, or call in sick, to equalize the compensation. The employer will respond accordingly to "sustain" his business-terminate, provided raises/bonus, enforce policy & procedures. The market will ultimately determine the optimal balance.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Maybe	I believe Gender and Diversity % may be a better indicator. Also lawsuits should be listed as % of claims over # of employees to add relevance.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Yes	Paying fair wages, providing proper training, equal opportunities and safe working environments are essential for a solid and sustainable industry.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Yes	Our stakeholders regularly mention the importance of fair social protections for all team members.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	I think it is material, but it varies from location to location and is hard to make a uniform observation for an SEC level.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Market Participant	Yes	Most hotel property employees are paid minimum or low wages when not represented by unions. In monitoring monthly U.S. job creation data over the past several years, many jobs have been added in tourism and lodging. In addition, many employees, particularly housekeepers, are hired on a part-time basis. In the restaurant industry, restaurants with mainly full-time employees vs. many part-time employees tend to experience less turnover and better customer service, which is likely to contribute to more repeat customer business and higher revenues and profits. The same likely holds true in the lodging industry, particularly at properties in major business travel and vacation destinations.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	I would prefer to see wages referenced to a "livable" wage for the local area, rather than a premium above prevailing minimum wage.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Linked to positive socio-cultural impact
Hotels & Lodging	Fair Labor Practices	Material Issue?	Market Participant	Yes	Unions play a big role in lodging expense fluctuations. Aside from that, it's a service-oriented business and keeping employees happy flows down to guest satisfaction.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Corporation	Maybe	Labor regulations in many countries only allow limited time contracts (e.g. 2 years) for foreign labor and therefore these locations will be negatively penalized for their turnover. In these locations, local labor is usually insufficient.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	With 16 years in the hotel sector, I've learned that this is indeed a service industry. Providing quality customer service and creating a welcome sense of hospitality contributes directly to the bottom line in terms of customer satisfaction and repeat business. When workers are exploited, they are unable to provide exceptional customer service. Unfair labor practices also lead inevitably to law suits which can be costly. Finally, I know from experience that the best workers feel empowered to switch properties, and they talk to each other. When word gets out that a given hotel or hotel management company is not a good place to work, the skilled employees make sure to stay away.
Hotels & Lodging	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Crucial to achieving not only social sustainability but compliance with local labor regulations.
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest &	Maybe	Efficiency is not necessary to conduct business. It might help the profit/loss and aid in marketing. Access to the necessary resources-water, power, sewer,land, food, construction materials-are a material issues.



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			Intermediaries		
Hotels & Lodging	Resource Efficiency	Material Issue?	Market Participant	Yes	Hotels, like hospitals, run 24x7. They are, by nature, energy hogs that use a tremendous amount of water and create a huge amount of waste. Resource efficiency is the #1 issue for hospitality in the "E" category.
Hotels & Lodging	Resource Efficiency	Material Issue?	Corporation	Yes	This is highly material - both as an impact of the hotel industry on the environment and community, and as a risk for business sustainability in terms of security of resources and cost of operations. This is confirmed in the materiality matrix that we developed through a risk assessment and stakeholder engagement process: http://www.hshgroup.com/en/~media/Files/HSHGroup/Corporate_Social_Responsibility/Sustainability_Reports/Sustainability_Report_2012.ashx
Hotels & Lodging	Resource Efficiency	Material Issue?	Market Participant	Yes	Well-covered
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	https://www.energystar.gov/ia/business/hospitality/factsheet_0804.pdf
Hotels & Lodging	Resource Efficiency	Material Issue?	Corporation	Yes	Energy and Water are directly related. I would argue that instead of LEED Certification which captures less than 1% of all lodging that percentage of renewable energy would be a better indicators. There are hundreds of certifications and even LEED is not the only industry standard.
Hotels & Lodging	Resource Efficiency	Material Issue?	Corporation	Yes	A critical aspect to reduce carbon footprint as well as operational costs.
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	It is key to the economic sustainability of a project. It reduces costs, consumption of energy, and decreases carbon footprint.



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Hotels & Lodging	Resource Efficiency	Material Issue?	Market Participant	Yes	Lodging properties are significant energy and natural resource consumers. I personally find it frustrating when you enter hotel or resort rooms with the air conditioning on full force or many lights on, this is waste of electricity and drives their operating costs higher, which impacts company profitability.
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	Building to last is more fundamental than having a cradle to cradle approach.
Hotels & Lodging	Resource Efficiency	Material Issue?	Market Participant	Yes	Resource efficiency would impact profitability and thus have a material impact on the investment making decision process. Resource efficiency in lodging applies to a range of items from utility costs up to guest room amenities (cleaning services, soaps, etc.)
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	The direct cost savings from energy, water, and solid waste management make this a material issue.
Hotels & Lodging	Resource Efficiency	Material Issue?	Public Interest & Intermediaries	Yes	Useful for maximizing ones economic investment and critical for achieving environmental sustainability.
Hotels & Lodging	Resource Efficiency	Material Issue?	Corporation	No	Typically, the Sarbanes Oxley act utilized financial and operational measures to determine "materiality." Resource Efficiency, while important from a management perspective, and having a strongly positive business case, does not meet the thresholds for materiality described
Hotels & Lodging	Responsible Lodging	Material Issue?	Market Participant	Maybe	As a former chief sustainability officer of a publicly-traded hotel company, I am drawn towards something called "responsible lodging." But the term is so broad that it is meaningless. Depending on what falls into "responsible lodging," I could come off the fence.



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Hotels & Lodging	Responsible Lodging	Material Issue?	Corporation	Yes	Need to distinguish between philanthropic activity and support for preservation of biodiversity and heritage and supporting communities through the way a company does business. The former is good but the latter should be the focus of assessing a company's performance in this area.
Hotels & Lodging	Responsible Lodging	Material Issue?	Corporation	Maybe	As many hotels and lodges worldwide are located in urban areas with low conservation value, therefore, this issue will not be material to the whole industry. This is material only to a sub-set of the industry which operate in areas of high biodiversity value.
Hotels & Lodging	Responsible Lodging	Material Issue?	Market Participant	Yes	Issue was well-covered. However, I do not think travelers/customers (particularly vacationers) care that much about responsible lodging. They will say they do on surveys if directly asked, but when it comes to actually choosing a resort or situation that is more eco-friendly, they will only do it if it's the same price or cheaper (which it never is--or is in my experience). Although people want to care, price wins out here, particularly because people are on vacation and feel like they shouldn't have to compromise; they want to relax and not worry about issues/savings things (other than maybe not having the towels washed constantly). People will deal with that.
Hotels & Lodging	Responsible Lodging	Material Issue?	Public Interest & Intermediaries	Yes	I also think community engagement and equity is material. This ties to where you put none for Social Capital on p1 of brief. You addressed it in other areas - fair hiring, visa issues, lack of resources available to local residents from resource intensive lodging operations, etc. is very significant globally. http://www.responsibletravel.org/home/index.html
Hotels & Lodging	Responsible Lodging	Material Issue?	Corporation	Maybe	This does not address development or pipeline of new hotels. Also % of Number of facilities does not capture if these are sustainable hotels and if they are employing and contributing to the community. A better metric would be to tie this to certification such as the GSTC.
Hotels & Lodging	Responsible Lodging	Material Issue?	Public Interest & Intermediaries	Maybe	My reservations are minor, and have more to do with semantics. We should talk about all the prongs of sustainability: socio-economic and aesthetic development as well as historical, cultural and ecological protection and enhancement of adjacent communities.
Hotels &	Responsible	Material	Corporation	Maybe	I feel based on the accounting metrics disclosed in the "Brief", I don't feel the impact will be clearly



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Lodging	Lodging	Issue?			quantified or justified.
Hotels & Lodging	Responsible Lodging	Material Issue?	Market Participant	Maybe	Too vague a term to be applied in a meaningful way.
Hotels & Lodging	Responsible Lodging	Material Issue?	Corporation	Maybe	Just the fact that a facility is located in a site with high conservation value does not indicate whether it has any negative or positive impact on that site.
Hotels & Lodging	Responsible Lodging	Material Issue?	Public Interest & Intermediaries	Maybe	The 'value impact' in the brief does not convince me that this is material.
Hotels & Lodging	Responsible Lodging	Material Issue?	Public Interest & Intermediaries	Yes	There is no doubt that responsible lodging is a material issue. Every hotel or lodging company offers rooms with beds, and the ones that stay in business, at least, are clean. But hotels in the same destination don't really compete against each other. Especially in the leisure sector, destinations in fact compete against each other. And the only real assets of destinations are their natural and cultural heritage. Because clean rooms with beds have become a commodity, it becomes about location and service. Lodging companies in the leisure sector are in essence selling access to natural and cultural resources. If they are, at the same time, destroying the natural or cultural environment where they are located, they are damaging their own long term viability. There is strong evidence of consumer demand for responsible lodging, and my non-profit organization, the Center for Responsible Travel (CREST), which is based at Stanford University, just released a new report that highlights the latest evidence. Please see this link: http://www.responsibletravel.org/projects/documents/2014_Trends_&_Statistics_Final.pdf
Hotels & Lodging	Responsible Lodging	Material Issue?	Public Interest & Intermediaries	Maybe	It is an ambiguous term that lacks consistent definition and/or execution within the industry.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Leisure Facilities	Customer Safety	Material Issue?	Public Interest & Intermediaries	Yes	I would add that ski resorts open under less than ideal conditions in order to maximize revenues is also a threat to customer safety.
Leisure Facilities	Customer Safety	Material Issue?	Public Interest & Intermediaries	Yes	Customer safety for leisure facilities often includes activities that are outside of the businesses control (i.e. in-bound avalanches at ski resorts, behavior of other patrons, fights in stadiums, reckless or risky behavior, often under the influence. As just one example, the new phenomenon of skinning at resorts opens up a an entire area of risk outside of operating hours http://onlyagame.wbur.org/2014/02/22/skinning-skiers-safety-concerns
Leisure Facilities	Customer Safety	Material Issue?	Public Interest & Intermediaries	Yes	Sometimes customers need safety protection from other customers.
Leisure Facilities	Customer Safety	Material Issue?	Corporation	No	This is a fundamental issue for all companies in this industry, but there are no good metrics for measuring it. The metrics that are used by companies are not easily comparable between different companies. The one metric that might be relevant is "Injuries on Rides" because it was developed by the industry.
Leisure Facilities	Customer Safety	Material Issue?	Public Interest & Intermediaries	Yes	Could give insight to potential liability issues or poor management



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Leisure Facilities	Does not apply	Add Issue	Corporation	Water [WATER MANAGEMENT]	The following issue may become material in the near future; we currently do not believe it should be included: a. Water – Around the world, our water resources are becoming increasingly limited. Many businesses are located in areas where water is especially critical. There are scientists who predict that in the next 10 years we will begin to truly see the impact – that water will simply not be as available as it currently is. That is even more of an issue with climate change, where the majority of scientists are predicting that we will see increasing episodes of drought in areas across the planet. Many businesses could not operate without sufficient water resources. Information from our stakeholder community tells us that this is an issue where we must focus, as a responsible corporate citizen, and there are particular areas where we do business where our consumers are already concerned about water conservation. While we do not believe this is currently an issue that meets the threshold of financial materiality, it may be a material issue in the future.
Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	Water Management [WATER MANAGEMENT]	Leisure facilities use lots of water, especially waterparks. Because of the scale, water stress would impact these facilities moreso than other types of consumer or commercial facilities
Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	Responsible attractions [ECOLOGICAL IMPACT FROM FACILITIES]	issue of location of facilities in conservation areas - there is an entire write-up on this for lodging, but leisure facilities are more manageable with less total facilities in the portfolio and potentially greater impacts, and since leisure facilities are leisure and not business, they may be in more areas of environmental sensitivity
Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	Social Capital [COMMUNITY RELATIONS]	contribution to community development, charitable giving, and company paid community service
Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	Water [WATER MANAGEMENT]	Related to pro sports, in particular golf courses, but also critical for aquariums, zoos, botanical gardens, etc.



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Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	chemicals [ECOLOGICAL IMPACT FROM FACILITIES]	Related to pro sports, in particular golf courses - run off into groundwater, animal habitat contamination
Leisure Facilities	Does not apply	Add Issue	Public Interest & Intermediaries	resource efficiency [WATER MANAGEMENT] + [WASTE MANAGEMENT]	leisure facilities cost of goods sold is largely labor, but resources in terms of water, waste and energy can be a huge factor depending on location and activity. Water shortages or cost spikes for amusement parks, golf/ski resorts or large stadiums could have a material impact on operating costs. This article refers to Asia's struggles with water constraints, but the US could experience similar resource demands with the water use for competing needs in agriculture/fracking/ industry, etc.



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Leisure Facilities	Does not apply	Other Comment	Corporation	DNA - Other Comments	Materiality in all cases depends on the specific circumstances presented, including the nature of the issuer's business, the importance of a line of business to the issuer as a whole, the specific issues presented within a category, the likelihood of specific facts arising, the likely significance of the impact of specific facts in light of the issuer's specific circumstances, the mitigating activities that the issuer can take, and the time frame over which a set of circumstances is likely to arise. Therefore, any of the issues set forth in question 1 may or may not be material in the specific circumstances in which they would arise. In the context of our company, we do not expect that any of the identified issues listed in question 1 would be material. Designations of 'material' or 'material with substantial reservations' in question 1 indicate a belief that this issue may be material for a specific, stand-alone company within the leisure facilities industry, given the factors of likelihood, significance of impact, mitigating activities, and the time frame under which a set of circumstances is likely to arise, as mentioned above. In addition, finding an appropriate and comparable metric for the issues listed in this industry would be very challenging. Absolute numbers can provide a means to track performance of a specific company over time, but comparability would be aided by having a common denominator. Finding an appropriate denominator, and ensuring that it is calculated consistently, would also be challenging and could lead to the publication of confusing or misleading data. One additional question that should be considered is the context in which accounting metrics should be presented (to the extent they are appropriate to be included). We believe that many of the metrics would be most useful in the context of existing risk factor disclosure rather than as standalone data. If the data are included in the risk factors, issuers will have a clearer basis for evaluating the need for the disclosure and investors will be able to use the metrics to evaluate the likelihood and magnitude of the risks.
Leisure Facilities	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	Note that the industry brief was heavy on attractions and very light on movie theaters. These are very disparate. The comments provided in this response are pertaining to visitor attractions, parks, etc. and not to movie theaters, where customer and employee safety probably isn't material.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Leisure Facilities	Energy Management	Material Issue?	Public Interest & Intermediaries	Yes	Energy for the reasons mentioned and doubly so for the ski industry, where climate change is vastly altering the length of the ski season and where snow falls geographically. The more ski resorts rely on traditional energy sources and low efficiency equipment to produce snow, the more they compound the root cause of their issue.
Leisure Facilities	Energy Management	Material Issue?	Public Interest & Intermediaries	Yes	Energy Management for leisure facilities is entering an entirely new era where there are opportunities to combine renewables and waste management tactics to reduce energy related risk and costs http://www.theguardian.com/sustainable-business/smithfield-rogers-biogas-food-waste-energy
Leisure Facilities	Energy Management	Material Issue?	Public Interest & Intermediaries	Yes	Attractions with very large facilities similar to other inhabited and visited buildings have opportunity to implement larger energy efficiency and renewable energy retrofits/renovations since they have such big scale.
Leisure Facilities	Energy Management	Material Issue?	Corporation	Maybe	Leisure facilities require significant amounts of energy – both fuel and electrical – to operate. Many environmental experts predict that energy costs will grow significantly in the future due to reduced supply. Additionally, many predict that greenhouse gas emissions will be broadly regulated, including the potential of requiring purchase of carbon offset credits. When and if those predictions become a reality, and/or when they appear more certain, then this area would achieve the level of materiality.
Leisure Facilities	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Service industries are labor-intensive
Leisure Facilities	Fair Labor Practices	Material Issue?	Corporation	Yes	Fair Labor Practices are highly regulated and all companies are operating under the same rules within the same geography whether they are required to adhere to Federal or State regulations. However, there is information such as the percentage of a company's employees that are collectively bargained, full-time to part-time mix or the geographic distribution of a company's hourly wage employees that could have an influence on the cost of compliance for any given company. These factors are things an investor may want to consider in evaluating a company.



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Leisure Facilities	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Could give insight to potential liability issues or poor management
Media Production & Distribution	Content Guardianship	Material Issue?	Corporation	No	The definition of objectionable media content is highly subjective and open to interpretation, and varies greatly between audiences, stakeholders and regulators. Comparability within companies and their different brands, and between companies and their different brands, would be challenging.
Media Production & Distribution	Content Guardianship	Material Issue?	Market Participant	Yes	I would like to see this area broadened a bit with other material aspects besides ways children's viewing or reading are handled responsibly. Some suggestions of other "vulnerable groups" that are often affected by media portrayals or inappropriate content and disclosure request language to cover this: Report the management approach to the portrayal of vulnerable groups in content, and how the organization addresses the portrayal of minorities, misrepresented or underrepresented groups in this non-exhaustive example list: • Women • Children • People with disabilities ¹³ • Indigenous communities • Religious groups • Ethnic groups Source: GRI Media Sector Supplement (2012--see earlier link.)
Media Production & Distribution	Content Guardianship	Material Issue?	Corporation	Maybe	Difficult to assess possible exposure.
Media Production & Distribution	Content Guardianship	Material Issue?	Public Interest & Intermediaries	Yes	No comments
Media Production & Distribution	Content Guardianship	Material Issue?	Public Interest & Intermediaries	Maybe	I think Content Guardianship is too narrowly defined. You'll have significant difficulty defining it and enforcing it. If your primary measure is compliance with government regulation on this issue, then I would make "Compliance with Government Regulation" the yardstick. As content becomes increasingly global, judgments like this will be difficult to make.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Content Guardianship	Material Issue?	Public Interest & Intermediaries	Yes	This materiality would come from significant impact of media influences.
Media Production & Distribution	Content Guardianship	Material Issue?	Market Participant	Yes	Content Guardianship impacts hours of tv produced and how much advertising can be sold against it. This is in fact material.
Media Production & Distribution	Content Guardianship	Material Issue?	Market Participant	Yes	Movie Piracy
Media Production & Distribution	Content Guardianship	Material Issue?	Corporation	Maybe	Though I agree with a rating system and warnings of any violent or profane nature, I'm not sure that content should be guarded. There is so much content out there that I disagree with, but I fully believe that we have the right to express whatever it is that we believe, and people have the right to do their own research on that content. Furthermore, what is regarded as "obscene" in one country like the US may not be "obscene" in another - especially in regard to women's sexuality which can then touch upon diversity & inclusion where women are viewed more as an object than as people. In other words, it's just an area where I personally am not entirely comfortable with rating absolutely everything that exists.
Media Production & Distribution	Content Guardianship	Material Issue?	Market Participant	Yes	Children's safety and protection of intellectual property - pirating should be prevented.
Media Production & Distribution	Content Guardianship	Material Issue?	Market Participant	Yes	It would also be interesting to note if companies are taking steps to share more programming for children than what is required. Perhaps, they could offer discussion about this.
Media Production &	Content	Material	Public Interest &	No	If I understand this concept correctly, sustainability has more to do with open source and commons than



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Distribution	Guardianship	Issue?	Intermediaries		proprietorship.
Media Production & Distribution	Content Guardianship	Material Issue?	Public Interest & Intermediaries	No	What is classified as "objectionable content" is highly debatable. If a right wing sponsor pulls advertising from a left wing tv show, then is it really "objectionable"? If a sponsor pulls ads because the program is about gay rights, then is gay rights objectionable? This metric leaves too much to interpretation.
Media Production & Distribution	Cultural Influence	Material Issue?	Corporation	No	The relevance of this information varies greatly show to show, and network to network. Comparability and relevancy would be an issue.
Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	Maybe	Goes back to does life imitate art or art imitates life? I think that the media production companies will seek out different cultural influence as they cannot afford to ignore their audience. So this is an economic driver that the studios and production house cant ignore.



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Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	Yes	<p>Although this topic is generally referred to in the SASB Media Industry Brief, I think the following guidelines and the term "brainprint" are material and critical to measure, as difficult as that sometimes is. From GRI Media Sector Supplement: As businesses, media organizations have responsibilities that are broadly similar to those of other companies. The term 'footprint' is often used to reflect their economic, environmental and social impacts. What is particular to media organizations is that they can also be considered to have a 'brainprint': the impact and influence they have on society through their content. This brainprint means that content can affect attitudes, behaviors and public opinion, which poses additional responsibilities on media organizations towards society. It is acknowledged that it is challenging to effectively assess specific impacts of content. Through the Supplement, tools and guides have been developed to transparently disclose the values, management approaches and performance indicators that relate to content production and dissemination, as well as for all other business operations. With freedom comes responsibility, and responsibility requires ethical decision making. The media organizations and stakeholders who designed the Media Sector Supplement believe those companies who use it to measure and report their performance will build trust and reputation, which are key success factors in a rapidly changing and challenging environment. Sources: WWF-UK and SustainAbility. Through the Looking Glass: Corporate Responsibility in the Media and Entertainment Sector. (2004) http://www.grainesdechangement.com/docs/medias/Through%20the%20Looking%20Glass.pdf and GRI Media Sector Supplement (2012--see link above)</p>



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Cultural Influence	Material Issue?	Corporation	Maybe	My reservation is associated with two concerns - that we identify materiality for broad application across all four categories of the industry as identified in the Industry Summary, and that any material issues identified not already be factored in the industry's risk set. I believe that while cultural influence should be a consideration for film and television broadcast entities, I would argue it is already captured within the risk associated with broad audience acceptance. As example, please see the most recent Form 10-K from CBS in which they refer to risks associated with audience acceptance of programming (page I-25; "The Company's Success and Profitability Are Dependent Upon Audience Acceptance of Its Content, Including Its Television and Radio Programs and Motion Pictures, Which Is Difficult to Predict"): http://www.sec.gov/Archives/edgar/data/813828/000104746914000934/a2218239z10-k.htm
Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	Yes	cultural influences will - in some key areas - vary by geographic boundaries Article: What Shapes the News around the World? How Journalists in Eighteen Countries Perceive Influences on Their Work Author: Hanitzsch, T. Journal: The international journal of press/politics ISSN: 1940-1612 Date: 07/2011 Volume: 16 Issue: 3 Page: 404 - 426 DOI: 10.1177/1940161211407334
Media Production & Distribution	Cultural Influence	Material Issue?	Corporation	Maybe	Should be disclosed only for areas where its regulated. Otherwise it's difficult to assess exposure.
Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	Maybe	Negative backlash from viewers could arise from a number of triggers, not just those associated with "cultural influence." There is little certainty around the causation (though there may be correlation) between content broadcasted and negative cultural impacts.
Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	Maybe	It's virtually impossible to quantify and judge "cultural influence" and whether a particular media item - film, TV program, news broadcast - is positive or negative in terms of its influence.
Media Production &	Cultural	Material	Public Interest &	Yes	Communication functions by media industry should strengthen viewers' awareness on culture and



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Distribution	Influence	Issue?	Intermediaries		civilization.
Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	No	There are so many types of media and ways in which it is consumed I do not believe that cultural influence is a material issue as it is almost impossible to legislate. Ratings systems are in place to prevent inappropriate content to an age group, but this is not something high on investors minds and does not influence how we look at stocks.
Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	No	Cultural influences ar always changing
Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	Yes	Media companies strongly shape public perception about certain issues. It is important to make sure that they are portraying characters, including ethnicities in a positive and accurate light. Continuing to perpetuate stereotypes, such as a certain ethnic group speaking in broken english or portrayed as unintelligent, forms inaccurate perceptions that are reinforced in society. Certain ethnic groups, such as American Indians or Indigenous Peoples continue to face such issues today. Companies need to demonstrate that they are doing more to address these issues and considering them during casting and portrayals in movies and television and to disclose the steps they are taking to do so.
Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	No	Cultural influence is relative and thus very hard to measure objectively.
Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	No	The media industry is engaged in entertainment and news reporting and is not responsible nor suitable for influencing culture.



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Media Production & Distribution	Cultural Influence	Material Issue?	Public Interest & Intermediaries	Maybe	Measuring cultural influence quantitatively may be flawed at best. I have reservations in reporting this metric since there could be a wide swing in how the metric is interpreted based on the regions a company may serve and hence become a useless metric eventually.
Media Production & Distribution	Cultural Influence	Material Issue?	Market Participant	Maybe	My observation is that Cultural influence is something that media companies can address and correct quickly, thus avoiding long term impact to earnings
Media Production & Distribution	Cultural Influence	Material Issue?	Corporation	Maybe	I'm not sure what is meant by cultural influence and feel uncomfortable, potentially, with the concept.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Corporation	No	An important issue, but not one does not rise to the level of a material impact.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Market Participant	Yes	As the SASB Industry Brief indicates, this topic spans both company employees and portrayal of society in articles and performances. I would like to see a bit more requesting relevant disclosures on each area. Suggested disclosure request, adapted from GRI Media Sector Supplement follows. For staff: Report the percentage of employees per employee category and job title or staff vs. management in each of the following diversity categories: (% of employees) • Gender; • Minority groups; and • Age groups: Under 30 years old, 30-50 years old, over 50 years old and Provide information on who participates in diversity, equal opportunities and gender sensitization training (e.g., highest governance bodies, senior management), and the topics addressed by training and any informal awareness raising. For audience: Report the management approach regarding cultural rights (e.g., audience participation, local talent, content production capacities, giving a platform to new, diverse arts and original work, promotion and preservation of cultural heritage). Source: GRI Media Sector Supplement (2012--see earlier link).



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Corporation	Maybe	Although this is a nice to have and in my mind is important, I think it's rare for it to become a financial exposure to the company. The market is unfortunately not there yet.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Maybe	Because the bona fide occupational qualification (BFOQ) provision of U.S. Equal Employment Opportunity Title VII of the Civil Rights Act is still upstanding, there currently is little risk associated with legal prosecution due to gender or racial biases in film or television casting. Should the legislation change, however, this would become a material issue for the industry.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Diversity of employee in media industry or company should contribute to produce and provide more balanced news productions and distributions
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Market Participant	No	I do not see these as material issues. I do not see high risk of forcing more minority or female staff on tv or film production studios as it would be viewed as infringing on 1st amendment rights to free speech.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Market Participant	No	Media tends to push these boundaries rather than reflect societal norms
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Maybe	I am not confident that it is essential for objective reporting or delivery of entertainment.
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Market Participant	Yes	African Americans and Hispanics over-index in consumption of media, so those companies that cater to their tastes and interests, whether on TV, film or radio, stand to earn outsize returns, i.e. Viacom's BET
Media Production & Distribution	Diversity & Inclusion	Material Issue?	Corporation	Yes	News organizations need to be diverse to be accurate and credible.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Distribution	Inclusion	Issue?			
Media Production & Distribution	Does not apply	Add Issue	Corporation	Data Center Energy [ENERGY MANAGEMENT]	With the increasing shift to digital within this industry, data center energy usage and efficiency may become a material issue in the near future but we currently do not believe it should be included.
Media Production & Distribution	Does not apply	Add Issue	Public Interest & Intermediaries	Employee safety and health	It relates to efficient production and work practices.
Media Production & Distribution	Does not apply	Add Issue	Market Participant	Media's watchdog role [JOURNALISTIC TRANSPARENCY?]	I would like to see more disclosure requested on the material issue of societal watchdog role for the media. Suggested wording of request: Watchdog News media organizations offer an independent means to hold those with power to account by promoting transparency in public life and public scrutiny through exposing corruption, maladministration and corporate wrongdoing. Source: UNESCO.Media Development Indicators: A framework for assessing media development. Endorsed by the Intergovernmental Council of the International Programme for the Development of Communication (IPDC) at its 26th session (26-28 March 2008). http://www.unesco.org and GRI Media Sector Supplement (2012- see earlier link).
Media Production & Distribution	Does not apply	Add Issue	Market Participant	Audience engagement	Media organizations hold a powerful position in society through the impact and influence of their content. It is therefore essential that they are responsible, transparent and accountable. These companies are able to engage directly with audiences and offer multiple platforms for comment, participation, content creation and interaction. So it's important to seek disclosure from the companies on whether and how they're engaging audience, especially with the significant rise of social media.
Media Production & Distribution	Does not apply	Add Issue	Market Participant	Ways the company is raising awareness of sustainability [CULTURAL INFLUENCE]	Media organizations have the capacity to inform, create debate and engagement around key sustainability issues such as pressing environmental matters, human rights, economic and social justice, and wellbeing. I think it's material (to lesser degree than several other aspects already considered by SASB, but still important) to ask for disclosure of efforts by the filer to disseminate information about sustainable practices in society.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Does not apply	Add Issue	Corporation	Sustainable Business Practice	In addition to Sustainable Publishing Practices, just sustainable business practice in general is utterly important in our world today. Paper is really not the focus here, but being able to utilize sustainable measures to reduce, reuse and offset emissions thus increasing costs should be the focus where I felt this paper only focused on paper purchasing and sourcing policies which is but a tiny piece of the entire strategy.
Media Production & Distribution	Does not apply	Add Issue	Public Interest & Intermediaries	Compliance: New Regulations	compliance with laws and regulations is a sustainability issue for all industry groups. The melting of franchise barriers for traditional media (e.g, Softbank /sprint) regulations will continue to change. Media company's will need people and processes to track changes and comply with changes.
Media Production & Distribution	Does not apply	Add Issue	Public Interest & Intermediaries	Competition from non-traditional sources	wireless industry and broadband industry
Media Production & Distribution	Does not apply	Add Issue	Corporation	technology	Being savvy about technology -- content distribution -- is a major issue going forward and could be the difference between success/failure for the organization.
Media Production & Distribution	Does not apply	Add Issue	Market Participant	Leadership and Governance [EXECUTIVE COMPENSATION] + [CONFLICTS OF INTEREST]	In the media industry, compensation of key executives tends to be excessive. In addition, there are often related party transactions that conflict with the interests of shareholders



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	Page 4, under Evidence, first paragraph: <ul style="list-style-type: none"> • The brief states that “Making the shift will require addressing the operations of 25,000 factories in over 100 countries”. <ul style="list-style-type: none"> o This is not entirely accurate as Publishing accounts for only a small portion of Disney’s entire supply chain. • The brief states that “...it will protect the company from sourcing paper products that violate the Lacey Act, ...” <ul style="list-style-type: none"> o This is not entirely accurate. Disney’s Paper Policy is applied to their vertical business, where most of their publishing occurs. However there is some licensed publishing business that falls outside the realm of the Paper Policy.
Media Production & Distribution	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	I found it helpful and comprehensive, but somewhat poorly written and edited. I think I will send SASB some notations on small and larger editing errors I spotted, to help polish it for final dissemination as it moves on from draft status. It's especially embarrassing when representing or informing about the Media Production industry to deliver a document with spelling and grammatical mistakes and clarity gaps.
Media Production & Distribution	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	<p>Pg 5 - "Chronic instances of violations may... "and lead to increased sales" should be DECREASED sales, or increased COSTS - if I'm reading that correctly. Somewhere though, that needs to be fixed as the statement as is does not make business sense.</p> <p>Typo - pg 6 first paragraph should be must not most (just before the quote). The 5th paragraph on page 5 about the Glenn Beck situation needs work - it doesn't flow well as an example and seems to be just thrown in there. The point is good, just the flow needs work.</p>
Media Production & Distribution	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	Nothing fundamental. It did need a better proofreading for grammar and spelling though.
Media Production & Distribution	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	It was helpful overall. I thought that some sections could have contained additional information such as incorporating information from CARU on content guardianship and that labor relations should look beyond only unions as there are other issues in the industry as well. Also, I did not see any information on advertising/ethics oversight and the approval process that companies use. I think a discussion of these metrics would be useful to incorporate.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Media Production & Distribution	Does not apply	Other Comment	Corporation	DNA - Other Comments	<p>Materiality in all cases depends on the specific circumstances presented, including the nature of the issuer’s business, the importance of a line of business to the issuer as a whole, the specific issues presented within a category, the likelihood of specific facts arising, the likely significance of the impact of specific facts in light of the issuer’s specific circumstances, the mitigating activities that the issuer can take, and the time frame over which a set of circumstances is likely to arise. Therefore, any of the issues set forth in question 1 may or may not be material in the specific circumstances in which they would arise. In the context of our company, we do not expect that any of the identified issues listed in question 1 would be material. Designations of ‘material’ or ‘material with substantial reservations’ in question 1 indicate a belief that this issue may be material for a specific, stand-alone company within the media production and distribution industry, given the factors of likelihood, significance of impact, mitigating activities, and the time frame under which a set of circumstances is likely to arise, as mentioned above. In addition, finding an appropriate and comparable metric for the issues listed in this industry would be very challenging. Absolute numbers can provide a means to track performance of a specific company over time, but comparability would be aided by having a common denominator. Finding an appropriate denominator, and ensuring that it is calculated consistently, would also be challenging and could lead to the publication of confusing or misleading data. An additional question that should be considered is the context in which accounting metrics should be presented (to the extent they are appropriate to be included). We believe that many of the metrics would be most useful in the context of existing risk factor disclosure rather than as standalone data. If the data are included in the risk factors, issuers will have a clearer basis for evaluating the need for the disclosure and investors will be able to use the metrics to evaluate the likelihood and magnitude of the risks. Two additional thoughts:</p> <ul style="list-style-type: none"> • All the proposed metrics measure a negative impact. Have you considered adding metrics that measured the positive impact of business operations? Could that be material? • It was challenging to answer this survey when our company spanned all four categories. What was material to our publishing businesses, might not have been material for film production business, and so forth.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Does not apply	Other Comment	Corporation	DNA - Other Comments	Great topics were raised. In general terms, all items should be disclosed but I'm concerned about cost reasonableness.
Media Production & Distribution	Does not apply	Other Comment	Market Participant	DNA - Other Comments	I'm obviously leaning heavily on the 2012 GRI Media Sector Supplement for my suggested additions and citations but I think there are some excellent opportunities for cross-pollination or referencing to be seized with that international disclosure framework. As I indicated in my application for this SASB Industry Working Group, I helped shape the GRI MSS over about a 2.5-year period, so it's near and dear to my heart!
Media Production & Distribution	Does not apply	Other Comment	Corporation	DNA - Other Comments [ENERGY MANAGEMENT]	I really believe you need to add more to the environmental piece of sustainability. It's really unfortunate that only paper was picked up as an issue where energy is an even bigger and just as easy to measure (if not easier) issue and a large point of contention globally. We need more attention to this in the US.
Media Production & Distribution	Does not apply	Other Comment	Market Participant	DNA - Other Comments	I think this is a great effort. However, I am not sure the metrics in each instance really capture all the key issues within the industry, but I know it is a challenging task. I think it would be useful for the standards to ask for information that is useful and relevant, but perhaps not as widely available currently, in order to encourage companies to be more transparent and to increase their disclosure on key issues and metrics as note previously throughout the report.
Media Production & Distribution	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	With respect to the industry brief, would it be beneficial to expand the discussion on the impact of social media on this industry?
Media Production & Distribution	Does not apply	Other Comment	Market Participant	DNA - Other Comments	I am most interested in those standards that I think relevant and realistic that have a meaningful impact on the P&L of my companies under coverage.
Media Production &	Does not apply	Other	Market	DNA - Other	The brief was very well done and the feedback microsite is very user friendly.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Distribution		Comment	Participant	Comments	
Media Production & Distribution	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	Journalistic Integrity should be included checking functions to other authorities from governments to companies, but to evaluate those functions through certain measures or methods and reflect those results to their balance sheets would be very difficult. But is primary issue of this industry as a whole.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Corporation	Maybe	This is a critical issue for companies in the news business – one portion of this industry – but there would be little variability between companies in any information that would be disclosed.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Market Participant	Yes	Seeking more disclosure on ownership structure would help shed light on journalistic integrity of publicly listed companies in this sector. For example, the GRI Media Sector Supplement seeks the following information from filers in this sector: Ownership structure and assets of media organizations will allow stakeholders and audiences to evaluate the integrity and independence of content. Source: International Standardization & Accreditation Services. ISAS BCAP 9001 2010, Page 11, Section 0.3 “Specifics of the Media industry”
Media Production & Distribution	Journalistic Integrity	Material Issue?	Corporation	Yes	Two examples where violations of journalistic integrity were addressed by ombudsman (Public Editor of The New York Times): Jayson Blair http://www.nytimes.com/2013/05/05/public-editor/repairing-the-credibility-cracks-after-jayson-blair.html?_r=0 Judy Miller http://www.nytimes.com/2005/10/23/opinion/23publiceditor.html?pagewanted=all
Media Production & Distribution	Journalistic Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Three primary reasons. First, some believe that it has been a long-standing cornerstone for the industry. Second, the current transformational changes, informed in large measure by social media, have raised questions concerning: a) the definition of 'journalistic integrity' and b) the continued efficacy (i.e., sustainability) of journalistic integrity. Third, lines are blurring between journalism and information (e.g., opinion-based blogs).
Media Production &	Journalistic Integrity	Material Issue?	Corporation	Yes	Integrity of the product is crucial to the business.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Distribution					
Media Production & Distribution	Journalistic Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Journalistic integrity is somewhat more precise than "cultural influence," but it will still be difficult to judge. It's material, however, because it goes to the heart of a news organization's mission.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Journalistic Integrity acts on society as a balancing function among various powers, and I think which functions is core role of so-called "4th power" of media.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Market Participant	Maybe	Though Journalistic integrity is important I do not view it as material toward investment decisions. Many of the "news" outlets (Fox-Conservative, NYT and MSNBC, Liberal) are as much platform placements for ideologies as they are news outlets. Investors do not view this as a material issue to be regulated.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Market Participant	Yes	News Corp Phone Hacking Scandal
Media Production & Distribution	Journalistic Integrity	Material Issue?	Market Participant	Yes	Too often the media seems to rely on the same data sources.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Journalistic integrity is key to the brand for media companies.
Media Production & Distribution	Journalistic Integrity	Material Issue?	Market Participant	Yes	This is particularly relevant for news-related content, including newspapers, cable news and network news. In my view, media companies that disseminate false or misleading information face considerable reputational risk and possible loss of viewership



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Media Production & Distribution	Journalistic Integrity	Material Issue?	Corporation	Yes	Nothing is more important to the value of a news organization publishing on any platform than the validity of its information. If it isn't credible and lacks integrity, it loses most if not all of its value as legitimate journalism.
Media Production & Distribution	Labor Relations	Material Issue?	Corporation	Maybe	Labor represents a significant cost, and work stoppages at times occur. Information about increased risk related to labor relations is best handled on a company by company basis, relative to their risk and current negotiations at hand for that company or the industry as a whole.
Media Production & Distribution	Labor Relations	Material Issue?	Market Participant	Yes	Two topics I would include in this area, beyond union relations mentioned at some length in the Industry Brief are: handling of contract or freelance workers very prevalent in this industry and handling of child labor in the entertainment industry. For freelance worker policy, suggested disclosure request wording could be: The impact of the rapid growth of freelancing, parttime work, fixed contracts and outsourced labor across the media sector demonstrates how organizations are adapting structures for industrial relations and use of human resources. Report the total number of employees broken down by employment contract including freelance, and fixed contracts, and gender. For child labor engaged in the entertainment side of the sector, suggested disclosure request could be: Report policy on ensuring conditions for the development and protection of children and young people under the age of 18 involved in artistic performance (e.g., level of guardian supervision required when working for the organization, continuation of education according to local legal conditions, limits to number of hours worked, psychological support in dealing with child celebrity), referring to the ILO Minimum Age Convention 1973 (No. 138, Article 8). Source: GRI Media Sector Supplement (2012--see earlier link.)
Media Production & Distribution	Labor Relations	Material Issue?	Corporation	Yes	If Labor relations become an issue, the bus can come to a complete halt.
Media Production &	Labor Relations	Material Issue?	Public Interest &	Yes	Labor relations pose a realistic financial risk to media companies, as evidenced in the industry briefing.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Distribution			Intermediaries		
Media Production & Distribution	Labor Relations	Material Issue?	Public Interest & Intermediaries	Yes	Position of journalist should be labor side rather than management side due to their power relationship.
Media Production & Distribution	Labor Relations	Material Issue?	Market Participant	Maybe	Unions are simply not a big enough driver for these companies to move the needle. The writers strike several years ago had almost no impact at all on the large cap media companies.
Media Production & Distribution	Labor Relations	Material Issue?	Market Participant	No	Too many people willing to work for free in this business.
Media Production & Distribution	Labor Relations	Material Issue?	Market Participant	Yes	I believe this is material because labor relations impacts content costs, particularly for sports content
Media Production & Distribution	Labor Relations	Material Issue?	Corporation	Yes	The newspaper guild and other media unions have made the transition to digital journalism far lengthier than it needed to be - a significant downside for the industry that proved costly. A question is how nimble/flexible the unions are willing to be going forward at a time when maximum flexibility is needed.
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Corporation	No	Publishing is only a small business within many companies in this industry, and the materiality of the price and availability of sustainably forested paper would depend on specific circumstances



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Market Participant	Yes	These disclosures specific to media and publishing companies are also relevant, even as print production declines. - Report policies and impacts of inks and printing techniques as well as disc materials (DVDs, CDs) and packaging. - Report policies related to recycling of materials by the company and initiatives to promote recycling by end users. - Report approach to managing unsold/returned media materials (for example print material, CDs, DVDs). Source GRI Media Sector Supplement, (2012) https://www.globalreporting.org/resource/library/MSS-Complete.pdf
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Public Interest & Intermediaries	Yes	Nordicom Review 33 (2012) 1, pp. 83-98 Freelance Journalists' Ethical Boundary Settings in Information Work by Martina Ladendorf
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Corporation	Yes	This could have a big impact by NGOs who specifically targets paper.
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Public Interest & Intermediaries	Yes	Investors should be concerned about the long-term sustainability of any company not adapting to the move toward virtual media.
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Public Interest & Intermediaries	Yes	Media entities influence individuals and other corporations of their ESG factors through media products and distributions, which means to multiplex significance of ESG materialities in society
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Market Participant	Yes	If companies are forced to purchase more expensive paper from sustainable sources then they will have a direct impact on their P&L. Newspaper publishers are still highly levered to paper costs as are book publishers in spite of ongoing moves to become more digital.
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Market Participant	No	So few newspapers and magazines left



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Public Interest & Intermediaries	No	Given the tremendous shift of production assets online, sustainability becomes more about energy supply and electronics (mobile phones, laptops) recycling than publishing.
Media Production & Distribution	Sustainable Publishing Practices	Material Issue?	Market Participant	Yes	This concern applies primarily to those publishers who disseminate content in hard copy. However, there are also concerns related to the digital transmission of content, related to the cost of bandwidth and net neutrality.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Training and development [RECRUITMENT, DEVELOPMENT AND RETENTION]	We are looking at the IMPACT of an organization. Training and development practices correlate to a positive impact on human capital.
Professional Services	Does not apply	Add Issue	Market Participant	leadership and governance	highlighted in the report, but missing from the list above. leadership and governance are critical in driving the right long-term culture of a professional services firm
Professional Services	Does not apply	Add Issue	Corporation	Environment [INTEGRATION OF SUSTY PRINCIPLES IN PROFESSIONAL SERVICES and [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	It is surprising that there is no reference to any environmental issue for this sector. Local, state and national bar associations have increasingly focused on the relevance of environmental sustainability to the legal profession, on par with pro bono and diversity. As carbon emissions become intreasingly relevant to clients (reducing emissions in their supply chain) (forward-looking) so too will environmental issues for this sector. Transportation is particularly relevant to client- facing sectors such as professional services. Energy efficiency is also relevant. This sector is also highly influential due to its client base and can leverage its experience. There are opportunities for the sector to influence related policy.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Corporation	Community development [ACCESS TO SERVICES SERVICES / PRO BONO SERVICES]	I believe this is the category where pro bono work is most relevant. One of the more traditional roles of a lawyer is to provide pro bono services to individuals and organizations in need. Many clients specifically request information about a firm's pro bono services. Most major law firms are signatories to the Pro Bono Institute's Law Firm Pro Bono Challenge©.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Knowledge of sustainability - ie social and environmental impacts [INTEGRATION OF SUSTY PRINCIPLES IN PROFESSIONAL SERVICES]	Providers of professional services - whether they are in the data analytics, staffing or management consulting services - need to be trained in assessing the environmental and social impacts in addition to the financial aspects of their decision making.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Workplace Wellbeing / Employee Resilience	Ability of employees to cope with stress levels and changes to stress levels (particularly in relation to transactional or project-based services) require high levels of resilience. This issue is not tantamount to work/life balance.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Access to Services [ACCESS TO SERVICES SERVICES / PRO BONO SERVICES]	Professional Services are among the most expensive services and poorer individuals and groups can simply be priced out of accessing high quality advice. An obvious example is lack of access to legal services, although it applies more or less across the industry. Access to Services is already a significant business issue, and if trends on wealth inequality continue, will grow in significance. The issue can affect Cost of Revenue, Market Share and Intangible Assets.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Service life cycle use impact [INTEGRATION OF SUSTY PRINCIPLES IN PROFESSIONAL SERVICES]	Professional services are increasingly being targetted by NGOs and other disaffected stakeholders in relation to the advice they give. The disaffection stems from the legal, but otherwise unpalatable advice given to clients, and the affects of advice on various groups. The issue can affect Intangible Assets (Reputation),Cost of Revenue, Market Share, Extraordinary Expenses and Contingent Liability provision.
Professional Services	Does not apply	Add Issue	Corporation	Data Privacy & Security [CUSTOMER PRIVACY AND DATA SECURITY]	This is very similar to Professional Integrity, but in our business we have access to some very secure and top secret information. Our clients and customers must have absolute confidence in our ability to keep their data private and secure. A failure to do so can very quickly become a costly risk to our current and future work. We recently experienced a situation where an employee's poor judgment led to a broad security breach. As a result, we've re-evaluated our security protocols, re-emphasized IT data and security training for all staff, retrained all staff on ethics standards and behaviors (tie-in here t the integrity issue), and actively engaged with our clients to make sure the are aware of our measures and to re-establish their confidence that we will protect their information and data. It's definitely something that affected our stock value.
Professional Services	Does not apply	Add Issue	Market Participant	Green Buildings [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	The second highest cost-item in this industry (besides personnel expenses) are renting costs. I would therefore suggest to include the environmental impact of the buildings in this sector.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Corporation	Environment: GHG emissions from travel [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	Professional services often requires significant travel. This is both an environmental, and potentially even profit-related, issue and should not be overlooked. Can be normalized to revenue or other. Could be impacted by carbon regulation, fuel prices or aviation sector disturbance.
Professional Services	Does not apply	Add Issue	Market Participant	Training & Education [RECRUITMENT, DEVELOPMENT AND RETENTION]	In my view focus on Training & Education ensures ongoing development of employees, drives excellence, drives employee satisfaction (studies indicate this is very important for stock price outperformance) and key to retaining talent. In particular in professional service organisations the above is key and a competitive advantage. In my view this point did not get the attention it deserved in the document.
Professional Services	Does not apply	Add Issue	Corporation	Environmental Impact [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	Environmental impact issues, including air travel, employee commuting, sustainable procurement, managing GHG emissions, recycling, and others are very material to this sector.
Professional Services	Does not apply	Add Issue	Market Participant	Privacy & Confidentiality of Client Information [CUSTOMER PRIVACY AND DATA SECURITY]	As indicated in the Industry Summary, 18,620 employees of just one law firm had access to confidential information material to United States security. Consumer information confidentiality, public concern for abuse, and no standard code of ethics was also discussed. I think there is good cause that if information is leaked from any type of employee (contract, full-time) it can do material financial and reputational harm damaging future-forward sales revenues and social capital relationships. Web link: Can Target renew its bond with customers seeking value, fairness and – to use one of the company’s buzzwords – “fun,” it’s hard to envision the stock as a likely leader for the long term.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Market Participant	Social Capital	What is a professional service if not a collective benefit derived from the cooperation of groups or individuals. Social Capital by definition is relational. There can be no service to a client unless there is a relationship. It's so fundamental in this sector that I think it has been overlooked. I would say the 'institutions that help us maintain and develop human capital, being in partnership; business groups, lawyers, mediation, mediators, business and engaging firm for workforce support. The entire Industry is built on human interaction and the use of human capital but it is social capital that brings it all together.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Employee Training & Career Planning [RECRUITMENT, DEVELOPMENT AND RETENTION]	Training of employees is critical for long term in the professional services sector.
Professional Services	Does not apply	Add Issue	Corporation	Information and Data Security [CUSTOMER PRIVACY AND DATA SECURITY]	The nature of our business is information, and ensuring the security, integrity and confidentiality of that information is material to the longevity of our business. If this were to be compromised, it could impact the success of the business.
Professional Services	Does not apply	Add Issue	Corporation	The attraction and retention of "PIVOTAL" talent [RECRUITMENT, DEVELOPMENT AND RETENTION]	Published research reveals that the disproportionate loss of high percentage pay progressors (a standardized definition) in this industry is particularly important to corporate financial performance
Professional Services	Does not apply	Add Issue	Corporation	Social Responsibility	Ensuring that the locations where we operate provide a level playing field for all individuals



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Market Participant	Source of value-added	Staffing companies add value within a complex spectrum of cost savings vs. providing high-quality talent. Gross margins for traditional temp staffing have been declining for decades. Companies should be required to give more details about gross margins for service segments + how they defend/enhance value-added qualities of their services. The staffing industry loves to report gross revenues, but gross profit is their true revenue. The downtrend in gross margin could be dangerous for investors.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Impact R&D - Innovation/ New Consulting Services & Product [INTEGRATION OF SUSTY PRINCIPLES IN PROFESSIONAL SERVICES]	Consultants, especially the top tier ones, can drive dramatic changes, for good or bad, in business and consumer practice via their service offerings and advice (from offshoring of labor to broadly condoning externalization of ESG costs and more). This materiality issue may be a sub-set of Professional Integrity, but I STRONGLY feel that consultants need be mindful of the consequences of what they choose to offer to the market. View this issue as product manufacturer's equivalent of "product takeback." Own what you put out there and not hide behind a curtain of "we're just the advisor."
Professional Services	Does not apply	Add Issue	Corporation	Environmental aspects such as energy consumption, emissions from business travel, recycling and use of paper. [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	Although the environmental impact from a professional services company is not as large as a manufacturing or consumer goods company, the clients we serve and our own employees care about the environment. There is a link between what we do as a company and what type of talent we attract or what type of business we gain.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Add Issue	Corporation	Supply chain engagement	Our ability to influence the procurement spend of our ourselves, but more importantly, that of our clients is huge - that means transferring values of professional integrity, diversity & inclusion, fair labor practices, and environmental concerns.
Professional Services	Does not apply	Add Issue	Corporation	Environmental [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	I would be concerned about efficient use of sustainable resources. Does the entity recycle - including electronic waste? Does the entity seek out renewable energy? These issues, in my view, are not only material, but measurable.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Travel [ENVIRONMENTAL FOOTPRINT OF OPERATIONS / BUSINESS TRAVEL]	Travel is the main area where consulting firms have an environmental impact. It is also a large budget item.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	Employee Knowledge/Training [RECRUITMENT, DEVELOPMENT AND RETENTION]	A firm needs knowledgeable employees in order to better serve clients. A firm must also find effective ways to train and challenge employees to gain knowledge that will better serve clients.
Professional Services	Does not apply	Add Issue	Public Interest & Intermediaries	training capability [RECRUITMENT, DEVELOPMENT AND RETENTION]	Professionals should make continuous efforts to improve own skills and knowledge. Training capability of firms may be effective for enhancement of clients' satisfaction.
Professional	Does not apply	Comment on	Public Interest &	DNA - Comment on	Clearer set of assumptions about the various professions within this sector and recognition of drivers in the



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Services		Brief	Intermediaries	Brief	different professions.
Professional Services	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	<p>Please do a universal check throughout the document to ensure that the business names are spelled correctly. I noticed in the first paragraph on page 1 (there may be other places as well) that "Booz Allen Hamilton" was spelled incorrectly. (There was an "e" at the end of Booz."</p> <p>Be careful making broad inferences based on legal settlements. Just because a company settled does NOT mean that they are guilty or have subpar practices. Example: page 5 - Booz Allen settling a 'glass ceiling' case against a former partner. Despite what the press stated, the company's D&I are actually very strong and there were other factors that led to the settlement. Page 8 - first full paragraph, last sentence: change "this industries" to "this industry".</p>
Professional Services	Does not apply	Innacuracy	Corporation	DNA - Innacuracy	<p>- I did not understand the relationship between the table on PDF pg. 2 and the breakdowns starting on PDF pg. 4. For example, are you talking about material sustainability issues or risks and opportunities? How do environmental, social and business model/leadership aspects fit into the framework? Is Professional Integrity a subset or equal to Leadership and Governance? There could be better overall mapping between the summary and details of these issues.</p> <p>- I noticed some small typos throughout such as first column PDF pg. 6 (professional service's companies).</p> <p>- I found it frustrating that a) these comment boxes were not bigger b) I could not highlight or mark up the PDF industry briefing.</p> <p>- I think the examples in the Industry Briefing were heavily weighted towards staffing agencies. As a non-staffing agency respondent, this made me question how a company like mine fits into the picture.</p>
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	Suggest also including specific industry codes of content particularly from the institute of management consultants (www.imcusa.org) and other members of the International Council of Management Consulting Institutes (www.icmci.org)



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	Just a note about including law firms in this sector - I believe the ABA ethical rules prohibit the sale of shares to outside parties because of the potential conflict between a firm's duty of loyalty to its clients and its duty of loyalty to its shareholders.
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	I appreciate the opportunity to participate in this process.
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	A text box 20 characters wide - the message seems to be that you don't really want much from us! I don't want to overstate that, but it made it remarkably unpleasant to complete this.
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	For professional services, there could be some material disclosures around "Contribution to the Profession." The long term sustainability of a professional services firm is tied to their profession. The profession needs to be sustainable for the firm to be sustainable. I believe that these metrics may be difficult to measure, but I do think they are relevant.
Professional Services	Does not apply	Other Comment	Market Participant	DNA - Other Comments [RECRUITMENT, DEVELOPMENT AND RETENTION]	In my view the human capital factor (especially in this industry segment) is more important than the attention it receives in the document. Development, measurement and investment in this human capital would be good to track for investors as in my view this is material in this sector.



Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	<p>Additions and edits to the industry briefing:</p> <ul style="list-style-type: none"> • Regulatory Trends in the Professional Services Industry <ul style="list-style-type: none"> o Add EU sustainability and social responsibility directive • Sustainability-related Risks and Opportunities <ul style="list-style-type: none"> o Add climate change as a risk • Human Capital <ul style="list-style-type: none"> o Add employee health & wellness <ul style="list-style-type: none"> § Preventative health measures, including: • Presenteeism Statistics • Mental health • Obesity and physical wellness § Evidence: Obamacare, Happiness Index o Add employee turnover <ul style="list-style-type: none"> o Add Employee training and development o Add very active citizenship programs § Evidence: Trust Barometer and State of Green Biz 2013, 2014 • Employee Diversity and Inclusion <ul style="list-style-type: none"> o Include veterans § Evidence: OFCCP o Include disabled employees § Evidence: OFCCP • Fair Labor Practices • Leadership and Governance o Add supply chain § Evidence: G4, SASB orientation principles, SPLC § Metrics: Spend & Supplier Code of Conduct o Add risk management § Human Rights Issues • Evidence: United Nations Global Compact, California Supply Chain Transparency Act, John Ruggie UN Human Rights Framework § License to Lead • Evidence: Edelman Trust Barometer, Edelman Brandshare o Add business continuity § Evidence: State of Green Business Report • Professional Integrity o Add customer privacy and data security § Data Centers, cloud computing o Add conflict minerals o Add customer satisfaction o Add upholding ethical standards in new markets • ADD - “Environmental Impact”, including: o Business air travel o Employee commuting o Sustainable procurement o Green Meeting Industry Council principles o Managing GHG emissions (Scopes 1, 2 and 3) o Recycling § Evidence: City ordinances o Business model innovation § Accounting for externalities § Social capital o Natural Capital (Suggest, if not right away, reference natural capital in the near future.) o Evidence: Environment is included in Advertising & Marketing brief, why not Services? o Further evidence: KPMG report Carrots and Sticks • “Social Capital” o Volunteerism and community engagement o Evidence: CECP, A Billion + Change, Taproot Foundation, Points of Light.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	Excellent process.
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	I believe that the brief and survey topics and issues addressed the key factors around sustainability issues for the professional services industry
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	In general whenever human capital metrics can be expressed in terms of the investment in people measured by compensation in addition to the common head count approach it enables symmetry with financial reporting and alignment with investor perspectives.
Professional Services	Does not apply	Other Comment	Market Participant	DNA - Other Comments	The biggest sustainability issue that I see centers on the method of marking up the value of labor. Most revenue in consulting and staffing comes from this markup. If the value added comes from enabling employers to avoid costs of hiring permanent staff, the first logical question is "how sustainable is that business model?" What protects the value of this solution? How likely is a legislative/regulatory response that reduces or eliminates this arbitrage? Already we have seen the Affordable Care Act attack the ability of employers to avoid paying benefits by using long-term temps. And I noted the secular decline in gross margins - the markup - for traditional temp staffing. I wanted to note one issue in the brief that just came to mind. US Labor Department surveys have found that as much as 80% of temps work full-time hours. Newcomers often make the mistaken assumption that temporary work is the same thing as part-time. Little of it actually is part-time. This recalls the subject of value added. Most temps are working in long-term, full-time jobs. Nissan requires new plant employees to work temp as long as five years before qualifying to be candidates for permanent jobs. They keep a large pool of temps as cushion for fluctuations in demand for cars. Why is this solution even possible? How long will the government allow this to persist? Does the ACA eliminate much of the value, or will Nissan force vendors to eat the cost of benefits?



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [INTEGRATION OF SUSTY PRINCIPLES IN PROFESSIONAL SERVICES]	Well done. But I would like to see emphasis on how Professional Services has the ability to impact business and government across the swathe of all materiality issues (and hence my encouragement of perhaps defining a 4th materiality issue that deals with their choice of services to provide and advice given). Yes, a client is ultimately responsible for whether it listens to advice but a consultant can also choose whether to put the "product" on the market, from tax avoidance (that skirts into tax evasion) to off-shoring, to supply chain (and chasing lowest cost of labor locations every few years that are also likely ripe with human rights and environmental issues), etc.
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	Overall, we would expect to see more than three material issues. Appreciate having the opportunity to comment. Thanks for your efforts and I look forward to the publication of the final standards.
Professional Services	Does not apply	Other Comment	Corporation	DNA - Other Comments	I'd like to see the board emphasize the sustainability with the underlying concept of limited societal resources. Entities must compete for all resources (environmental, human, etc.) to put them to the most sustainable use. The goal is financial, yes, but also to our system as a whole. Reporting lets all stakeholders decide where to put its limited resources. So materiality is important, but let's not exclude the cost-benefits of decision-making on a collective basis.
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	There is an increasing realization among our clients that sustainability drives innovation and innovation drives growth. From a brand perspective, we know that we must be seen as an environmental and socially sustainable firm. We purchase carbon credits to be carbon neutral for instance. Our clients know this.
Professional Services	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments [RECRUITMENT, DEVELOPMENT AND RETENTION]	Service quality of professional service firms are based on skills and experience. Trainig and knowledge management would be critical for sustanability of professional service firms.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	The more diverse your workforce is the better. It gives employees the opportunity to interact with different people and learn how to incorporate different ideas to solve problems. It also helps clients becasue you have different knowledge bases to draw from when a client needs advice.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Absolutely. Consultants are hired, usually, to address complex problems and usually in teams. Teams benefit from diversity when there's a complex problem to solve (simple, routine matters -- diversity does not help). For ex: http://www.crosscollaborate.com/2010/05/diversity-improves-collaborative-problem-solving/
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	No	we do not
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Yes	With increasing numbers of professionals reaching retirement age, it is more important than ever to ensure that professional services firms tap into all available pools of talent to meet the needs of their own business and of their clients.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Professional should understand clients' issues and that background. Diversity is contributable to produce good services and practice, and profesional is also important to suggest solutions from diversified point of views.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Professional Services' organizations have a unique supply chain: their people. As such, employee diversity and inclusion and integral to the impact made upstream (recruiting) and downstream (promotion and career advancement).
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Employee Diversity and Inclusion are critical issues for professional services firms, especially those that rely on talent with very specialized skills. I witnessed this first hand when preparing two corporate citizenship reports for Marsh & McLennan Companies. I have prepared similar reports for several other Fortune 500 companies, but this was the only client whose reporting team included the Chief Diversity Officer. To remain competitive, and to serve and increasingly diverse client base, MMC realizes that it is essential to cultivate a welcoming workplace for employees of diverse backgrounds. See this link: http://www.mmc.com/diversity/index.php
Professional	Employee Diversity &	Material	Public Interest &	Yes	Diversity of thought and experience provide better quality work and advice.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Services	Inclusion	Issue?	Intermediaries		
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Yes	It is my understanding that diversity adds to the entity's intangible human resources. A variety of viewpoints ensures that the entity can understand and reach a broad set of stakeholders. Lack of diversity, moreover, puts additional burdens on society and taxpayers. It causes inefficient use of our collective resources. Without efficient use of resources, talent is wasted. For support, please research the studies that supported the Civil Rights Acts in the 1960s -- about society's waste of talent and putting resources to their best use. Diversity also has risk management implications to an entity because it subjects them to enforcement actions, private lawsuits, and reputation risk.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Market Participant	Yes	Diversity and Inclusion is key. the former ensures different insights and improves decision making quality while the latter improves engagement throughout the firm
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Yes	In 2004 Sara Lee General Counsel Roderick Palmore created "A Call to Action: Diversity in the Legal Profession," a document reaffirming a commitment to diversity in the law profession and taking action to ensure that corporate legal departments and law firms increase the numbers of women and minority attorneys hired and retained. And if law firms don't, the document states, "We [the undersigned corporate legal department representatives] further intend to end or limit our relationships with firms whose performance consistently evidences a lack of meaningful interest in being diverse." As of December 2004 over 70 companies had signed the call to action. http://www.mcca.com/index.cfm?fuseaction=page.viewpage&pageid=803
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Maybe	I have reservations on how one can link employee diversity to tangibles such as productivity, attrition etc.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Maybe	Not convinced that this would be material to an investor. Would this necessarily impact the quality of the services provided?



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Mostly related to Gender issues. Considering intakes at Universities vs Management/Board female members it is a surge of concern in the long term.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Yes	A professional services company is only as good as the team that brings it to life. A strong culture is a sign of strength
Professional Services	Employee Diversity & Inclusion	Material Issue?	Public Interest & Intermediaries	Yes	Diverse perspectives and backgrounds is helpful to generate new clients, help our clients enter new markets and generate the best innovation ideas.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Market Participant	Maybe	Very hard to quantify materiality, though I'm certain diversity/inclusion drive value in the labor supply chain + quality of management. No evidence investors care.
Professional Services	Employee Diversity & Inclusion	Material Issue?	Corporation	Maybe	Not convinced on monetisation
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	This is important because it gives firms a way to incentivize employees to remain with a firm. Also, Fair Labor Practices boost employee morale which directly affects how the employees interact with clients.
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	I would not have normally considered this a material issue but because of Staffing sector being part of this, the case in the briefing was made for why so.
Professional Services	Fair Labor Practices	Material Issue?	Corporation	Maybe	we do not



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Confortable labor situation is effective to increase service quality.
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Professional Services firms rely on human capital. If we don't follow fair labor practices, we are damaging our most important asset. We all seek to be the trusted advisor to our clients, if we can't be trusted to follow standard practices, then we can't be trusted to offer the best advice for our clients.
Professional Services	Fair Labor Practices	Material Issue?	Corporation	Maybe	I think compensation and benefits are material for a professional services company. I think health and safety of employees on client sites is also material. However, in the context described within SASB's industry briefing, I do not deem this issue as material because of the focus on staffing agencies, temporary and unskilled workers.
Professional Services	Fair Labor Practices	Material Issue?	Corporation	Yes	Fair labor practices ensure that an enterprise captures the true costs of using a person's resources. Without fair wage standards, taxpayers are at risk of supporting employees (e.g. Wal-Mart workers on public assistance). Encouraging payment of a fair and living wage ensures that the full and true cost to society is reflected in the entity's financial results. Similarly for health and safety issues. If the entity doesn't pay to ensure safety, taxpayers/society will pick up the cost. For example, injured workers without insurance show up at emergency room, increasing the cost of healthcare.
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	labor practices that violate national labor laws and international human rights standards can be liabilities from a compliance perspective in addition to reputational risks
Professional Services	Fair Labor Practices	Material Issue?	Corporation	No	As an industry of professionals, the work environments would be considered desirable by nature of the work being performed. Children are not part of the work force. Beyond the regulations that exist currently, this likely is not a material issue to an investor.
Professional Services	Fair Labor Practices	Material Issue?	Corporation	Yes	For companies doing business abroad, this is important. Domestically, it is also becoming important as "internship" practices come into question



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Employees are the main 'asset' of a management consulting company.
Professional Services	Fair Labor Practices	Material Issue?	Market Participant	Maybe	No evidence that these issues affect stock prices or key performance metrics. Companies usually dismiss lawsuits as driven by opportunistic lawyers taking advantage of poorly written regulations.
Professional Services	Fair Labor Practices	Material Issue?	Corporation	Maybe	Not convinced on monetisation
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	In a professional services environment you are using a great deal of judgement when dealing with clients, and you have to steer them in a direction that is beneficial to them within the law. This has a huge impact on the business because once it is known that a firm does not have professional integrity clients will leave that firm.
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	No	The integrity of professional services is generally very highly regulated, and surprisingly consistent across countries.
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Consultants advice are their product and their product is based on their knowledge and integrity in delivering. To me, its a measure of trust.
Professional Services	Professional Integrity	Material Issue?	Corporation	Maybe	we do not
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Professionals's work is based on various hi-quality intelligence. In order to enhance effective collaboration, keeping integrity mind-sets each other is critical.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Again, I have seen firsthand the importance that my reporting clients place on maintaining an ethical workplace and communicating a Code of Conduct to their employees. As an increasingly greater percentage of a company's value is based on intangible assets, it becomes more important to safeguard a company's reputation. Lapses in professional integrity can significantly hard a company;s reputation and thus lower its value in the market place.
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	Code of conduct and ethics very significant please also consider Institute of Management Consultants (www.imcusa.org) and International Council of Management COnsulting Institutes (www.icmci.org) global and local codes of ethics for management consulting industry.
Professional Services	Professional Integrity	Material Issue?	Corporation	Maybe	Professional ethics are usually defined by professional organizations. Other than risks of a third-party claim, they seem too difficult to quantify with accuracy.
Professional Services	Professional Integrity	Material Issue?	Market Participant	Yes	Without this the risk of fraud, unethical behavior etc blowing up to hurt the company, its reputation and the share price are present
Professional Services	Professional Integrity	Material Issue?	Corporation	Yes	Lawyers operate under Codes of Professional Responsibility. Failure to comply with such codes can result in attorney disbarment.
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Maybe	Again, while I view integrity as an essential, I have reservations on how it can be measured, quantified and tracked to performance
Professional Services	Professional Integrity	Material Issue?	Corporation	Yes	As mentioned in the Research Brief, our value is in the intellectual capital generated by our staff. If we are perceived as having questionable integrity it decreased the value of our staff and our viability as an organization.
Professional Services	Professional Integrity	Material Issue?	Corporation	Yes	The integrity of what we provide is the crux of our business. The expertise and credibility of that expertise is what brings the unique value of our business. If we compromise in this area, it could significantly impact the value of the company.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Professional Services	Professional Integrity	Material Issue?	Corporation	Yes	Professional services is all about leadership - bad leaders can have a strong negative impact
Professional Services	Professional Integrity	Material Issue?	Public Interest & Intermediaries	Yes	As a management consulting firm, we are our brand. Our clients need to trust us, or they wouldn't hire us.
Professional Services	Professional Integrity	Material Issue?	Market Participant	Yes	Example: Huron Consulting (ticker HURN) saw its stock price plummet in 2009 when management resigned due to accounting issues. Credibility is everything in expertise-based consulting. Often, these firms provide guidance in dealing with accounting problems, investigations, regulatory compliance, corruption, and they must work from a position of authority.
Restaurants	Does not apply	Add Issue	Corporation	Animal Welfare	The World Society for the Protection of Animals has raised the issue of Animal Welfare and the need for companies to be able to reasonably report on AW abuses in their supply chains as a tool for investor engagement. I would agree with this assessment. While it's not one of the most material, any disruptions in the supply chain regarding food safety, company reputation or inconsistency in supply due to poor AW practices would be material.
Restaurants	Does not apply	Add Issue	Public Interest & Intermediaries	Community investment	This is part of the social license to operate.
Restaurants	Does not apply	Add Issue	Market Participant	Transparency/Consistency [REGULATORY CAPTURE & POLITICAL INFLUENCE]	I'm unclear what to call this. One of the greatest frustrations we have as investors is that companies produce great reports on what they are doing on energy/water/fair labor, but use trade associations to lobby directly against these material sustainability issues. There is a real cynicism in some parts of the industry on this issue.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Restaurants	Does not apply	Add Issue	Market Participant	Climate Change	I am unclear if this rises to the level of overarching sustainability theme, but I feel that it is insufficiently considered in the write up. In particular, supply chain certification schemes may have provisions for adaptation, but others do not. The now well-established nutrition, climate, and water quality problems related to beef production, for example, may harm companies that do not offer alternative proteins.
Restaurants	Does not apply	Add Issue	Market Participant	Animal welfare	I think it is fine to keep this within supply chain sustainability, but would argue that it may be very material for those companies that rely heavily on meat.
Restaurants	Does not apply	Add Issue	Public Interest & Intermediaries	GMO and Labeling	This is related to food safety, nutritional content and supply chain management, but is a separate issue. Labels are necessary for informed decision-making by consumers as they make food choices.
Restaurants	Does not apply	Add Issue	Corporation	Restaurant build out.	The overall capital outlay is significant as is the impact on natural resources and the ability to set up the other areas for future success (e.g. more energy efficient).
Restaurants	Does not apply	Comment on Brief	Market Participant	DNA - Comment on Brief	I may have missed it, but I did not see clear guidance that the metrics would apply to the whole restaurant system, not just company-owned operations. Some chains only report out metrics on their own operations, or make the deliniation unclear.
Restaurants	Does not apply	Comment on Brief	Corporation	DNA - Comment on Brief	TBD
Restaurants	Does not apply	Comment on Brief	Market Participant	DNA - Comment on Brief	Contextualizing a lot of these on a % of sales basis would be much more impactful.
Restaurants	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	Darden has a 15% target for water and energy.
Restaurants	Does not apply	Innaccuracy	Public Interest & Intermediaries	DNA - Innaccuracy	several typos but no inaccuracies that I saw.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Restaurants	Does not apply	Innaccuracy	Corporation	DNA - Innaccuracy	TBD
Restaurants	Does not apply	Innaccuracy	Market Participant	DNA - Innaccuracy	I still question the nutritional factor section and would look at the study in NYC when caloric information was included. It had unintended consequences.
Restaurants	Does not apply	Other Comment	Market Participant	DNA - Other Comments	I greatly appreciate the chance to comment on this process.
Restaurants	Does not apply	Other Comment	Market Participant	DNA - Other Comments	Food safety and nutrition aspects are very important and getting more and more attention from companies stakeholders. The KPIs provided in the Standard are relevant, however, restaurants will have to implement additional monitoring to gather all the data.
Restaurants	Does not apply	Other Comment	Public Interest & Intermediaries	DNA - Other Comments	Great job, comprehensive, and very forward thinking. See my comments on restaurant safety inspections; these inspections are conducted locally and are not subject to a national standardized protocol. Inspection frequency varies from city to city.
Restaurants	Does not apply	Other Comment	Corporation	DNA - Other Comments	As certain of the areas under analysis in this survey, such as energy and water management, evolve for various reasons, their relative level of importance will change. Today, all of these areas have an impact in one way or another, however some are material now (particularly when they directly impact the guests), while some are very challenging to compare across companies even if most or all of the raw data is available.
Restaurants	Energy Management	Material Issue?	Public Interest & Intermediaries	Maybe	Same as above.
Restaurants	Energy Management	Material Issue?	Public Interest & Intermediaries	Yes	GHG from food production is far larger component of energy use than transportation



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Restaurants	Energy Management	Material Issue?	Corporation	Yes	Energy management is the most tangible of all impacts for businesses today. Even in the midst of low natural gas prices, companies (including Darden) are finding 10-20% in savings that can greatly impact the bottom line. By utilizing new technologies, restaurants are becoming more efficient and effective and thereby reducing costs for the guest and enhancing profitability. When utility costs rise, however, the materiality of energy management becomes increasingly material for investors.
Restaurants	Energy Management	Material Issue?	Market Participant	Yes	The discussion of climate change risk touches only on regulatory risk and risk related to food waste. However, restaurants may face physical risk (e.g. those restaurants that closed due to H. Sandy, closing due to floodings, cold snaps, etc.) and energy risk due to volatile prices, etc. These are currently material and are increasingly becoming more so. See for eg: PWC, "Busting the carbon budget: Low Carbon Economy Index 2013," http://www.pwc.co.uk/en_UK/uk/assets/pdf/low-carbon-economy-index-2013.pdf PWC, "Busting the carbon budget," 2013. Carbon Trackers work, and others. See http://www.carbontracker.org/carbonbubble Mercer, "Climate Change Scenarios – Implications for Strategic Asset Allocation," 2011. Craig McKenzie, Responsible Investor, August 30, 2013. http://www.responsible-investor.com/home/article/c_mac_sa/P2/ Note also cost curve provided as a download here: http://www.responsible-investor.com/images/uploads/advertising/Oil_cost_curve_chart.pdf
Restaurants	Energy Management	Material Issue?	Market Participant	No	Although energy consumption plays a role in a company's operations, the costs associated are far less than for other industries, and increases in energy efficiency can only partly be passed on to consumers. Issues in the supply chain, food safety and nutrition are more forward looking and can have damages on profits and reputation.
Restaurants	Energy Management	Material Issue?	Market Participant	Maybe	I view the energy use of restaurants to be synonymous with many other industries/business models, and not convinced it is material to investors.
Restaurants	Energy Management	Material Issue?	Corporation	No	Although a potential driver of financial savings, the actual total energy cost is not sufficient such that the savings will make enough impact in the time period required to attain them. This could change as energy costs increase and/or reliability changes and/or usage reduction strategies evolve.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Restaurants	Energy Management	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Fair Labor is a current hot topic and the unions are well organized, meaning they are getting the attention of other stakeholders and making this a material issue.
Restaurants	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Fair labor is critical, both for employees as well as those represented in the supply chain.
Restaurants	Fair Labor Practices	Material Issue?	Corporation	Yes	Similar to food safety, should companies be associated with unfair labor practices in their restaurants (e.g. unpaid overtime), they can lost loyal customers or be unable to attract new customers given negative perceptions by the dining public. Similar to animal welfare abuses, unfair labor practices in the supply chain can also create negative perceptions of the company and it's associated brands.
Restaurants	Fair Labor Practices	Material Issue?	Public Interest & Intermediaries	Yes	Growing concern that economic inequality and poverty wages is harming people, the economy, and social solidarity.
Restaurants	Fair Labor Practices	Material Issue?	Market Participant	Yes	Human capital is a significant industry characteristics, and therefore may be material.
Restaurants	Fair Labor Practices	Material Issue?	Corporation	No	We assume that the company is complying with all required laws. Clearly, if there was a violation of law it would be material. Beyond that, cost and other considerations around Fair Labor Practices are more relevant to international locations and supply chain which is limited for us at this time.



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Restaurants	Fair Labor Practices	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Food Safety	Material Issue?	Public Interest & Intermediaries	Yes	Same as above. Also, there is a significant reputational risk associated with food safety (e.g. Jack in the Box food safety issues in the 1990s)
Restaurants	Food Safety	Material Issue?	Public Interest & Intermediaries	Yes	Food safety will face higher scrutiny as consumers learn to ask "safe" over what period of time (eg. won't kill you today, but may kill you eventually due to cancer, lifestyle disease, etc.).
Restaurants	Food Safety	Material Issue?	Corporation	Yes	Any food safety crisis within any restaurant, even outside of our brands, can have a negative impact on our industry. If the food safety incident leads to significant illnesses or unfortunante deaths, the reputational impact is quite material and can cause lasting damage to a brand's reputation.
Restaurants	Food Safety	Material Issue?	Corporation	Yes	Food safety is at the core of any restaurant brand because negative occurances can have such a significant impact on guest traffic, which is the key long term financial driver.
Restaurants	Food Safety	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Nutritional Content	Material Issue?	Public Interest & Intermediaries	Yes	Nutritional content is core to the buisness and, from what I've observed with clients, important to stakeholders (customers). Additionally, there are increasing legal risks associated with nutritional content. Also, having nutritious choices is key to expanding business so it also falls into the economic part of sustainability.



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Restaurants	Nutritional Content	Material Issue?	Market Participant	Maybe	Compliance with ACA to note nutritional content is a good thing and is being done. Companies are offering healthier options and they will follow the trend. That said, I've spoken with companies (particularly QSR) where they said that consumers have also chosen unhealthier options in NYC when caloric information was provided as they viewed it as more "bang" for their buck.
Restaurants	Nutritional Content	Material Issue?	Public Interest & Intermediaries	Yes	Supportive of consumer safety concerns (eg. food allergies, special diets).
Restaurants	Nutritional Content	Material Issue?	Corporation	Maybe	While it's material, this is being internally debated, as the decision regarding nutritional content is ultimately in the hands of the guest. Restaurants and food service organizations can provide greater transparency, but the decision is still the customers. However, the FDA and other organizations are continuing to hold the food service industry accountable for the "obesogenic society" and any regulations or perceptions the industry is ill concerned could cause declining guest counts.
Restaurants	Nutritional Content	Material Issue?	Market Participant	Yes	www.menusofchange.org
Restaurants	Nutritional Content	Material Issue?	Public Interest & Intermediaries	Yes	Some view restaurants as an opportune point to regulate dietary behavior.
Restaurants	Nutritional Content	Material Issue?	Market Participant	Maybe	In my view, this is a consumer or market based demand characteristic, and while likely to material impact individual segments of the restaurant group, I'm not sure it is a material factor across all firms in the space. These comments are exclusive of regulatory requirements, which are very likely to impact all firms in the space.
Restaurants	Nutritional Content	Material Issue?	Corporation	Yes	This is a material issue given the extreme degree of publicity in this area as well as potential for high degree of regulation and governmental involvement.



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Restaurants	Nutritional Content	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Supply Chain Management	Material Issue?	Public Interest & Intermediaries	Yes	From what I've observed with several clients, this is the most important and trickiest area to tackle. There is a relationship between the restaurant and the suppliers. The value of this relationship cannot be understated. From what I've observed, companies are concerned that placing additional expectations on suppliers will jeopardize their relationships. However, this is increasingly being weighed against reality given effects of global warming and other impacts to the environment. Also, these impacts are associated with risk of disruption to the supply chain, meaning loss of materials/food which are core to the business.
Restaurants	Supply Chain Management	Material Issue?	Public Interest & Intermediaries	Yes	Important due to threat of supply chain disruptions, higher cost, and social justice of access in light of increasing natural crisis disrupting major commodities.
Restaurants	Supply Chain Management	Material Issue?	Corporation	Yes	Any interruptions in the consistency of the supply chain, whether due to food safety, international trade barriers, environmental concerns or other issues, can cause unexpected spikes in prices. For example, the recent EMS in Shrimp production in SE Asia is costing our company an additional \$30M in seafood costs and is having significant impact on business planning. Investors should be concerned about potential instability in the supply chain and its impact on the profitability of the company.
Restaurants	Supply Chain Management	Material Issue?	Market Participant	Yes	The recent issues in China for Yum Brands and other food safety & supply chain issues have highlighted the importance of this, the risks and the potential damage to a company through less sales and customer dissatisfaction.
Restaurants	Supply Chain Management	Material Issue?	Market Participant	Maybe	As an end-user, firms may have relatively low levels of influence across their entire supply chain - as opposed to other firms like manufacturing companies.



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Restaurants	Supply Chain Management	Material Issue?	Corporation	Yes	Our COS represents nearly one quarter of our entire cost structure. How this is sourced is very material, both from a cost perspective but also from an availability perspective. It is also the area in which the greatest amount of activity occurs outside of our direct operations.
Restaurants	Supply Chain Management	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Waste Management	Material Issue?	Public Interest & Intermediaries	Maybe	By comparison, not as material as others. We recognize that it could be material as the waste managed in the restaurant is viewed by many customers and could influence their behavior. Also, for companies with franchises, many of the stores are beyond control of the parent company and just addressing the parent company owned stores is not material.
Restaurants	Waste Management	Material Issue?	Market Participant	No	On a relative scale I don't think its material. In your own materials, "disposables" was less than 3% of sales so 10% reduction can amount to something but not relative to other costs. I do think many companies consider this a priority and so heavy lifting in this space has already been accomplished.
Restaurants	Waste Management	Material Issue?	Public Interest & Intermediaries	Yes	Increased regulation - polystyrene, bottled water, organics to landfill bans
Restaurants	Waste Management	Material Issue?	Corporation	Yes	In the not too immediate future, cities, counties and states will begin to more highly regulate waste and crate restrictions for food service and other retailers. Given these changes, costs could increase significantly if companies don't manage the resource wisely or find ways to reduce waste inside their operations. From an environmental perspective, should GHG emissions become regulated, methane from waste is far more significant than energy production and could create a burdensome cost for businesses.
Restaurants	Waste Management	Material Issue?	Market Participant	Maybe	Food waste is an issue but not the most financially material one.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/ Response	Comment
Restaurants	Waste Management	Material Issue?	Market Participant	Maybe	Given the largely biological nature of most food services, not convinced that is a material issue.
Restaurants	Waste Management	Material Issue?	Corporation	No	Please see the answer to energy management.
Restaurants	Waste Management	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.
Restaurants	Water Management	Material Issue?	Public Interest & Intermediaries	No	The greatest impact to water is via the supply chain, not in restaurant.
Restaurants	Water Management	Material Issue?	Public Interest & Intermediaries	Yes	Water use in production is far greater use even than in operations
Restaurants	Water Management	Material Issue?	Corporation	Yes	There are two particular issues with water management - restaurant operations and supply chain impacts. For restaurants, water shortages, droughts or other emergencies can severely hinder operations and create costly work arounds in order to offer guests the service they expect. Given food safety concerns, water is a critical tool that enables restaurants to maintain their high standards. With regards to supply chain, continued demand for water to grow produce, crops for animal agriculture, and beverage manufacturing, all essential to restaurant operations, can and will have an impact on commodity pricing. Given the narrow margins of the food service sector, any increases in COGS will have an impact on profitability.
Restaurants	Water Management	Material Issue?	Market Participant	Yes	Water risk is primarily in the supply chain. A question for SASB is whether reliance on certified crops is sufficient evidence of risk mitigation.



Industry	Mapping to SASB Topic	Survey Category	Stakeholder Type	Suggested Topic/Response	Comment
Restaurants	Water Management	Material Issue?	Market Participant	Maybe	Water impacts both the supply chain and the operations of the company, and so water quality and quantity is essential to ensuring that companies have access to the inputs they need.
Restaurants	Water Management	Material Issue?	Market Participant	Maybe	This may be a material issue for some (e.g. Starbucks) restaurants with high water usage levels. I would need to learn more before labeling this issue as material.
Restaurants	Water Management	Material Issue?	Corporation	No	Please see the answer to energy management.
Restaurants	Water Management	Material Issue?	Corporation	No	With respect to Section 1, the survey format did not enable us to effectively address the relative priority, importance or materiality of the specified sustainability issues. Therefore, in lieu of completing Section 1, attached please find our 2013 Form 10-K, which addresses a variety of ESG issues, including in Items 1 and 1A (Business and Risk Factors), beginning on page 1 of the Report.