



Draft Proposed Revisions to the Provisional Standards: Summary of Changes

Health Care

Financials

Technology & Communications

Extractives & Minerals Processing

Transportation

Services

Resource Transformation

Food & Beverage

Consumer Goods

Renewable Resources & Alternative Energy

Infrastructure

Prepared by the
Sustainability Accounting Standards Board®

Contents

- Introduction 3
- Health Care Sector 4
- Financials Sector 20
- Technology & Communications Sector 49
- Extractives & Minerals Processing Sector 63
- Transportation Sector 80
- Services Sector 91
- Resource Transformation Sector 100
- Food & Beverage Sector 113
- Consumer Goods Sector 131
- Renewable Resources & Alternative Energy Sector 135
- Infrastructure Sector 143

DRAFT

Introduction

The Summary of Changes document provides a listing of all proposed revisions to the provisional standards that the SASB is considering for implementation in the codified standards. These proposed revisions to the provisional standards reflect consideration of public comments received between October 2, 2017 and January 31, 2018, stakeholder input from prior consultation, staff research and feedback from the Standards Board. The SASB staff and Standards Board have considered these comments and consultations in the context of the [Rules of Procedure](#) and [Conceptual Framework](#).

All proposed revisions which reference the “2017 Technical Agenda”, consider a previously published Basis for Conclusion which may be found by referring to the [Basis for Conclusions and Exposure Drafts](#) released for public comment in October 2017.

The proposed revisions should not be considered final. They are meant to provide transparency as to where the SASB is in its standards development process. After an official vote by the Standards Board later in 2018, the SASB will release a detailed rationale for each revision in the form of Basis for Conclusions (similar to the Exposure Draft Basis for Conclusions), along with 77 codified industry standards that will be ready for market use.

Note: The revision numbering system in this document is not sequential. Final standards documents will contain a sequential numbering system.



Health Care Sector
Biotechnology & Pharmaceuticals
Medical Equipment & Supplies
Health Care Delivery
Health Care Distributors
Managed Care
Drug Retailers

Prepared by the
Sustainability Accounting Standards Board®

DRAFT

Revision #1-1 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Drug Safety and Side Effects

2017 Technical Agenda Item #1-1 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB has renamed the provisional topic Drug Safety and Side Effects to Drug Safety.

Revision #1-2 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Safety of Clinical Trial Participants

2017 Technical Agenda Item #1-2 Description

SASB is evaluating a revision of metrics HC0101-09 / HC0102-09¹ to ensure the comparability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB has revised provisional metric HC0101-09 / HC0102-09 from:

- Description of legal and regulatory fines and settlements associated with clinical trials in World Bank Low-income and Lower middle-income Countries (LICs and LMICs) and UN HDI Medium-High Development Countries (MHDCs) that are not captured by the World Bank's LIC or LMIC rankings
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with clinical trials in developing countries

Revision #1-3 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Affordability and Fair Pricing

2017 Technical Agenda Item #1-3 Description

SASB is evaluating the revision of metrics HC0101-11 / HC0102-11² to ensure the usefulness and alignment with current industry practices of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB has revised metric HC0101-11 / HC0102-11 from:

¹ HC0101-09 / HC0102-09: Description of legal and regulatory fines and settlements associated with clinical trials in World Bank Low-income and Lower middle-income Countries (LICs and LMICs) and UN HDI Medium-High Development Countries (MHDCs) that are not captured by the World Bank's LIC or LMIC rankings. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

² HC0101-11 / HC0102-11: Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index.

- Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index

to the following:

- Percent change in a) average list price and b) average net price across U.S. product portfolio compared to previous year
- Percent change in a) list price and b) net price of product with largest increase compared to previous year

Revision #1-4 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Ethical Marketing

2017 Technical Agenda Item #1-4 Description

SASB is evaluating a revision of metrics HC0101-12 / HC0102-12³ to ensure the comparability of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB has revised metric HC0101-12 / HC0102-12 from:

- Description of legal and regulatory fines and settlements associated with false marketing claims, including Federal Food, Drug, and Cosmetic Act violations for off-label marketing prosecuted under the False Claims Act
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with false marketing claims

Revision #1-5 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Corruption and Bribery

2017 Technical Agenda Item #1-5 Description

SASB is evaluating a revision of metrics HC0101-27 / HC0102-27⁴ to ensure the comparability of the metrics associated with the topic.

³ HC0101-12 / HC0102-12: Description of legal and regulatory fines and settlements associated with false marketing claims, including Federal Food, Drug, and Cosmetic Act violations for off-label marketing prosecuted under the False Claims Act. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

⁴ HC0101-27 / HC0102-27 Description of legal and regulatory fines and settlements associated with bribery, corruption, or other unethical business practices, including violations of the Foreign Corrupt Practices Act and those associated with providing kickbacks to physicians. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

Summary of Change – Revise Metrics

The SASB has revised provisional metric HC0101-27 / HC0102-27 from:

- Description of legal and regulatory fines and settlements associated with corruption or bribery, including Foreign Corrupt Practices Act and False Claims Act violations
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with corruption and bribery

Revision #1-6 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #1-6 Description

SASB is evaluating adding activity metrics to the Biotechnology & Pharmaceuticals industry standard.

Summary of Change – Add Activity Metrics

The SASB has added the following activity metrics to the Biotechnology & Pharmaceuticals industry standard:

- Number of patients treated
- Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)

Revision #1-26 – **Industry:** Biotechnology & Pharmaceuticals; **Topic Name:** Energy, Water, and Waste Efficiency

Summary of Change – Remove Disclosure Topic

The SASB removed the Energy, Water, and Waste Efficiency disclosure topic and the following associated metrics from the Biotechnology & Pharmaceuticals industry standard:

- Amount of waste (metric tons); percentage that is recycled, incinerated (including for energy recovery), and landfilled
- Overall Process Mass Intensity (PMI) and PMI broken down for water and organic solvents, where PMI = quantity of raw materials input (kg) / quantity of active pharmaceutical product (API) output (kg)
- Total annual energy consumed (gigajoules) and percentage renewable (e.g., wind, biomass, solar)
- Total water withdrawals and percentage in water-stressed regions – High or Extremely High Baseline Water Stress as defined by the WRI Water Risk Atlas; percentage of process water recycled

Revision #1-27 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Employee Health & Safety

Summary of Change – Remove Disclosure Topic

The SASB removed the Employee Health & Safety disclosure topic and the associated metrics from the Biotechnology & Pharmaceuticals industry standard:

- Days Away, Restricted, or Transferred (DART) rate – (Number of recordable injuries and illnesses resulting in days away from work, restricted work activity, or job transfers / Hours Worked)*200,000
- Laboratory-acquired infection (LAI) rate – LAIs per 1000 employees in human and animal diagnostic laboratories
- Total Injury Rate – (Number of recordable injuries and illnesses / Hours Worked)*200,000

Revision #1-29 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Drug Safety and Side Effects

Summary of Change – Revise Metric

The SASB revised provisional metric HC0101-05 from:

- List of products recalled

to the following:

- Number of recalls issued, total units recalled

Revision #1-25– Industry: Biotechnology & Pharmaceuticals; Topic Name: Access to Medicines

Summary of Change – Revise Metric

The SASB revised provisional metric HC0101-01 from:

- Description of initiatives to promote access to health care products in priority countries as defined by the Access to Medicine Index.

to the following:

- Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index.

Revision #1-24 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Access to Medicines

Summary of Change – Revise Technical Protocol:

The SASB has revised the technical protocol associated with metric HC0101-01 to align it with the most current Access to Medicine methodology. The revised protocol removes specific mention of the year of publication of the methodology as well as pages numbers to ensure that it does not become outdated with the biennial release of the Access to Medicine methodology.

Revision #1-30 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Safety of Clinical Trial Participants

Summary of Change – Revise Metric

The SASB revised provisional metric HC0101-08 from:

- Number of FDA Clinical Investigator Inspections of investigators used for clinical trials during the past year that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)

to the following:

- Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)

Revision #1-36 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Corruption & Bribery

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Corruption & Bribery' to 'Business Ethics'

Revision #1-37 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Affordability & Fair Pricing

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Affordability & Fair Pricing' to 'Affordability & Pricing'

Revision #1-32 – Industry: Biotechnology & Pharmaceuticals; Topic Name: Manufacturing and Supply Chain Management

Summary of Change – Revise Topic Name and Move Metric:

The SASB moved metric HC0101-29, "Description of FDA enforcement actions taken in response to violations of current good manufacturing practices (cGMP), including: product deemed adulterated, form 483s, suggested recall (Class I, II, III), Warning Letters, Border Alerts, license suspension or revocation, product seizure, Consent Decrees, criminal prosecution. Description of corrective actions implemented in response to actions," from the "Manufacturing and Supply Chain Quality Management" to the "Drug Safety" disclosure topic. Additionally, the SASB renamed the topic "Manufacturing and Supply Chain Quality Management" to "Supply Chain Management".

Revision #1-7 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Ethical Marketing

2017 Technical Agenda Item #1-7 Description

SASB is evaluating a revision of metric HC0201-04⁵ to ensure the comparability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0201-04 from:

- Description of legal and regulatory fines and settlements associated with false marketing claims, including Federal Food, Drug, and Cosmetic Act violations for off-label marketing prosecuted under the False Claims Act
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with false marketing claims

Revision #1-8 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Energy, Water, and Waste Efficiency

2017 Technical Agenda Item #1-8 Description

SASB is evaluating the removal of the topic, including the corresponding metrics, based on the limited evidence that performance on the topic will significantly impact valuation.

Summary of Change – Remove Topic

The SASB removed the topic, Energy, Water, and Waste Efficiency, from the Medical Equipment & Supplies industry standard, including its corresponding metrics:

- Total annual energy consumed (gigajoules) and percentage renewable (e.g., wind, biomass, solar)
- Total water withdrawals and percentage from water-stressed regions—High or Extremely High Baseline Water Stress as defined by the Water Risk Atlas; percentage of process water recycled
- Amount of waste (metric tons); percentage that is recycled, incinerated, and landfilled

⁵ HC0201-04: Description of legal and regulatory fines and settlements associated with false marketing claims, including Federal Food, Drug, and Cosmetic Act violations for off-label marketing prosecuted under the False Claims Act. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

Revision #1-9– **Industry:** Medical Equipment & Supplies; **Topic Name:** Corruption and Bribery

2017 Technical Agenda Item #1-9 Description

SASB is evaluating a revision of metric HC0201-13⁶ to ensure the comparability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0201-13 from:

- Description of legal and regulatory fines and settlements associated with corruption or bribery, including Foreign Corrupt Practices Act and False Claims Act violations
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with bribery and corruption

Revision #1-10 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Activity Metric

2017 Technical Agenda Item #1-10 Description

SASB is evaluating adding activity metrics to the Medical Equipment & Supplies industry standard.

Summary of Change – Add Activity Metrics

The SASB has added the following activity metric to the Medical Equipment & Supplies industry standard: "Number of units sold by product category."

Revision #1-38 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Corruption & Bribery

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Corruption & Bribery' to 'Business Ethics'

Revision #1-39 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Affordability & Fair Pricing

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Affordability & Fair Pricing' to 'Affordability & Pricing'

⁶ HC0201-13: Description of legal and regulatory fines and settlements associated with corruption or bribery, including Foreign Corrupt Practices Act and False Claims Act violations. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

Revision #1-34 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Manufacturing and Supply Chain Management

Summary of Change – Revise Topic Name and Move Metric:

The SASB moved metric “HC0201-15 Number and type of FDA enforcement actions taken in response to violations of current good manufacturing practices (cGMP) including: product deemed adulterated, form 483s, suggested recall (Class I, II, III), Warning Letters, Border Alerts, license suspension or revocation, product seizure, Consent Decrees, criminal prosecution” from the “Manufacturing and Supply Chain Quality Management” to the “Product Safety” disclosure topic. Additionally, the SASB proposes renaming the “Manufacturing and Supply Chain Quality Management” topic to “Supply Chain Management”.

Revision #1-43 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Product Safety

Summary of Change – Revise Metric

The SASB revised provisional metric HC0201-01 from:

- List of products recalled

to the following:

- Number of recalls issued, total units recalled

Revision #1-42 – **Industry:** Medical Equipment & Supplies; **Topic Name:** Manufacturing and Supply Chain Management

Summary of Change – Revise Metric

The SASB revised provisional metric HC0201-01 from:

- Discussion of any existing or projected risks or constraints with obtaining raw materials (or components) within the supply chain, including those related to restricted/limited availability, political situations, local labor conditions, natural disasters, climate change, or regulations:

to the following:

- Discussion of the management of risks associated with the use of critical materials

Revision#1-11 – **Industry:** Health Care Delivery; **Topic Name:** Quality of Care and Patient Satisfaction

2017 Technical Agenda Item #1-11 Description

SASB is evaluating a revision of metric HC0301-01⁷ to align with current regulation and industry reporting practices.

⁷ HC0301-01: Hospital Values Based Purchasing Total Performance score, broken down by Clinical Process Domain score, Outcome Domain score, and Patient Experience Domain score.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0301-01 from “Hospital Values Based Purchasing Total Performance score, broken down by Clinical Process Domain score, Outcome Domain score, and Patient Experience Domain score” to “Mean 1) Hospital Value-Based Purchasing Total Performance Score, 2) and Domain score, across all facilities”.

Revision #1-12 – **Industry:** Health Care Delivery; **Topic Name:** Quality of Care and Patient Satisfaction

2017 Technical Agenda Item #1-12 Description

SASB is evaluating a revision of metric HC0301-03⁸ to align with current regulation and industry reporting practices.

Summary of Change – Revise Metric

The SASB revised metric HC0301-03 from “Health care-acquired infections, as defined by the Centers for Disease Control and Prevention’s National Healthcare Safety Network, for: (1) Central Line-associated Bloodstream Infections (CLABSIs); (2) Surgical Site Infections (SSIs); and (3) Catheter-associated Urinary Tract Infections (CAUTIs)” to “Hospital-Acquired Condition (HAC) Score by facility”.

Revision #1-13 – **Industry:** Health Care Delivery; **Topic Name:** Quality of Care and Patient Satisfaction

2017 Technical Agenda Item #1-13 Description

SASB is evaluating a revision of metric HC0301-04⁹ to align with current regulation and industry reporting practices.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0301-04 from:

- Excess readmission ratio for pneumonia, acute myocardial infarction, and heart failure, as defined by the CMS Readmissions Payment Adjustment Amount as part of the Hospital Readmissions Reduction Program

to the following:

- Excess readmission ratio per hospital
- Magnitude of readmissions payment adjustment as part of the Hospital Readmissions Reduction Program (HRRP)

⁸ HC0301-03: Health care-acquired infections, as defined by the CDC’s National Healthcare Safety Network, for: (1) Central Line-associated Bloodstream Infections (CLABSIs); (2) Surgical Site Infections (SSIs); (3) Catheter-associated Urinary Tract Infections (CAUTIs).

⁹ HC0301-04: Excess readmission ratio for pneumonia, acute myocardial infarction, and heart failure, as defined by the Centers for Medicare & Medicaid Services (CMS). Readmissions Payment Adjustment amount as part of the Hospital Readmissions Reduction Program.

Revision #1-14 – **Industry:** Health Care Delivery; **Topic Name:** Pricing and Billing Transparency

2017 Technical Agenda Item #1-14 Description

SASB is evaluating splitting metric HC0301-10¹⁰ into two distinct metrics.

Summary of Change – Revise Metric

The SASB revised metric HC0301-10 from:

- Description of how pricing information for services (including inpatient and outpatient) is made publicly available, including the number of the registrant's 25 most common services for which pricing information is publicly available, and the percentage of total services performed (by volume) that these represent

to the following:

- Discussion of how pricing information for services (including inpatient and outpatient) is made publicly available
- Number of the registrant's 25 most common services for which pricing information is publicly available and the percentage of total services performed (by volume) that these represent

Revision #1-15 – **Industry:** Health Care Delivery; **Topic Name:** Patient Privacy and Electronic Health Records

2017 Technical Agenda Item #1-15 Description

SASB is evaluating a revision of metric HC0301-17¹¹ to ensure the usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB has split provisional metric HC0301-17 into three separate metrics, from:

- Description of legal and regulatory fines and settlements associated with Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules violations or The Health Information Technology for Economic and Clinical Health (HITECH) Act violations
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

¹⁰ HC0301-10: Description of how pricing information for services (including inpatient and outpatient) is made publicly available, including the number of the registrant's 25 most common services for which pricing information is publicly available, and the percentage of total services performed (by volume) that these represent.

¹¹ HC0301-17: Description of legal and regulatory fines and settlements associated with Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules violations or The Health Information Technology for Economic and Clinical Health (HITECH) Act violations. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

to the following:

- Discussion of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)
- Number of data security breaches, percentage involving (1) only customers' PII and (2) customers' PHI, number of customers affected in each category
- Total amount of losses as a result of legal proceedings associated with data security and privacy

Revision #1-16 – **Industry:** Health Care Delivery; **Topic Name:** Employee Health and Safety

2017 Technical Agenda Item #1-16 Description

SASB is evaluating the addition of the disclosure topic, including corresponding metrics, due to its potential to affect corporate value.

Summary of Change – Add Topic and Metric

The SASB added the disclosure topic Employee Health and Safety to the standard, along with the following, corresponding metric:

- (1) Total recordable case rate and (2) days away from work case rate

Revision #1-17 – **Industry:** Health Care Delivery; **Topic Name:** Management of Controlled Substances

2017 Technical Agenda Item #1-17 Description

SASB is evaluating the addition of the topic, including corresponding metrics, due to its potential to impact value creation and the role that the industry can play in addressing the opioid epidemic.

Summary of Change – Add Topic and Metrics

The SASB added the disclosure topic Management of Controlled Substances to the Health Care Delivery industry standard, along with the following corresponding metrics:

- Discussion of policies and practices to reduce the number of prescriptions issued for controlled substances
- Percentage of controlled substance prescriptions written for which a prescription drug monitoring program (PDMP) database was queried

Revision #1-18 – **Industry:** Health Care Delivery; **Topic Name:** Climate Change Impacts on Human Health and Infrastructure

2017 Technical Agenda Item #1-18 Description

SASB is evaluating a revision of metric HC0301-14¹² to ensure the usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0301-14 from:

- Description of the strategy to address the effects of climate change on business operations, physical infrastructure, and facility design
- Discussion of specific risks (such as physical risks) presented by changes in the frequency and intensity of extreme weather events and changes to the morbidity and mortality of illnesses and diseases

to the following:

Discussion of policies and practices to address: (1) the physical risks due to an increased frequency and intensity of extreme weather events and (2) changes in the morbidity and mortality rates of illnesses and diseases, associated with climate change And SASB has also added a new metric:

- Percentage of health care facilities that comply with CMS's Emergency Preparedness Rule

Revision #1-19 – **Industry:** Health Care Delivery; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #1-19 Description

SASB is evaluating adding activity metrics to the Health Care Delivery industry standard.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics to the Health Care Delivery industry standard:

- Number of (1) facilities and (2) beds; by type, including general acute care, psychiatric, rehabilitation, and outpatient
- Number of (1) inpatient admissions and (2) outpatient visits

¹² HC0301-14: Description of the strategy to address the effects of climate change on business operations, physical infrastructure, and facility design. Discussion of specific risks (such as physical risks) presented by changes in the frequency and intensity of extreme weather events and changes to the morbidity and mortality of illnesses and diseases.

Revision #1-35– **Industry:** Health Care Delivery; **Topic Name:** Energy and Waste Efficiency

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Energy and Waste Efficiency” into two separate topics: “Energy Management” and “Waste Management”.

The following metrics are associated with the Energy Management topic:

- Total energy consumed, percentage grid electricity, percentage renewable energy

The following metrics are associated with the Waste Management topic:

- Total amount of hazardous and non-hazardous pharmaceutical waste generated and disposed, percentage incinerated, treated, and landfilled
- Total amount of medical waste, percentage incinerated, treated, and landfilled

Revision #1-20 – **Industry:** Health Care Distributors; **Topic Name:** Corruption and Bribery

2017 Technical Agenda Item #1-20 Description

SASB is evaluating a revision of metric HC0302-11¹³ to ensure the comparability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric HC0302-11 from:

- Description of legal and regulatory fines and settlements associated with corruption or bribery, including Foreign Corrupt Practices Act and False Claims Act violations
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events

to the following:

- Total amount of losses as a result of legal proceedings associated with bribery, corruption, or other unethical business practices

Revision #1-21 – **Industry:** Health Care Distributors; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #1-21 Description

SASB is evaluating adding activity metrics to the Health Care Distributors industry standard.

¹³ HC0302-11: Description of legal and regulatory fines and settlements associated with corruption or bribery, including Foreign Corrupt Practices Act and False Claims Act violations. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics to the Health Care Distributors industry standard:

- Number of pharmaceutical units sold by product category
- Number of medical devices sold by product category

Revision #1-40 – **Industry:** Health Care Distributors; **Topic Name:** Fuel Efficiency

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Fuel Efficiency' to 'Fleet Fuel Management'

Revision #1-41 – **Industry:** Health Care Distributors; **Topic Name:** Corruption & Bribery

Summary of Change – Revise Topic Name:

The SASB has renamed the provisional topic, 'Corruption & Bribery' to 'Business Ethics'

Revision #1-22 – **Industry:** Managed Care; **Topic Name:** Customer Privacy and Technology Standards

2017 Technical Agenda Item #1-22 Description

SASB is evaluating a revision of metric HC0303-13¹⁴ and HC0303-14¹⁵ to ensure the usefulness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB revised metrics HC0303-13 and HC0303-14 from:

- Description of legal and regulatory fines and settlements related to HIPAA violations or The Health Information Technology for Economic and Clinical Health (HITECH) Act violations
- Dollar amount of fines and settlements and a description of corrective actions implemented in response to events
- Discussion of implementation of technology and management standards to maintain security, privacy, and availability of customer data. Number of breaches of customer data security, including the number of HIPPA-mandated breach notifications

to the following, respectively:

¹⁴ HC0303-13: Description of legal and regulatory fines and settlements related to Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules violations or The Health Information Technology for Economic and Clinical Health (HITECH) Act violations. Dollar amount of fines and settlements and a description of corrective actions implemented in response to events.

¹⁵ HC0303-14: Discussion of implementation of technology and management standards to maintain security, privacy, and availability of customer data. Number of breaches of customer data security, including the number of HIPPA-mandated breach notifications.

- Discussion of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)
- Number of data security breaches, percentage involving (1) only customers' PII and (2) customers' PHI, and number of customers affected in each category
- Total amount of losses as a result of legal proceedings associated with data security and privacy

Revision #1-23 – **Industry:** Managed Care; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #1-23 Description

SASB is evaluating adding activity metrics to the Managed Care industry standard.

Summary of Change – Add Activity Metric

The SASB added the following activity metric to the Managed Care industry standard: “Number of enrollees by plan type.”

Revision #1-32– **Industry:** Managed Care; **Topic Name:** Pricing Transparency and Plan Literacy

Summary of Change – Remove Disclosure Topic

The SASB removed the Pricing Transparency and Plan Literacy disclosure topic and the associated metrics HC0303-11 and HC0303-12 from the Managed Care industry standard:

- Description of policies and practices related to clarity in pricing and coverage, including health care literacy programs.
- JD Power & Associates members' rating on “Information and Communication.”

Revision #1-31– **Industry:** Drug Retailers; **Topic Name:** Patient Health Outcomes

Summary of Change – Remove Metric

The SASB removed metric HC0304-10 from the Patient Health Outcomes disclosure topic:

- Percentage of gender and racial/ethnic group representation for pharmacists



Financials Sector

- Commercial Banks
- Investment Banking & Brokerage
- Asset Management & Custody Activities
- Consumer Finance
- Mortgage Finance
- Security & Commodity Exchanges
- Insurance

Prepared by the
Sustainability Accounting Standards Board®

Revision #2-1 – **Industry:** Commercial Banks; **Topic Name:** Financial Inclusion & Capacity Building

2017 Technical Agenda Item #2-1 Description

SASB is evaluating the revision of metric FN0101-01¹⁶ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB removed metric:

- FN0101-01 Percentage of new accounts held by first-time account holders

and added metric:

- Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers

Note: Accounts that have contingencies such as the presence of a direct deposit, the minimum amount of funds transferred to or from the account, etc., have been excluded from disclosure as they are not relevant to the scope of the topic.

Revision #2-2 – **Industry:** Commercial Banks; **Topic Name:** Financial Inclusion & Capacity Building

2017 Technical Agenda Item #2-2 Description

SASB is evaluating the revision of metrics FN0101-02¹⁷ and FN0101-04¹⁸ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB removed metrics:

- FN0101-02 Percentage of total domestic loans for underserved and underbanked business segments
- FN0101-04 Loan-to-deposit ratio for: (1) Overall domestic lending (2) Underserved and underbanked business segments

and added metric:

- (1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development

¹⁶ FN0101-01: Percentage of new accounts held by first-time account holders

¹⁷ FN0101-02: Percentage of total domestic loans for underserved and underbanked business segments

¹⁸ FN0101-04: Loan-to-deposit ratio for: (1) Overall domestic lending (2) Underserved and underbanked business segments

Revision #2-3 – **Industry:** Commercial Banks; **Topic Name:** Financial Inclusion & Capacity Building

2017 Technical Agenda Item #2-3 Description

SASB is evaluating the revision of metric FN0101-05¹⁹ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB has removed metric:

- FN0101-05 Loan default rates for: (1) Overall domestic lending (2) Underserved and underbanked business segments

and replaced it with metric:

- (1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development

Revision #2-4 – **Industry:** Commercial Banks; **Topic Name:** Customer Privacy & Data Security

2017 Technical Agenda Item #2-4 Description

SASB is evaluating revisions to the topic, including the corresponding metrics FN0101-06²⁰ and FN0101-07,²¹ due to its potential to affect corporate value, relevance across the industry, and level of investor interest.

Summary of Change – Revise Topic Name and Revise Metric

The SASB renamed the provisional disclosure topic from “Customer Privacy & Data Security” to “Data Security,” while retaining existent metrics FN0101-06 “Number of data security breaches and percentage involving customers’ personally identifiable information” (separately revised in the Revision #2-5) and FN0101-07 “Discussion of management approach to identifying and addressing vulnerabilities and threats to data security”, with minor changes to the technical protocols to improve their internal alignment with other SASB standards.

Further, the SASB revised metric FN0101-07 to “Description of approach to identifying and addressing data security risks” and revised the associated technical protocol to include in the scope of disclosure the alignment of company data security policies with existing legal and regulatory frameworks related to data security. The SASB additionally revised the technical protocol to include a discussion of company policies related to the timeliness of the disclosure of data security breaches to affected parties.

¹⁹ FN0101-05: Loan default rates for: (1) Overall domestic lending (2) Underserved and underbanked business segments

²⁰ FN0101-06: Number of data security breaches and percentage involving customers’ personally identifiable information

²¹ FN0101-07: Discussion of management approach to identifying and addressing vulnerabilities and threats to data security

Revision #2-5 – **Industry:** Commercial Banks; **Topic Name:** Customer Privacy & Data Security

2017 Technical Agenda Item #2-5 Description

SASB is evaluating the revision of metric FN0101-06²² to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0101-06 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data breaches, percentage involving personally identifiable information (PII), number of account holders affected.”

Revision #2-6 – **Industry:** Commercial Banks; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-6 Description

SASB is evaluating the revision of metric FN0101-08²³ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric and Revise Metric

The SASB split metric:

- FN0101-08 Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

into its quantitative and qualitative components:

- Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations

with a new metric subsequently created to capture whistleblower policies:

- Description of whistleblower policies and procedures

Revision #2-7 – **Industry:** Commercial Banks; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-7 Description

SASB is evaluating the revision of metric FN0101-09²⁴ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

²² FN0101-06: Number of data security breaches and percentage involving customers’ personally identifiable information

²³ FN0101-08: Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

²⁴ FN0101-09: Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated

Summary of Change – Remove Metric

The SASB removed metric FN0101-09, “Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated.”

Revision #2-8 – **Industry:** Commercial Banks; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-8 Description

SASB is evaluating the revision of metric FN0101-10²⁵ to ensure the decision-usefulness and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised metric FN0101-10:

- Results of stress tests under adverse economic scenarios, including the following measures (actual and projection): (1) Loan losses (2) Losses, revenue, and net income before taxes (3) Tier 1 common capital ratio (4) Tier 1 capital ratio (5) Total risk-based capital ratio (6) Tier 1 leverage ratio

to metric:

- Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities

Revision #2-9 – **Industry:** Commercial Banks; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-9 Description

SASB is evaluating the revision of metrics FN0101-11,²⁶ FN0101-12,²⁷ FN0101-13,²⁸ and FN0101-14²⁹ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- FN0101-11 – Basel III Liquidity Coverage Ratio (LCR)
- FN0101-12 – Net exposure to written credit derivatives
- FN0101-13 – Level 3 assets: (1) total value and (2) percentage of total assets

²⁵ FN0101-10: Results of stress tests under adverse economic scenarios, including the following measures (actual and projection): (1) Loan losses (2) Losses, revenue, and net income before taxes (3) Tier 1 common capital ratio (4) Tier 1 capital ratio (5) Total risk-based capital ratio (6) Tier 1 leverage ratio

²⁶ FN0101-11: Basel III Liquidity Coverage Ratio (LCR)

²⁷ FN0101-12: Net exposure to written credit derivatives

²⁸ FN0101-13: Level 3 assets: (1) total value and (2) percentage of total assets

²⁹ FN0101-14: Skewness and kurtosis of trading revenue

- FN0101-14 – Skewness and kurtosis of trading revenue

and replacing them with a new metric:

- Global Systemically Important Bank (G-SIB) score by category

Revision #2-10 – **Industry:** Commercial Banks; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Credit Risk Analysis

2017 Technical Agenda Item #2-10 Description

SASB is evaluating the removal of metric FN0101-17³⁰ to ensure the relevance and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed provisional metric FN0101-17, “Amount and percentage of lending and project finance that employs: (1) Integration of ESG factors (2) Sustainability themed lending or finance (3) Screening (exclusionary, inclusionary, or benchmarked) (4) Impact or community lending or finance” from the Commercial Banks industry standard.

Revision #2-11 – **Industry:** Commercial Banks; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Credit Risk Analysis

2017 Technical Agenda Item #2-11 Description

SASB is evaluating the revision of metric FN0101-18³¹ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0101-18 from “Total loans to companies in the following sectors/industries: Energy/Oil & Gas, Materials/Basic Materials, Industrials, and Utilities” to “Commercial and industrial credit exposure by industry.”

Revision #2-12 – **Industry:** Commercial Banks; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-12 Description

The SASB proposes to include activity metrics for the Commercial Banks industry.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics:

³⁰ FN0101-17: Amount and percentage of lending and project finance that employs: (1) Integration of ESG factors (2) Sustainability themed lending or finance (3) Screening (exclusionary, inclusionary, or benchmarked) (4) Impact or community lending or finance

³¹ FN0101-18: Total loans to companies in the following sectors/industries: Energy/Oil & Gas, Materials/Basic Materials, Industrials, and Utilities

- (1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business
- (1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate

Note: Mortgage loans as well as revolving credit loans would be excluded from the scope of disclosure as they are addressed in the Mortgage Finance and Consumer Finance industries.

Revision #2-57 – **Industry:** Commercial Banks; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Credit Risk Analysis

Summary of Change – Revise Metrics

The SASB replaced metrics:

- FN0101-15 Discussion of how environmental, social and governance (ESG) factors are integrated into the lending process
- FN0101-16 Discussion of credit risk to the loan portfolio presented by climate change, natural resource constraints, human rights concerns, or other broad sustainability trends

with metric

- Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis

Revision #2-63 – **Industry:** Commercial Banks; **Topic Name:** Management of the Legal & Regulatory Environment

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from “Management of the Legal & Regulatory Environment” to “Business Ethics.”

Revision #2-13 – **Industry:** Investment Banking & Brokerage; **Topic Name:** Employee Incentives & Risk Taking

2017 Technical Agenda Item #2-13 Description

SASB is evaluating the revision of metrics FN0102-01,³² FN0102-02,³³ FN0102-03³⁴, and FN0102-04³⁵ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

³² FN0102-01: Discussion of variable compensation policies and practices

³³ FN0102-02: Percentage of total compensation that is variable for: (1) executives and (2) all others

³⁴ FN0102-03: Percentage of variable compensation that is equity for: (1) executives and (2) all others

³⁵ FN0102-04: Percentage of employee compensation which includes ex post adjustments for: (1) executives and (2) all others

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- FN0102-01 Discussion of variable compensation policies and practices
- FN0102-03 Percentage of variable compensation that is equity for: (1) executives and (2) all others

The SASB also replaced the following provisional metrics:

- FN0102-02 Percentage of total compensation that is variable for: (1) executives and (2) all others
- FN0102-04 Percentage of employee compensation which includes ex post adjustments for: (1) executives and (2) all others

with the following metrics:

- Percentage of total remuneration that is variable for Material Risk Takers (MRTs)
- Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied

Revision #2-14 – Industry: Investment Banking & Brokerage; Topic Name: Employee Incentives & Risk Taking

2017 Technical Agenda Item #2-14 Description

SASB is evaluating the revision of metric FN0102-05³⁶ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB revised provisional metric FN0102-05 from “Number of instances when risk limits were breached and number and percentage by response: (1) position reduced, (2) risk limit temporarily increased, (3) risk limit permanently increased, (4) other” to “Discussion of the company’s policies around supervision, control, and validation of traders’ pricing of Level 3 assets and liabilities.”

Revision #2-15 – Industry: Investment Banking & Brokerage; Topic Name: Employee Inclusion

2017 Technical Agenda Item #2-15 Description

SASB is evaluating the revision of metric FN0102-06³⁷ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric and Revise Topic Name

The SASB revised metric FN0102-06 from “Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others” to “Percentage of gender and racial/ethnic group representation for:

³⁶ FN0102-05: Number of instances when risk limits were breached and number and percentage by response: (1) position reduced, (2) risk limit temporarily increased, (3) risk limit permanently increased, (4) other

³⁷ FN0102-06: Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others

(1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees.”

Additionally, the SASB has revised the topic name from “Employee Inclusion” to “Employee Diversity & Inclusion” to improve its representativeness of the associated metric and measured performance.

Revision #2-16 – Industry: Investment Banking & Brokerage; Topic Name: Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-16 Description

SASB is evaluating the revision of metric FN0102-07³⁸ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric and Revise Metric

The SASB split metric:

- FN0102-07 Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

into its quantitative and qualitative components:

- Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations

with a new metric subsequently created to capture whistleblower policies:

- Description of whistleblower policies and procedures

Revision #2-17 – Industry: Investment Banking & Brokerage; Topic Name: Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-17 Description

SASB is evaluating the revision of metric FN0102-08³⁹ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed provisional metric FN0102-08, “Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated.”

³⁸ FN0102-07: Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

³⁹ FN0102-08: Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated

Revision #2-18 – Industry: Investment Banking & Brokerage; Topic Name: Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-18 Description

SASB is evaluating the removal of metric FN0102-09⁴⁰ to ensure the relevance and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed provisional metric FN0102-09, “Number of conflicts of interest disclosed to clients, customers, and/or counterparties.”

Revision #2-19 – Industry: Investment Banking & Brokerage; Topic Name: Professional Integrity

2017 Technical Agenda Item #2-19 Description

SASB is evaluating the addition of the topic, including corresponding metrics, based on investor interest and its potential to affect corporate value.

Summary of Change – Add Topic

The SASB added the disclosure topic “Professional Integrity,” including the corresponding metrics:

- (1) Number and (2) percentage of the registrant’s covered employees with record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings
- Number of mediation and arbitration cases associated with professional integrity and duty of care
- Total amount of monetary losses as a result of legal proceedings associated with professional integrity and duty of care
- Description of approach to assuring professional integrity and duty of care

Revision #2-20 – Industry: Investment Banking & Brokerage; Topic Name: Systemic Risk Management

2017 Technical Agenda Item #2-20 Description

SASB is evaluating the revision of metric FN0102-10⁴¹ to ensure the decision-usefulness and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB revised metric FN0102-10:

- Results of stress tests under adverse economic scenarios, including the following measures (actual and projection): (1) Loan losses (2) Losses, revenue, and net income

⁴⁰ FN0102-09: Number of conflicts of interest disclosed to clients, customers, and/or counterparties

⁴¹ FN0102-10: Results of stress tests under adverse economic scenarios, including the following measures (actual and projection): (1) Loan losses (2) Losses, revenue, and net income before taxes (3) Tier 1 common capital ratio (4) Tier 1 capital ratio (5) Total risk-based capital ratio (6) Tier 1 leverage ratio

before taxes (3) Tier 1 common capital ratio (4) Tier 1 capital ratio (5) Total risk-based capital ratio (6) Tier 1 leverage ratio

to metric:

- Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities

Revision #2-21 – **Industry:** Investment Banking & Brokerage; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-21 Description

SASB is evaluating the revision of metrics FN0102-11,⁴² FN0102-12,⁴³ FN0102-13,⁴⁴ and FN0102-14⁴⁵ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- FN0102-11 Basel III Liquidity Coverage Ratio (LCR)
- FN0102-12 Net exposure to written credit derivatives
- FN0102-13 Level 3 assets: (1) total value and (2) percentage of total assets
- FN0102-14 Skewness and kurtosis of trading revenue

and replaced them with a new metric:

- Global Systemically Important Bank (G-SIB) score by category

Revision #2-22 – **Industry:** Investment Banking & Brokerage; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Advisory, Underwriting, and Brokerage Activities

2017 Technical Agenda Item #2-22 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name “Integration of Environmental, Social, and Governance Risk Factors in Advisory, Underwriting, and Brokerage Activities” to “Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities.”

⁴² FN0102-11: Basel III Liquidity Coverage Ratio (LCR)

⁴³ FN0102-12: Net exposure to written credit derivatives

⁴⁴ FN0102-13: Level 3 assets: (1) total value and (2) percentage of total assets

⁴⁵ FN0102-14: Skewness and kurtosis of trading revenue

Revision #2-23 – Industry: Investment Banking & Brokerage; **Topic Name:** Integration of Environmental, Social and Governance Risk Factors in Advisory, Underwriting, and Brokerage Activities

2017 Technical Agenda Item #2-23 Description

SASB is evaluating the revision of metrics FN0102-16⁴⁶ and FN0102-17⁴⁷ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- FN0102-16 Amount of sustainability-focused services, activities, and products, broken down by: (1) origination, (2) market making, and (3) advisory and underwriting
- FN0102-17 Deal size of advisory and underwriting transactions for companies in the following sectors/industries: Energy/Oil & Gas, Materials/Basic Materials, Industrials, and Utilities

and added a new metric:

- Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors by industry

Revision #2-24 – Industry: Investment Banking & Brokerage; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Advisory, Underwriting, and Brokerage Activities

2017 Technical Agenda Item #2-24 Description

SASB is evaluating the addition of a metric to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a metric: “(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors by industry.”

Revision #2-25 – Industry: Investment Banking & Brokerage; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-25 Description

The SASB proposes to include activity metrics for the Investment Banking & Brokerage industry.

⁴⁶ FN0102-16: Amount of sustainability-focused services, activities, and products, broken down by: (1) origination, (2) market making, and (3) advisory and underwriting

⁴⁷ FN0102-17: Deal size of advisory and underwriting transactions for companies in the following sectors/industries: Energy/Oil & Gas, Materials/Basic Materials, Industrials, and Utilities

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics:

- (1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions
- (1) Number and (2) value of proprietary investments and loans by sector
- (1) Number and (2) total value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products

Revision #2-58 – **Industry:** Investment Banking & Brokerage; **Topic Name:** Integration of Environmental, Social and Governance Risk Factors in Advisory, Underwriting, and Brokerage Activities

Summary of Change – Revise Metric

The SASB revised metric FN0102-15, “Discussion of how environmental, social, and governance (ESG) factors are incorporated into core products and services” to “Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities.”

Revision #2-64 – **Industry:** Investment Banking & Brokerage; **Topic Name:** Management of the Legal & Regulatory Environment

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from “Management of the Legal & Regulatory Environment” to “Business Ethics.”

Revision #2-26 – **Industry:** Asset Management & Custody Activities; **Topic Name:** Employee Incentives & Risk Taking

2017 Technical Agenda Item #2-26 Description

SASB is evaluating the removal of the topic, including the corresponding metrics FN0103-01,⁴⁸ FN0103-02,⁴⁹ FN0103-03,⁵⁰ and FN0103-04⁵¹ based on investor interest and its potential to affect corporate value.

Summary of Change – Remove Topic and Metrics

The SASB removed the topic Employee Incentives & Risk Taking, including the corresponding metrics:

- FN0103-01 Discussion of variable compensation policies and practices
- FN0103-02 Percentage of total compensation that is variable for: (1) executives and (2) all others
- FN0103-03 Percentage of variable compensation that is equity for: (1) executives and (2) all others

⁴⁸ FN0103-01: Discussion of variable compensation policies and practices

⁴⁹ FN0103-02: Percentage of total compensation that is variable for: (1) executives and (2) all others

⁵⁰ FN0103-03: Percentage of variable compensation that is equity for: (1) executives and (2) all others

⁵¹ FN0103-04: Percentage of employee compensation which includes ex-post adjustments for: (1) executives and (2) all others

- FN0103-04 Percentage of employee compensation which includes ex-post adjustments for: (1) executives and (2) all others

Revision #2-27 – Industry: Asset Management & Custody Activities; Topic Name: Employee Inclusion

2017 Technical Agenda Item #2-27 Description

SASB is evaluating the revision of metric FN0103-05⁵² to ensure the decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric and Revise Topic Name

The SASB revised provisional metric FN0103-05 from “Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others” to “Percentage of gender and racial/ethnic group representation for: (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees.”

Additionally, the SASB has revised the topic name from “Employee Inclusion” to “Employee Diversity & Inclusion” to improve its representativeness of the associated metric and measured performance.

Revision #2-28 – Industry: Asset Management & Custody Activities; Topic Name: Transparent Information & Fair Advice for Customers

2017 Technical Agenda Item #2-28 Description

SASB is evaluating the addition of a metric to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric, “(1) Number and (2) percentage of the registrant’s covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.”

Revision #2-29 – Industry: Asset Management & Custody Activities; Topic Name: Transparent Information & Fair Advice for Customers

2017 Technical Agenda Item #2-29 Description

SASB is evaluating the revision of metric FN0103-07⁵³ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0103-07 to require the discussion of procedures and programs intended to provide adequate and transparent information to customers, including how representatives’ compensation structures are linked to sales of investment products and services.

⁵² FN0103-05: Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others

⁵³ FN0103-07: Description of procedure or programs to provide adequate, clear, and transparent information about products and services, including risks, suitability, and conflicts of interest

Revision #2-30 – **Industry:** Asset Management & Custody Activities; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-30 Description

SASB is evaluating the revision of metric FN0103-08⁵⁴ to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric and Revise Metric

The SASB split metric:

- FN0103-08 Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

into its quantitative and qualitative components:

- FN0103-08 Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations

with a new metric subsequently created to capture whistleblower policies:

- Description of the whistleblower policies and procedures

Revision #2-31 – **Industry:** Asset Management & Custody Activities; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-31 Description

SASB is evaluating the revision of metric FN0103-09⁵⁵ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed metric FN0103-09, “Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated.”

⁵⁴ FN0103-08: Amount of legal and regulatory fines and settlements associated with financial industry regulation and percentage that resulted from whistleblowing actions

⁵⁵ FN0103-09: Number of inquiries, complaints, or issues received by the legal and compliance office through an internal monitoring or reporting system, and percentage that were substantiated

Revision #2-32 – **Industry:** Asset Management & Custody Activities; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-32 Description

SASB is evaluating the revision of metrics FN0103-10,⁵⁶ FN0103-13,⁵⁷ and FN0103-14⁵⁸ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB replaced the following provisional metrics:

- FN0103-10 (1) Registered and (2) unregistered assets under management
- FN0103-13 (1) Tier 1 common capital ratio (2) Tier 1 capital ratio (3) Total risk-based capital ratio (4) Tier 1 leverage ratio
- FN0103-14 Basel III Liquidity Coverage Ratio (LCR)

with the following new metrics:

- Percentage of open-end fund assets under management by category of liquidity classification
- Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management

Revision #2-33 – **Industry:** Asset Management & Custody Activities; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-33 Description

SASB is evaluating the revision of metric FN0103-11⁵⁹ to ensure the alignment and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB replaced provisional metric FN0103-11, “Value of collateral received from securities lending and amount received from repurchase agreements involving clients’ assets” with “Total exposure to securities financing transactions.”

⁵⁶ FN0103-10: (1) Registered and (2) unregistered assets under management

⁵⁷ FN0103-13: (1) Tier 1 common capital ratio (2) Tier 1 capital ratio (3) Total risk-based capital ratio (4) Tier 1 leverage ratio

⁵⁸ FN0103-14: Basel III Liquidity Coverage Ratio (LCR)

⁵⁹ FN0103-11: Value of collateral received from securities lending and amount received from repurchase agreements involving clients’ assets

Revision #2-34 – Industry: Asset Management & Custody Activities; Topic Name: Integration of Environmental, Social, and Governance Risk Factors in Investment Management & Advisory

2017 Technical Agenda Item #2-34 Description

SASB is evaluating the revision of metric FN0103-17⁶⁰ to ensure the decision-usefulness and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB replaced metric:

- FN0103-17 Percentage of total proxies voted, and number of proxy votes supporting environmental, social, and/or governance (ESG) shareholder proposals, including percentage resulting in company action

with metric:

- Description of proxy voting and investee engagement policies and procedures

Revision #2-35 – Industry: Asset Management & Custody Activities; Topic Name: Integration of Environmental, Social, and Governance Risk Factors in Investment Management & Advisory

2017 Technical Agenda Item #2-35 Description

SASB is evaluating the removal of metric FN0103-18⁶¹ to ensure the relevance and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed metric FN0103-18, “Ratio of embedded carbon dioxide emissions of proved hydrocarbon reserves held by investees to total assets under management.”

Revision #2-36 – Industry: Asset Management & Custody Activities; Topic Name: Activity Metrics

2017 Technical Agenda Item #2-36 Description

SASB proposes to include activity metrics for the Asset Management & Custody Activities industry.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics: “Total (1) registered and (2) unregistered assets under management (AUM)” and “Total assets under custody and supervision.”

⁶⁰ FN0103-17: Percentage of total proxies voted, and number of proxy votes supporting environmental, social, and/or governance (ESG) shareholder proposals, including percentage resulting in company action

⁶¹ FN0103-18: Ratio of embedded carbon dioxide emissions of proved hydrocarbon reserves held by investees to total assets under management

Revision #2-59 – Industry: Asset Management & Custody Activities; Topic Name: Integration of Environmental, Social, and Governance Risk Factors in Investment Management & Advisory

Summary of Change – Revise Metric

The SASB revised metric FN0103-15, "Discussion of how environmental, social, and governance (ESG) factors are integrated into investment analysis and decisions and of how this integration intersects with fiduciary duties" to "Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies."

Revision #2-65 – Industry: Asset Management & Custody Activities; Topic Name: Management of the Legal & Regulatory Environment

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from "Management of the Legal & Regulatory Environment" to "Business Ethics."

Revision #2-37 – Industry: Consumer Finance; Topic Name: Financial Inclusion

2017 Technical Agenda Item #2-37 Description

SASB is evaluating the removal of the topic, including corresponding metrics, due to its potential to affect corporate value, relevance across the industry, and interest among investors.

Summary of Change – Remove Topic and Metrics

The SASB removed the provisional topic Financial Inclusion, along with its associated metrics:

- FN0201-01 Revenue from credit and debit products targeting unbanked and underbanked segments
- FN0201-02 Percentage of new accounts held by first-time credit card holders

Revision #2-38 – Industry: Consumer Finance; Topic Name: Customer Privacy & Data Security

2017 Technical Agenda Item #2-38 Description

SASB is evaluating revisions to the topic, including the corresponding metrics FN0201-03,⁶² FN0201-04,⁶³ and FN0201-05,⁶⁴ due to its potential to affect corporate value, relevance across the industry, and interest among investors.

Summary of Change – Revise Topic, Add and Revise Metrics

The SASB split the provisional disclosure topic "Customer Privacy & Data Security" into two separate topics -- "Customer Privacy" and "Data Security."

⁶² FN0201-03: Number of data security breaches and percentage involving customers' personally identifiable information

⁶³ FN0201-04: Amount of fraudulent transaction activity, percentage from: (1) card-not-present fraud and (2) card-present and other fraud

⁶⁴ FN0201-05: Description of data security and fraud prevention efforts related to new and emerging technologies and/or new and emerging threats

For the Customer Privacy topic, the SASB added two new metrics:

- Number of account holders whose information is used for secondary purposes
- Total amount of monetary losses as a result of legal proceedings associated with customer privacy

For the Data Security topic, the SASB revised the provisional metrics per the following:

- Provisional metric FN0201-03: “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected”⁶⁵
- Provisional metric FN0201-04: “Amount of fraudulent transaction activity, percentage from: (1) card-not-present fraud and (2) card-present and other fraud” to “Card-related fraud losses from: (1) card-not-present fraud and (2) card-present and other fraud”
- Provisional metric FN0201-05: “Description of data security and fraud prevention efforts related to new and emerging technologies and/or new and emerging threats” to “Description of approach to identifying and addressing data security risks”

Revision #2-39 – **Industry:** Consumer Finance; **Topic Name:** Customer Privacy & Data Security

2017 Technical Agenda Item #2-39 Description

SASB is evaluating the revision of metric FN0201-03⁶⁶ to ensure the decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0201-03 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data breaches, percentage involving personally identifiable information (PII), number of account holders affected.”

Revision #2-40 – **Industry:** Consumer Finance; **Topic Name:** Transparent Information & Fair Advice for Customers / Responsible Lending & Debt Prevention

2017 Technical Agenda Item #2-40 Description

SASB is evaluating revisions to the topics, including the corresponding metrics, due to their potential to affect corporate value, relevance across the industry, and interest among investors.

⁶⁵ See Revision #2-39 which discusses the revision of the Provisional metric FN0201-03: “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected

⁶⁶ FN0201-03: Number of data security breaches and percentage involving customers’ personally identifiable information

Summary of Change – Revise Topic and Associated Metrics

The SASB merged the topics “Transparent Information & Fair Advice for Customers” and “Responsible Lending & Debt Prevention” into a single disclosure topic called “Selling Practices.” The underlying metrics are listed below.

Transparent Information & Fair Advice for Customers:

- FN0201-06 Amount of legal and regulatory fines and settlements associated with disclosure, transparency, or marketing
- FN0201-07 Payout ratio for add-on products

Responsible Lending & Debt Prevention:

- FN0201-08 For customers with FICO scores above and below 640 (subprime): (1) average customer debt (2) average APR (3) mean and median age of accounts (4) average monthly full payment rate
- FN0201-09 Percentage of applications accepted for applicants with FICO scores above and below 640 (subprime)
- FN0201-10 Average annual fees per account for pre-paid transaction products

Within the new topic “Selling Practices,” the SASB revised several of the provisional metrics included in the topics being merged:

The SASB revised metric:

- FN0201-06 Amount of legal and regulatory fines and settlements associated with disclosure, transparency, or marketing

to the following metric:

- Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products

The SASB revised metric:

- FN0201-08 For customers with FICO scores above and below 640 (subprime): (1) average customer debt (2) average APR (3) mean and median age of accounts (4) average monthly full payment rate

to the following metric:

- (1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products for customers with FICO scores above and below 660

Additionally, the SASB revised metric:

- FN0201-09 Percentage of applications accepted for applicants with FICO scores above and below 640 (subprime)

to the following metric:

- Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660

To capture performance on all the applicable aspects of the new “Selling Practices” topic, the SASB added two new metrics:

- Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold
- (1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or non-monetary relief, (3) percentage disputed by consumer, (4) percentage resulted in investigation by the CFPB

Revision #2-41 – **Industry:** Consumer Finance; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-41 Description

SASB proposes to include activity metrics for the Consumer Finance industry.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics:

- Number of unique consumers with an active (1) credit card account, (2) pre-paid debit card account
- Number of (1) credit card accounts, (2) pre-paid debit card accounts

Revision #2-42 – **Industry:** Mortgage Finance; **Topic Name:** Environmental Risk to Mortgaged Properties

2017 Technical Agenda Item #2-42 Description

SASB is evaluating the revision of metric FN0202-01⁶⁷ to ensure the relevance, applicability, and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0202-01 from “Number and value of mortgage loans in Federal Emergency Management Agency (FEMA) special flood hazard areas” to “(1) Number and (2) value of mortgage loans in flood hazard areas or regional equivalent.”

⁶⁷ FN0202-01: Number and value of mortgage loans in Federal Emergency Management Agency (FEMA) special flood hazard areas

Revision #2-43 – **Industry:** Mortgage Finance; **Topic Name:** Transparent Information & Fair Advice for Customers / Responsible Lending & Debt Prevention

2017 Technical Agenda Item #2-43 Description

SASB is evaluating revisions to the topics, including the corresponding metrics, due to their potential to affect corporate value, relevance across the industry, and interest among investors.

Summary of Change – Revise Topics and Associated Metrics

The SASB merged two topics, “Transparent Information & Fair Advice for Customers” and “Responsible Lending & Debt Prevention,” into a single disclosure topic called “Lending Practices.” The underlying metrics for each provisional disclosure topic are listed below.

Transparent Information & Fair Advice for Customers:

- FN0202-04 Description of variable compensation structure of loan originators
- FN0202-05 Number and value of mortgages issued to minorities
- FN0202-06 Number and value of mortgages provided to low or moderate-income individuals/families
- FN0202-07 Amount of fines and settlements associated with violation of the mortgage industry provisions of Regulation Z (Truth in Lending Act) relating to communications to customers

Responsible Lending & Debt Prevention:

- FN0202-08 Number and value of Qualified Mortgages (QMs), by minority status and income classification
- FN0202-09 Number and value of mortgages of the following types: (1) Hybrid or Option ARM, (2) Prepayment Penalty, (3) Higher Rate; overall, by minority status, and by income classification
- FN0202-10 Ratio of amount of first mortgage principal reduction to amount of foreclosed mortgages
- FN0202-11 Number of (1) modifications, (2) foreclosures, (3) short sales or deeds in lieu of foreclosure, and (4) total mortgages
- FN0202-12 Foreclosure rate by segment: subprime, non-subprime jumbo, non-subprime conventional, and nonconventional

Additionally, SASB executed the following changes to the metrics of the newly formed Lending Practices topic:

- Revised metric FN0202-04 from “Description of variable compensation structure of loan originators” to “Description of remuneration structure of loan originators”
- Revised metric FN0202-07 from “Amount of fines and settlements associated with violation of the mortgage industry provisions of Regulation Z (Truth in Lending Act) relating to communications to customers” to “Total amount of monetary losses as a

result of legal proceedings associated with marketing and origination of mortgage loans”

- Revised metric FN0202-09 from “Number and value of mortgages of the following types: (1) Hybrid or Option ARM, (2) Prepayment Penalty, (3) Higher Rate; overall, by minority status, and by income classification” to “(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option ARM, (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above and below 660”
- Revised metric FN0202-11 from “Number of (1) modifications, (2) foreclosures, (3) short sales or deeds in lieu of foreclosure, and (4) total mortgages” to “(1) Number and (2) value of: (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660”
- Removed metric FN0202-05, “Number and value of mortgages issued to minorities”
- Removed metric FN0202-06, “Number and value of mortgages provided to low or moderate-income individuals/families”
- Removed metric FN0202-08, “Number and value of Qualified Mortgages (QMs), by minority status and income classification”
- Removed metric FN0202-10, “Ratio of amount of first mortgage principal reduction to amount of foreclosed mortgages”
- Removed metric FN0202-12, “Foreclosure rate by segment: subprime, non-subprime jumbo, non-subprime conventional, and nonconventional”

Revision #2-44 – **Industry:** Mortgage Finance; **Topic Name:** Discriminatory Lending

2017 Technical Agenda Item #2-44 Description

SASB is evaluating the addition of the topic, including corresponding metrics, based on investor interest and its potential to affect corporate value.

Summary of Change – Add Topic and Metrics

The SASB added a disclosure topic, “Discriminatory Lending,” including the following corresponding metrics:

- (1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to: (a) minority and (b) all other borrowers, by FICO scores above and below 660
- Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending
- Description of policies and procedures for ensuring nondiscriminatory mortgage origination

The last metric is a modification of provisional metric FN0202-05, “Number and value of mortgages issued to minorities” included in the “Transparent Information & Fair Advice for Customers” disclosure topic (see Revision #2-43).

Revision #2-45 – **Industry:** Mortgage Finance; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #2-45 Description

The SASB is evaluating the removal of the topic, including corresponding metrics, due to its potential to affect corporate value, relevance across the industry, and interest among investors.

Summary of Change – Remove Topic and Metrics

The SASB removed the topic Management of the Legal & Regulatory Environment and its associated metric FN0202-13, “Amount of fines and settlements associated with mortgage industry regulations.”

Revision #2-46 – **Industry:** Mortgage Finance; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-46 Description

SASB proposes to include activity metrics for the Mortgage Finance industry.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics:

- (1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial
- (1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial

Revision #2-47 – **Industry:** Security & Commodity Exchanges; **Topic Name:** Managing Business Continuity & Technology Risks

2017 Technical Agenda Item #2-47 Description

SASB is evaluating the revision of metric FN0203-09⁶⁸ to ensure the decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0203-09 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected.”

Revision #2-48 – **Industry:** Security & Commodity Exchanges; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-48 Description

SASB proposes to include activity metrics for the Security & Commodity Exchanges industry.

Summary of Change – Add Activity Metrics

The SASB added the following activity metrics:

- Average daily number of trades executed by product or asset class
- Average daily volume traded by product or asset class

⁶⁸ FN0203-09: Number of data security breaches and percentage involving customers’ personally identifiable information

Revision #2-49 – Industry: Insurance; Topic Name: Environmental Risk Exposure

2017 Technical Agenda Item #2-49 Description

SASB is evaluating the revision of metric FN0301-01⁶⁹ to ensure the relevance, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric FN0301-01 from “Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes, by insurance segment, type of event, and type of risk insured” to “Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes.” In addition, the technical protocol was updated to include a breakdown by the probability of occurrence for 1-in-100 and 1-in-250–year return periods, a breakdown by geographic region, a breakdown by net and gross of reinsurance, and a note requiring registrants to discuss how climate change–related impacts are integrated in catastrophe modeling, scenario analysis, and calculation of PML.

Revision #2-50 – Industry: Insurance; Topic Name: Environmental Risk Exposure

2017 Technical Agenda Item #2-50 Description

SASB is evaluating the revision of metrics FN0301-02⁷⁰ and FN0301-05⁷¹ to ensure the alignment and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric and Remove Metric

The SASB revised provisional metric FN0301-02 from “Total annual losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes” to “Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance).”

Additionally, the SASB removed metric FN0301-05, “Percentage of policies in which weather-related natural catastrophe risks have been mitigated through reinsurance and/or alternative risk transfer.”

⁶⁹ FN0301-01: Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes, by insurance segment, type of event, and type of risk insured

⁷⁰ FN0301-02: Total annual losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes

⁷¹ FN0301-05: Percentage of policies in which weather-related natural catastrophe risks have been mitigated through reinsurance and/or alternative risk transfer

Revision #2-51 – **Industry:** Insurance; **Topic Name:** Environmental Risk Exposure

2017 Technical Agenda Item #2-51 Description

SASB is evaluating the revision of metric FN0301-03⁷² to ensure the relevance and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB added a bullet point to the technical protocol of metric FN0301-03, “Description of how environmental risks are integrated into: (1) The underwriting process for individual contracts; (2) The management of firm-level risks and capital adequacy,” to ask registrants to provide disclosure of how incentives to improve the climate resiliency of properties or vehicles are considered in the pricing of policies.

Additionally, the SASB revised the technical protocol of the metric to incorporate the discussion of time horizons over which the registrant assesses its exposure to climate-related impacts.

Revision #2-52 – **Industry:** Insurance; **Topic Name:** Policies Designed to Incentivize Responsible Behavior

2017 Technical Agenda Item #2-52 Description

SASB is evaluating the revision of metric FN0301-06⁷³ to ensure the relevance and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised the technical protocol associated with metric FN0301-06, “Discussion of products or product features that incentivize health, safety, and/or environmentally responsible actions or behaviors,” by removing the note that asked registrants to disclose how incentives to improve the climate resiliency and resource efficiency of properties or vehicles are considered in policy pricing.

Revision #2-53 – **Industry:** Insurance; **Topic Name:** Plan Performance

2017 Technical Agenda Item #2-53 Description

SASB is evaluating revisions to the topic, including the corresponding metrics, due to its potential to affect corporate value, relevance across the industry, and level of investor interest.

Summary of Change – Revise Topic and Remove Metric

The SASB revised the topic name from “Plan Performance” to “Transparent Information & Fair Advice for Customers.”

Further, the SASB removed provisional metric FN0301-10, “Average number of days from reported claim to settlement of claim,” and added a new metric, “Total amount of monetary losses as a result of legal

72 FN0301-03: Description of how environmental risks are integrated into: (1) The underwriting process for individual contracts (2) The management of firm-level risks and capital adequacy

73 FN0301-06: Discussion of products or product features that incentivize health, safety, and/or environmentally responsible actions or behaviors

proceedings associated with marketing and communication of insurance product-related information to new and returning customers.”

In addition, the SASB updated provisional metric FN0301-11, “Description of efforts to provide information to new and returning customers in a clear and conspicuous manner” to “Description of approach to informing customers about products in a clear and transparent manner” with minor technical protocol changes to improve its structure.

Revision #2-54 – **Industry:** Insurance; **Topic Name:** Systemic Risk Management

2017 Technical Agenda Item #2-54 Description

SASB is evaluating the revision of metrics FN0301-12,⁷⁴ FN0301-13,⁷⁵ FN0301-14,⁷⁶ and FN0301-15⁷⁷ to ensure the alignment, decision-usefulness, and cost-effectiveness of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- FN0301-12 Non-policyholder liabilities
- FN0301-13 (1) Notional amount of CDS protection sold, (2) notional amount of debt securities insured for financial guarantee, and (3) risk-in-force covered by mortgage guarantee insurance
- FN0301-14 Value of collateral received from securities lending and amount received from repurchase agreements
- FN0301-15 Amount of life and annuity liabilities that can be surrendered upon request: (1) Within three months without penalty (2) With penalties lower than 20 percent

and replaced them with the following new metrics:

- Exposure to derivative instruments by category: (1) Total Potential Exposure to Non-centrally Cleared Derivatives; (2) Total Fair Value of Acceptable Collateral posted with the Central Clearinghouse; (3) Total Potential Exposure to Centrally Cleared Derivatives
- Fair value of securities lending collateral assets
- Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities

⁷⁴ FN0301-12: Non-policyholder liabilities

⁷⁵ FN0301-13: (1) Notional amount of CDS protection sold, (2) notional amount of debt securities insured for financial guarantee, and (3) risk-in-force covered by mortgage guarantee insurance

⁷⁶ FN0301-14: Value of collateral received from securities lending and amount received from repurchase agreements

⁷⁷ FN0301-15: Amount of life and annuity liabilities that can be surrendered upon request: (1) Within three months without penalty (2) With penalties lower than 20 percent

Revision #2-55 – **Industry:** Insurance; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Investment Management

2017 Technical Agenda Item #2-55 Description

SASB is evaluating the addition of a metric to ensure the relevance, alignment, and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added the following metric, “Total invested assets by industry and asset class.”

Revision #2-56 – **Industry:** Insurance; **Topic Name:** Activity Metrics

2017 Technical Agenda Item #2-56 Description

SASB proposes to include activity metrics for the Insurance industry.

Summary of Change – Add Activity Metric

The SASB added the following activity metric, “Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance.”

Revision #2-61 – **Industry:** Insurance; **Topic Name:** Integration of Environmental, Social, and Governance Risk Factors in Investment Management

Summary of Change – Revise Metrics

The SASB replaced metrics:

- FN0301-16 Discussion of how environmental, social and governance (ESG) factors are integrated into the lending process
- FN0301-17 Discussion of credit risk to the loan portfolio presented by climate change, natural resource constraints, human rights concerns, or other broad sustainability trends

with the following:

- Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies

Revision #2-60 – **Industry:** Insurance; **Topic Name:** Environmental Risk Exposure

Summary of Change – Remove Metric

The SASB removed metric FN0301-04 “List of markets, regions, and/or events for which the registrant declines to voluntarily write coverage for weather-related natural catastrophe risks”

Revision #2-62 – Industry: Insurance; Topic Name: Transparent Information & Fair Advice for Customers

Summary of Change – Revise Metric

The SASB revised the technical protocol of metric FN0301-08 “Complaints-to-claims ratio” to clarify that the scope of disclosure excludes complaints where the company was found to be in compliance and no action was required.

DRAFT



Technology & Communications Sector

Electronic Manufacturing Services & Original Design Manufacturing

Software & IT Services

Hardware

Semiconductors

Telecommunication Services

Internet Media & Services

Prepared by the
Sustainability Accounting Standards Board®

Revision #3-1 – **Industry:** Electronic Manufacturing Services & Original Design Manufacturing; **Topic Name:** Water & Waste Management in Manufacturing

2017 Technical Agenda Item #3-1 Description

SASB is evaluating the revision of the technical protocol for metric TC0101-02⁷⁸ to align with international standards.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with provisional metric TC0101-02, “Amount of hazardous waste from manufacturing, percentage recycled”, to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach will revise the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #3-47 – **Industry:** Electronic Manufacturing Services & Original Design Manufacturing; **Topic Name:** Water & Waste Management in Manufacturing

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0101-01 from “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress” to remove the component of the metric that measures water recycling, and replace it with water consumption. The resulting metric is, “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”

Revision #3-23 **Industry:** Electronic Manufacturing Services & Original Design Manufacturing; **Topic Name:** Water & Waste Management in Manufacturing

Summary of Change – Split Topic:

The SASB split the provisional disclosure topic “Water & Waste Management in Manufacturing” into two separate topics - “Water Management” and “Waste Management”.

The following metric is associated with the Water Management topic:

- TC0101-01 “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress”⁷⁹

The following metric is associated with the Waste Management topic:

⁷⁹ Please see revision 3-1 for updates to this metric.

⁷⁹ Please see revision 3-1 for updates to this metric.

- TC0101-01 “Amount of hazardous waste from manufacturing, percentage recycled”⁸⁰

Revision #3-21 Industry: Electronic Manufacturing Services & Original Design Manufacturing; Topic Name: Fair Labor Practices

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0101-05, “Percentage of (a) facilities and (b) supplier’s facilities audited in the EICC Validated Audit Process (VAP) or to an equivalent social and environmental responsibility code of conduct” to include explicit disclosure on high-risk facilities, as opposed to the provisional metric that did not distinguish between all facilities versus high-risk facilities. The resulting metric is, “Percentage of (1) facilities and (2) suppliers’ facilities audited in the EICC Validated Audit Process (VAP) or to an equivalent code of conduct, by (a) all facilities and (b) high-risk facilities.”

Revision #3-19 Industry: Electronic Manufacturing Services & Original Design Manufacturing; Topic Name: Fair Labor Practices

Summary of Change – Issue Split:

The SASB split disclosure topic “Fair Labor Practices” into two separate topics -- “Labor Practices” and “Worker Health & Safety” -- with the following metrics:

Labor Practices

- TC0101-04 “Number and total duration of work stoppages”

Worker Health & Safety

- TC0101-03 (1) “Total Recordable Incident Rate (TRIR) and (2) Near Miss Frequency Rate (NMFR) for (a) full time employees and (b) contract employees”
- TC0101-05 “Percentage of (a) facilities and (b) suppliers’ facilities audited in the EICC Validated Audit Process (VAP) or to an equivalent social and environmental responsibility code of conduct”⁸¹
- TC0101-06 “Social and environmental responsibility audit compliance for (a) registrant and (b) suppliers: (1) priority non-conformance rate and associated corrective action rate, and (2) other non- conformances rate and associated corrective action rate”

Revision #3-20 – Industry: Electronic Manufacturing Services & Original Design Manufacturing; Topic Name: Product Lifecycle Management

Summary of Change – Revise Topic & Remove Metrics:

The SASB removed metrics:

- TC0101-07 Percentage of products by revenue that contain IEC 62474 declarable substances

⁸⁰ Please see revision 3-47 for updates to this metric.

⁸¹ Please see Revision 3-21 for revisions to this metric.

- TC0101-08 Percentage of eligible products by revenue meeting the requirements for EPEAT® certification or equivalent

Revision #3-2 – **Industry:** Electronic Manufacturing Services & Original Design Manufacturing; **Topic Name:** Supply Chain Management & Materials Sourcing

2017 Technical Agenda Item #3-2 Description

SASB is evaluating the revision and/or removal of metrics TC0101-11⁸² and TC0101-12⁸³ associated with the topic to improve the cost-effectiveness.

Summary of Change – Revise Metrics

The SASB removed provisional metrics:

- TC0101-11, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free,”
- TC0101-10 “Percentage of products by revenue that contain critical materials”, and removed conflict minerals from the required scope of disclosure in provisional metric

Further, The SASB removed conflict minerals from the required scope of disclosure in provisional metric TC0101-12, “Discussion of the management of risks associated with the use of critical materials and conflict minerals.”

Revision #3-22: **Industry:** Electronic Manufacturing Services & Original Design Manufacturing; **Topic Name:** Supply Chain Management & Materials Sourcing

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Supply Chain Management & Materials Sourcing” to “Materials Sourcing”.

Revision #3-3 – **Industry:** Software & IT Services; **Topic Name:** Environmental Footprint of Hardware Infrastructure

2017 Technical Agenda Item #3-3 Description

SASB is evaluating the revision of the technical protocol for metric TC0102-01⁸⁴ to align with international standards.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with provisional metric TC0102-01 to ensure that regional measures of renewable energy—such as Guarantees of Origin (GOs), the EU equivalent of the United States’ RECs (both units of renewable energy credits)—are accounted for.

Revision #3-46 – Industry: Software & IT Services; Topic Name: Environmental Footprint of Hardware Infrastructure

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0102-02 from “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress” to remove the component of the metric that measures water recycling, and replace it with water consumption. The resulting metric is, “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”

Revision #3-4 – Industry: Software & IT Services; Topic Name: Data Privacy & Freedom of Expression

2017 Technical Agenda Item #3-4 Description

SASB is evaluating the revision of metric TC0102-07⁸⁵ to ensure the completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric TC0102-07 from “Number of government or law enforcement requests for customer information, percentage resulting in disclosure” to “Number of government or law enforcement requests for customer information, number of records requested, percentage resulting in disclosure.”

Revision #3-41 – Industry: Software & IT Services; Topic Name: Data Privacy & Freedom of Expression

Summary of Change – Revise Metric:

The SASB revised metric TC0102-05 - “Percentage of users whose customer information is collected for secondary purpose, percentage who have opted in” to – “Number of users whose information is used for secondary purposes”.

Revision #3-5 – Industry: Software & IT Services; Topic Name: Data Security

2017 Technical Agenda Item #3-5 Description

SASB is evaluating the addition of a metric to ensure the completeness and usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric, “Percentage of operations, by revenue, that have been independently certified to a suitable third-party cybersecurity management standard.”

Revision #3-6 – Industry: Software & IT Services; Topic Name: Data Security

2017 Technical Agenda Item #3-6 Description

SASB is evaluating the revision of metric TC0102-09⁸⁶ to ensure the usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric TC0102-09 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected.”

Revision #3-35 – Industry: Software & IT Services; Topic Name: Recruiting and Managing a Global Diverse Skilled Workforce

Summary of Change – Revise Metric

The SASB revised the technical protocol for provisional metric TC0102-13 “Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others” to “Percentage of gender and racial/ethnic group representation for: (1) executives (2) technical employees (3) all others” Further, the SASB updated the reporting guidance to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. The technical protocol was revised to specify that companies should describe their policies for promoting inclusivity and preventing the development of a globally homogenous workforce.

Revision #3-42 – Industry: Software & IT Services; Topic Name: Intellectual Property Protection & Competitive Behavior

Summary of Change – Remove Metric:

The SASB removed metric TC0102-16 “Number of patent litigation cases, number successful, and number as patent holder”.

Revision #3-24 – Industry: Hardware; Topic Name: Employee Inclusion

Summary of Change – Revise Metric

The SASB revised the technical protocol for the provisional metric TC0103-02 “Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others” to “Percentage of gender and racial/ethnic group representation for: (1) executives (2) technical employees (3) all others” SASB has updated the reporting guidance to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies

should describe their policies for promoting inclusivity and preventing the development of a globally homogenous workforce.

Revision #3-7 – Industry: Hardware; Topic Name: Supply Chain Management & Materials Sourcing

2017 Technical Agenda Item #3-7 Description

SASB is evaluating the revision and/or removal of metrics TC0103-08⁸⁷ and TC0103-09⁸⁸ associated with the topic to improve the cost-effectiveness.

Summary of Change – Revise Metrics

The SASB removed provisional metrics:

- TC0103-08, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free,”

Revision #3-43 Industry: Hardware; Topic Name: Supply Chain Management & Materials Sourcing

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0103-10, “Percentage of suppliers audited in the EICC Validated Audit Process (VAP) or to an equivalent social and environmental responsibility code of conduct” to include explicit disclosure on high-risk facilities, as opposed to the provisional metric that did not distinguish between all facilities versus high-risk facilities. The resulting metric is, “Percentage of suppliers’ facilities audited in the EICC Validated Audit Process (VAP) or to an equivalent code of conduct, by (a) all facilities and (b) high-risk facilities.”

Revision #3-25 – Industry: Hardware; Topic Name: Supply Chain Management & Materials Sourcing

Summary of Change – Split topic:

The SASB split the disclosure topic “Supply Chain Management & Materials Sourcing” into two separate topics -- “Supply Chain Management” and “Materials Sourcing” -- with the following metrics:

Materials Sourcing

- TC0103-07 “Percentage of products by revenue that contain critical materials”⁸⁹
- TC0103-09 “Discussion of the management of risks associated with the use of critical materials”⁹⁰

Supply Chain Management

⁹⁰ Please see revision 3-7 for updates to this metric.

- TC0103-10 “Percentage of suppliers audited in the EICC Validated Audit Process (VAP) or to an equivalent social and environmental responsibility code of conduct”⁹¹
- TC0103-11 “Suppliers’ social and environmental responsibility audit compliance: (1) priority non-conformance rate and associated corrective action rate, and (2) other non-conformances rate and associated corrective action rate”

Revision #3-8 – **Industry:** Semiconductors; **Topic Name:** Water & Waste Management

Summary of Change – Revise Technical Protocol
2017 Technical Agenda Item #3-8 Description

SASB is evaluating the revision of the technical protocol for metric TC0201-05⁹² to ensure the completeness of the metrics associated with the topic.

The SASB revised the technical protocol associated with provisional metric TC0201-05, “Amount of hazardous waste from manufacturing, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach will revise the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #3-48 – **Industry:** Semiconductors; **Topic Name:** Water & Waste Management

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0201-03 from “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress” to remove the component of the metric that measures water recycling, and replace it with water consumption. The resulting metric is, “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”

Revision #3-33 – **Industry:** Semiconductors; **Topic Name:** Water & Waste Management

Summary of Change – Split Topic:

The SASB split the provisional disclosure topic “Water & Waste Management in Manufacturing” into two separate topics -- “Water Management” and “Waste Management”.

The following metric is associated with the Water Management topic:

⁹¹ Please see revision 3-43 for updates to this metric.

⁹³ Please see revision 3-48 for updates to this metric.

- TC0201-04 “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress”⁹³

The following metric is associated with the Waste Management topic:

- TC0201-05 “Amount of hazardous waste from manufacturing, percentage recycled”⁹⁴

Revision #3-9 – **Industry:** Semiconductors; **Topic Name:** Supply Chain Management & Materials Sourcing

2017 Technical Agenda Item #3-9 Description

SASB is evaluating the revision and/or removal of metrics TC0201-12⁹⁵ and TC0201-13⁹⁶ associated with the topic to improve the cost-effectiveness.

Summary of Change – Revise Metrics

The SASB removed provisional metrics:

- TC0201-12, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free,”
- TC0201-11, “Percentage of products by revenue that contain critical materials”, and removed conflict minerals from the required scope of disclosure in provisional metric

Further, The SASB removed conflict minerals from the required scope of disclosure in provisional metric TC0201-13, “Discussion of the management of risks associated with the use of critical materials and conflict minerals.”

The SASB also added language to the technical protocol of metric TC0201-13 “Discussion of the management of risks associated with the use of critical materials” to direct companies to discuss their primary critical materials used and any related risks.

Revision #3-34 – **Industry:** Semiconductors; **Topic Name:** Supply Chain Management & Materials Sourcing

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Supply Chain Management & Materials Sourcing” to “Materials Sourcing”.

⁹³ Please see revision 3-48 for updates to this metric.

⁹⁴ Please see revision 3-8 for updates to this metric.

Revision #3-44 – **Industry:** Semiconductors; **Topic Name:** Intellectual Property Protection & Competitive Behavior

Summary of Change – Remove Metric:

The SASB removed metric TC0201-14 “Number of patent litigation cases, number successful, and number as patent holder”.

Revision #3-10 – **Industry:** Telecommunications Services; **Topic Name:** Environmental Footprint of Operations

2017 Technical Agenda Item #3-10 Description

SASB is evaluating the revision of the technical protocol for metric TC0301-01⁹⁷ to ensure the completeness of the metrics associated with the topic.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with provisional metric TC0301-01 to ensure that international measures of renewable energy—such as Guarantees of Origin (GOs), the EU equivalent of the United States’ RECs (both units of renewable energy units)—are accounted for.

Revision #3-39 – **Industry:** Telecommunications Services; **Topic Name:** Environmental Footprint of Operations

Summary of Change – Revise Metrics:

The SASB revised metric TC0301-01 “Total energy consumed, percentage grid electricity, percentage renewable energy; amount of energy consumed by (a) cellular and (b) fixed networks” to “Total energy consumed, percentage grid electricity, percentage renewable energy.” Further, the SASB revised related activity metric TC0301-D “Network traffic, percentage on cellular network, and percentage on fixed network” to “Network traffic.”

Revision #3-11 – **Industry:** Telecommunications Services; **Topic Name:** Data Privacy

2017 Technical Agenda Item #3-11 Description

SASB is evaluating the revision of metric TC0301-05⁹⁸ to ensure the completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric TC0301-05 from “Number of government or law enforcement requests for customer information, percentage resulting in disclosure” to “Number of government or law enforcement requests for customer information, number of records requested, percentage resulting in disclosure.”

⁹⁷

Revision #3-38 – Industry: Telecommunications Services; Topic Name: Data Privacy

Summary of Change – Revise Metric:

The SASB revised metric TC0301-03 “Percentage of users whose customer information is collected for secondary purpose, percentage who have opted in” to “Number of users whose information is used for secondary purposes.”

Revision #3-12 – Industry: Telecommunications Services; Topic Name: Data Security

2017 Technical Agenda Item #3-12 Description

SASB is evaluating the addition of a metric to ensure the completeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric, “Percentage of operations, by revenue, that have been independently certified to a suitable third-party cybersecurity management standard.”

Revision #3-13 – Industry: Telecommunications Services; Topic Name: Data Security

2017 Technical Agenda Item #3-13 Description

SASB is evaluating the revision of metric TC0301-06⁹⁹ to ensure the usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric TC0301-06 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected.”

Revision #3-40 – Industry: Telecommunications Services; Topic Name: Managing Systemic Risk from Technology Disruptions

Summary of Change – Revise Metric:

The SASB revised the metric TC0301-09 “Average interruption frequency and average interruption duration” to specify in the technical protocol that the metric scope relates to wireless, wireline, and ISP services only.

Revision #3-14 – Industry: Telecommunications Services; Topic Name: Competitive Behavior and Open Internet

2017 Technical Agenda Item #3-14 Description

SASB is evaluating the addition of a metric to ensure the completeness of the metrics associated with the topic.

Summary of Change – Add Metrics

The SASB added two new metrics addressing net neutrality in the Competitive Behavior & Open Internet topic in the new combined Telecommunications Services industry. The two metrics include: “Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content” and “Discussion of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices.”

Revision #3-36 – **Industry:** Telecommunications Services; **Activity Metric**

Summary of Change – Remove Metric:

The SASB removed activity metric TC0301-E, “Network bandwidth capacity, percentage leased”.

Revision #3-15 – **Industry:** Internet Media & Services; **Topic Name:** Environmental Footprint of Hardware Operations

2017 Technical Agenda Item #3-15 Description

SASB is evaluating the revision of the technical protocol for metric TC0401-01¹⁰⁰ to align with international standards.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with provisional metric TC0401-01 to ensure that international measures of renewable energy—such as Guarantees of Origin (GOs), the EU equivalent of the United States’ RECs (both units of renewable energy credits)—are accounted for.

Revision #3-45 – **Industry:** Internet Media & Services; **Topic Name:** Environmental Footprint of Hardware Infrastructure

Summary of Change – Revise Metric:

The SASB revised provisional metric TC0401-02 from “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress” to remove the component of the metric that measures water recycling, and replace it with water consumption. The resulting metric is, “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”

Revision #3-16 – **Industry:** Internet Media & Services; **Topic Name:** Data Privacy, Advertising Standards, and Freedom of Expression

2017 Technical Agenda Item #3-16 Description

SASB is evaluating the revision of metric TC0401-07¹⁰¹ to ensure the completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric TC0401-07 from “Number of government or law enforcement requests for customer information, percentage resulting in disclosure” to “Number of government or law

100

enforcement requests for customer information, number of records requested, percentage resulting in disclosure.”

Revision #3-30 – Industry: Internet Media & Services; Topic Name: Data Privacy, Advertising Standards, and Freedom of Expression

Summary of Change – Revise Metric:

The SASB revised metric TC0401-05 “Percentage of users whose customer information is collected for secondary purpose, percentage who have opted-in” to – “Number of users whose information is used for secondary purposes.”

Revision #3-17 – Industry: Internet Media & Services; Topic Name: Data Security

2017 Technical Agenda Item #3-17 Description

SASB is evaluating the addition of a metric to ensure the completeness and usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a metric to the Data Security topic describing “Percentage of operations, by revenue, that have been independently certified to a suitable 3rd party cybersecurity management standard.”

Revision #3-18 – Industry: Internet Media & Services; Topic Name: Data Security

2017 Technical Agenda Item #3-18 Description

SASB is evaluating a revision of metric TC0401-10¹⁰²

Summary of Change – Revise Metric

The SASB revised provisional metric TC0401-10 from “Number of data security breaches and percentage involving customers’ personally identifiable information” to “Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected.”

Revision #3-31 – Industry: Internet Media & Services; Topic Name: Employee Recruitment, Inclusion, and Performance

Summary of Change – Revise Metric:

The SASB has revised the technical protocol for the provisional metric TC0401-14, “Percentage of gender and racial/ethnic group representation for: (1) executives and (2) all others” to “Percentage of gender and racial/ethnic group representation for: (1) executives (2) technical employees (3) all others” Further, SASB has updated the reporting guidance to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that

companies should describe their policies for promoting inclusivity and preventing the development of a globally homogenous workforce.

Revision #3-32 – Industry: Internet Media & Services; Topic Name: Intellectual Property Protection & Competitive Behavior

Summary of Change – Remove Metric:

The SASB removed metric TC0401-15 “Number of patent litigation cases, number successful, and number as patent holder”.

DRAFT



Extractives & Minerals Processing Sector

Oil & Gas - Exploration & Production

Oil & Gas - Midstream

Oil & Gas - Refining & Marketing

Oil & Gas - Services

Coal Operations

Iron & Steel Producers

Metals & Mining

Construction Materials

Prepared by the
Sustainability Accounting Standards Board®

Revision #4-54 – Industry: Oil & Gas - Exploration & Production; Topic Name: Activity Metrics

Summary of Change – Revise Metrics

The SASB revised activity metric NR0101-A from "Wellhead production of (1) conventional oil, (2) unconventional oil, (3) conventional gas, and (4) unconventional gas" to "Production of (1) oil (2) gas (3) synthetic oil and (4) synthetic gas"

Revision #4-1 – Industry: Oil & Gas - Exploration & Production; Topic Name: Greenhouse Gas Emissions

2017 Technical Agenda Item #4-1 Description

SASB is evaluating the revision of metric NR0101-01¹⁰³ to ensure the usefulness and alignment with external standards of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB revised metric NR0101-01 from "Gross global Scope 1 emissions, percentage covered under a regulatory program, percentage by hydrocarbon resource" to "Gross global Scope 1 emissions, percentage methane, and percentage covered under a regulatory program".

Revision #4-2 – Industry: Oil & Gas - Exploration & Production; Topic Name: Greenhouse Gas Emissions

2017 Technical Agenda Item #4-2 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0101-02¹⁰⁴ to ensure the metric offers a representative measurement of performance on the topic.

Summary of Change – Revise Metrics

The SASB revised metric NR0101-02 from, "Amount of gross global Scope 1 emissions from: (1) combustion, (2) flared hydrocarbons, (3) process emissions, (4) directly vented releases, and (5) fugitive emissions/leaks" to, "Amount of gross global Scope 1 emission from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, (5) fugitive emissions from operations"

Revision #4-53 – Industry: Oil & Gas – Exploration & Production; Topic Name: Greenhouse Gas Emissions

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0101-03 to provide additional specificity with respect to company strategies to manage emissions.

¹⁰³ NR0101-01: Gross global Scope 1 emissions, percentage covered under a regulatory program, percentage by hydrocarbon resource

¹⁰⁴ NR0101-02: Amount of gross global Scope 1 emissions from: (1) combustion, (2) flared hydrocarbons, (3) process emissions, (4) directly vented releases, (5) fugitive emissions/leaks

Revision #4-57 – Industry: Oil & Gas - Exploration & Production; Topic Name: Water Management

Summary of Change – Revise Metrics

The SASB revised metric NR0101-05 from "Total fresh water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress," to "1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress"

Revision #4-3 – Industry: Oil & Gas – Exploration & Production; Topic Name: Water Management

2017 Technical Agenda Item #4-3 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0101-08¹⁰⁵ to improve the measurability.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0101-08 to eliminate redundancy with respect to water sampling methodologies.

Revision #4-47 – Industry: Oil & Gas - Exploration & Production; Topic Name: Biodiversity Impacts

Summary of Change – Revise Metric

The SASB revised metric NR0101-10 from "Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume near shorelines with ESI rankings 8-10, volume recovered" to "Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, volume recovered."

Revision #4-48 – Industry: Oil & Gas - Exploration & Production; Topic Name: Biodiversity Impacts

Summary of Change – Revise Metric

The SASB revised metric NR0101-11 from "(1) Proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat" to "Percentage of (1) Proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat."

Revision #4-49 – Industry: Oil & Gas – Exploration & Production; Topic Name: Biodiversity Impacts

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0101-11 to clarify the scope of the metric with respect to transient migratory passage of endangered species.

¹⁰⁵ NR0101-08: Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline

Revision #4-4 – Industry: Oil & Gas – Exploration & Production; Topic Name: Security, Human Rights, and the Rights of Indigenous Peoples

2017 Technical Agenda Item #4-4 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0101-13¹⁰⁶ to improve the measurability.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0101-13 to include a reference to the United Nations Declaration on the Rights of indigenous peoples and International Labour Organization (ILO) with respect to the identification of indigenous peoples.

Revision #4-55 – Industry: Oil & Gas - Exploration & Production; Topic Name: Security, Human Rights, and the Rights of Indigenous Peoples

Summary of Change – Revise Metrics

The SASB revised metric NR0101-12 from “(1) Proved and (2) probable reserves in or near areas of conflict” to “Percentage of (1) Proved and (2) probable reserves in or near areas of conflict.” In addition, the SASB changed metric NR0101-13 from “(1) Proved and (2) probable reserves in or near indigenous land” to “Percentage of (1) Proved and (2) probable reserves in or near indigenous land.”

Revision #4-56 – Industry: Oil & Gas – Exploration & Production; Topic Name: Security, Human Rights, and the Rights of Indigenous Peoples

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0101-14 to include a discussion of company establishment of community agreements and project grievance mechanisms, where relevant. The SASB additionally revised the technical protocol to include a discussion of any region or country-specific variation in the application of human rights practices and procedures, as well as the extent to which such practices and procedures can be extended to business partners, including joint venture partners.

Revision #4-5 – Industry: Oil & Gas – Exploration & Production; Topic Name: Health, Safety, and Emergency Management

2017 Technical Agenda Item #4-5 Description

SASB is evaluating the revision of metric NR0101-17¹⁰⁷ associated with the topic to improve its usefulness and to align with external standards.

Summary of Change – Revise Metrics

The SASB revised metric NR0101-17 from “(1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees, (b) contract employees, and (c) short-service employees,” to “(1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, (3) Near Miss

¹⁰⁶ NR0101-13: (1) Proved and (2) probable reserves in or near indigenous land

¹⁰⁷ NR0101-17: (1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees, (b) contract employees, and (c) short-service employees

Frequency Rate (NMFR), and (4) Average hours of Health, Safety, and Emergency Response Training for (a) full-time employees, (b) contract employees, and (c) short-service employees.”

Revision #4-6 – Industry: Oil & Gas – Exploration & Production; Topic Name: Health, Safety, and Emergency Management

2017 Technical Agenda Item #4-6 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the topic “Health, Safety, and Emergency Management” into “Workforce Health and Safety,” related to Human Capital and “Critical Incident Risk Management,” related to Leadership and Governance.

For the Workforce Health and Safety topic, metric NR0101-19 was modified from, “Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout the exploration and production lifecycle,” to “Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle.” Metric NR0101-18 was removed from this topic.

For the Critical Incident Risk Management topic, metric NR0101-18 was added and renumbered appropriately. A new metric was added describing, “Discussion of management systems used to identify and mitigate catastrophic and tail-end risks.”

Revision #4-7 – Industry: Oil & Gas – Exploration & Production; Topic Name: Business Ethics and Payments Transparency

2017 Technical Agenda Item #4-7 Description

SASB is evaluating the addition of a metric based on the usefulness, completeness, distributiveness, and representativeness of the metrics associated with the topic.

No Revision

Based upon additional research and the lack of a clear, quantifiable metric that would result in useful and distributive disclosures, no changes related to the provisional standard related to Technical Agenda item 4-7 have been made at this time.

Revision #4-50 – Industry: Oil & Gas - Exploration & Production; Topic Name: Business Ethics & Payments Transparency

Summary of Change – Revise Metrics

The SASB revised metric NR0101-20 from “(1) Proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index” to “Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index”

Revision #4-51 – Industry: Oil & Gas – Exploration & Production; Topic Name: Business Ethics & Payments Transparency

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0101-21 to clarify the scope of the metric with respect to management systems to prevent corruption and bribery as well as to include a discussion of applicable regulatory regimes a company may be subject to with respect to payment transparency requirements.

Revision #4-52 – Industry: Oil & Gas – Exploration & Production; Topic Name: Business Ethics & Payments Transparency

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Business Ethics & Payments Transparency” to “Business Ethics & Transparency.”

Revision #4-8 – Industry: Oil & Gas – Exploration & Production; Topic Name: Reserves Valuation and Capital Expenditures

2017 Technical Agenda Item #4-8 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0101-22¹⁰⁸ to improve the completeness and relevance.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0101-22 to clarify the definition of the sensitivity analysis to be performed using the International Energy Agency’s (IEA) published scenarios. In addition, the revised protocol provides the company with the opportunity to consider additional scenarios defined by the company if it chooses to disclose these supplemental scenarios.

Revision #4-9 – Industry: Oil & Gas – Exploration & Production; Topic Name: Reserves Valuation and Capital Expenditures

2017 Technical Agenda Item #4-9 Description

SASB is evaluating the addition of a metric to improve the usefulness, representativeness, and completeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a metric to the Reserves Valuation and Capital Expenditures topic, describing “Amount invested in renewable energy, revenue generated by renewable energy sales.”

¹⁰⁸ NR0101-22: Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions

Revision #4-10 – **Industry:** Oil & Gas – Exploration & Production; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #4-10 Description

SASB is evaluating revisions to metrics NR0101-25¹⁰⁹ and NR0101-26¹¹⁰ to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Metrics

The SASB replaced the two quantitative metrics associated with the Management of the Legal and Regulatory Environment topic:

- NR0101-25 – Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations
- NR0101-26 – Five largest political, lobbying, or tax-exempt group expenditures

With the following qualitative metric:

- Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry

The technical protocol of the revised metric describes the scope of the disclosure, including the risks and opportunities that may result from legislation or regulation related to environmental and social factors that are likely to be material based on industry-specific characteristics. The topic description was additionally revised to align with the scope of the revised metric.

Revision #4-11 – **Industry:** Oil & Gas – Midstream; **Topic Name:** Greenhouse Gas & Other Air Emissions

2017 Technical Agenda Item #4-11 Description

SASB is evaluating the revision of metric NR0102-01¹¹¹ to ensure the decision-usefulness and alignment with other standards of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB changed metric NR0102-01 from “Gross global Scope 1 emissions, percentage covered under a regulatory program,” to “Gross global Scope 1 emissions, percentage methane, and percentage covered under a regulatory program.”

¹⁰⁹ NR0101-25: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations

¹¹⁰ NR0101-26: Five largest political, lobbying, or tax-exempt group expenditures

¹¹¹ NR0102-01: Gross global Scope 1 emissions, percentage covered under a regulatory program

Revision #4-44 – Industry: Oil & Gas – Midstream; Topic Name: Greenhouse Gas Emissions

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0102-02 to provide additional guidance with respect to provide additional specificity with respect to company strategies to manage emissions.

Revision #4-43 – Industry: Oil & Gas – Midstream; Topic Name: Ecological Impacts

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0102-04 to provide additional guidance with respect to reference to company management of risks related to the quantitative disclosures defined in metrics NR0102-05, NR0102-06, and NR0102-07

Revision #4-12 – Industry: Oil & Gas – Midstream; Topic Name: Greenhouse Gas & Other Air Emissions

2017 Technical Agenda Item #4-12 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the topic Greenhouse Gas & Other Air Emissions into Greenhouse Gas Emissions and Air Quality.

Metric NR0102-01, “Gross global Scope 1 emissions, percentage covered under a regulatory program” and NR0102-02, “Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets” will be associated with the GHG Emissions topic.

Metric NR0102-03, “Air emissions for the following pollutants: NO_x (excluding N₂O), SO_x, volatile organic compounds (VOCs), and particulate matter (PM)” will be associated with the Air Quality topic.

Revision #4-13 – Industry: Oil & Gas – Midstream; Topic Name: Operational Safety, Emergency Preparedness, and Response

2017 Technical Agenda Item #4-13 Description

SASB is evaluating the addition of a metric to ensure the usefulness, completeness, and representativeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a metric to the Operational Safety, Emergency Preparedness, and Response topic describing, “Percentage of (1) natural gas and (2) hazardous liquid pipelines inspected.”

Revision #4-14 – Industry: Oil & Gas – Refining & Marketing; Topic Name: Water Management

2017 Technical Agenda Item #4-14 Description

SASB is evaluating revisions to the water quality metric NR0103-06¹¹² to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0103-06, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #4-46 – Industry: Oil & Gas – Refining & Marketing; Topic Name: Hazardous Materials Management

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0103-07, “Amount of hazardous waste from operations, percentage hazardous,” to allow companies to report hazardous waste and hazardous waste recycled where hazardous waste is defined by local regulation at the point of waste generation.

Revision #4-15 – Industry: Oil & Gas – Refining & Marketing; Topic Name: Health, Safety, and Emergency Management

2017 Technical Agenda Item #4-15 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the topic “Health, Safety, and Emergency Management” into “Workforce Health and Safety,” related to Human Capital; and “Critical Incident Risk Management,” related to Leadership and Governance.

For the Workforce Health and Safety, topic, the existing, provisional metric NR0103-09, “(1) Total Recordable Injury Rate (TRIR), (2) Near Miss Frequency Rate (NMFR), and (3) Fatality Rate for: (a) full-time employees and (b) contract employees” will be retained and a Discussion and Analysis metric, “Discussion of management systems used to integrate a culture of safety,” were added.

The Critical Incident Risk Management topic includes provisional metrics NR0103-10 (to be renumbered) called “Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2),” NR0103-11 (to be renumbered) called “Challenges to Safety Systems indicator rate (Tier 3),” and NR0103-12 (to be renumbered) called “Discussion of measurement of Operating Discipline and Management System Performance through Tier 4 Indicators.”

¹¹² NR0103-06: Number of incidents of non-compliance with water quality permits, standards, and regulations

Revision #4-45 – Industry: Oil & Gas – Refining & Marketing; Topic Name: Health, Safety, and Emergency Management

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0103-09, “(1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees and (b) contract employees,” to better define the terms “employee,” “contractor,” and “near miss”

Revision #4-16 – Industry: Oil & Gas – Refining & Marketing; Topic Name: Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #4-16 Description

SASB is evaluating the revisions to the metrics NR0103-16¹¹³ and NR0103-17¹¹⁴ to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Metrics

The SASB replaced the two quantitative metrics associated with the Management of the Legal and Regulatory Environment topic:

- NR0101-16 – Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations
- NR0101-17 – Five largest political, lobbying, or tax-exempt group expenditures

With the following qualitative metric:

- Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry

The technical protocol of the revised metric describes the scope of the disclosure, including the risks and opportunities that may result from legislation or regulation related to environmental and social factors, which are likely to be material based on industry-specific characteristics. The topic description was additionally revised to align with the scope of the revised metric.

Revision #4-17 – Industry: Oil & Gas – Services; Topic Name: Activity Metrics

2017 Technical Agenda Item #4-17 Description

SASB is evaluating the addition of an activity metric to facilitate normalization of SASB’s accounting metrics in a decision-useful, cost-effective manner.

Summary of Change – Add Metric

The SASB added an activity metric to the Oil & Gas – Services industry standard for the “Total number of hours worked.”

¹¹³ NR0103-16: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations

¹¹⁴ NR0103-17: Five largest political, lobbying, or tax-exempt group expenditures

Revision #4-18 – **Industry:** Oil & Gas – **Services;** **Topic Name:** Water Management

2017 Technical Agenda Item #4-18 Description

SASB is evaluating the revision of metric NR0104-04¹¹⁵ to ensure the representativeness and applicability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised metric NR0104-04 from “Average volume of water used per volume of gas or oil extracted by (1) fresh water and (2) recycled water,” to “Total volume of fresh water handled in operations, percentage recycled.”

Revision #4-19 – **Industry:** Oil & Gas – **Services;** **Topic Name:** Chemicals Management

2017 Technical Agenda Item #4-19 Description

SASB is evaluating the revision of metric NR0104-06¹¹⁶ to ensure the representativeness and applicability of the metrics associated with the topic.

Summary of Change – Revise Metrics

The SASB revised metric NR0104-06 from “Average amount of hydraulic fracturing fluid and proppant consumed per volume of gas or oil extracted,” to “Total volume of hydraulic fracturing fluid used, percentage hazardous”.

Revision #4-20 – **Industry:** Oil & Gas – **Services;** **Topic Name:** Chemicals Management

2017 Technical Agenda Item #4-20 Description

SASB is evaluating the removal of metric NR0104-07¹¹⁷ to ensure the representativeness and applicability of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed metric NR0104-07, “Percentage of hydraulically fractured wells for which there is public disclosure of all fluid chemicals used.”

Revision #4-21 – **Industry:** Oil & Gas – **Services;** **Topic Name:** Ecological Impact Management

2017 Technical Agenda Item #4-21 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0104-09¹¹⁸ to improve its measurability.

¹¹⁵ NR0104-04: Average volume of water used per volume of gas or oil extracted by (1) fresh water and (2) recycled water

¹¹⁶ NR0104-06: Average amount of hydraulic fracturing fluid and proppant consumed per volume of gas or oil extracted

¹¹⁷ NR0104-07: Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used

¹¹⁸ NR0104-09: Description of strategy or plans to address chemical-related risks, opportunities, and impacts

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0104-09, “Average disturbed acreage per (1) oil and (2) gas well site,” to improve its representativeness and completeness by limiting the disclosure scope to the disturbed acreage that is directly associated with the company’s scope of service.

Revision #4-22 – Industry: Oil & Gas – Services; Topic Name: Health, Safety, and Emergency Management

2017 Technical Agenda Item #4-22 Description

SASB is evaluating the revision of metric NR0104-11¹¹⁹ associated with the topic to improve its usefulness and to align with external standards.

Summary of Change – Revise Metrics

The SASB changed metric NR0104-11 from “(1) Total Recordable Injury Rate (TRIR), (2) Fatality Rate, (3) Near Miss Frequency Rate, and (4) Total Vehicle Incident Rate (TVIR) for (a) full-time employees, (b) contract employees, and (c) short-service employees,” to “(1) Total Recordable Injury Rate (TRIR), (2) Near Miss Frequency Rate (NMFR), (3) Fatality Rate, (4) Total Vehicle Incident Rate (TVIR), and (5) Average hours of Health, Safety, and Emergency Response Training for (a) full-time employees, (b) contract employees, and (c) short-service employees.”

Revision #4-23 – Industry: Oil & Gas – Services; Topic Name: Health, Safety, and Emergency Management

2017 Technical Agenda Item #4-23 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the topic “Health, Safety, and Emergency Management” into “Workforce Health and Safety” related to Human Capital; and “Critical Incident Risk Management,” related to Leadership and Governance.

For the Workforce Health and Safety topic, metric NR0104-12 was revised from, “Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and project lifecycles,” to “Discussion of management systems used to integrate a culture of safety throughout the value chain and project lifecycles.”

The Critical Incident Risk Management topic will include a new discussion and analysis metric describing “Discussion of management systems used to identify and mitigate catastrophic and tail-end risks.”

¹¹⁹ NR0104-11: Average disturbed acreage per (1) oil and (2) gas well site

Revision #4-24 – **Industry:** Oil & Gas – Services; **Topic Name:** Business Ethics and Payments Transparency

2017 Technical Agenda Item #4-24 Description

SASB is evaluating the addition of a metric based on the usefulness, completeness, distributiveness, and representativeness of the metrics associated with the topic.

Revision #4-25 – **Industry:** Oil & Gas – Services; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #4-25 Description

SASB is evaluating revisions to metrics NR0104-15¹²⁰ and NR0104-16¹²¹ to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Metrics

The SASB replaced the two quantitative metrics associated with the Management of the Legal and Regulatory Environment topic:

- NR0104-15 – Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations
- NR0104-16 – Five largest political, lobbying, or tax-exempt group expenditures

With the following qualitative metric:

- Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry

The technical protocol of the revised metric describes the scope of the disclosure, including the risks and opportunities that may result from legislation or regulation related to environmental and social factors that are likely to be material based on industry-specific characteristics. The topic description was additionally revised to align with the scope of the revised metric.

Revision #4-36 – **Industry:** Coal Operations; **Topic Name:** Greenhouse Gas Emissions

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0201-01, “Gross global Scope 1 emissions, percentage covered under a regulatory program,” to provide additional guidance regarding the types of emissions that companies should include when preparing their disclosure.

¹²⁰ NR0104-15: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations

¹²¹ NR0104-16: Five largest political, lobbying, or tax-exempt group expenditures

Revision #4-26 – **Industry:** Coal Operations; **Topic Name:** Water Management

2017 Technical Agenda Item #4-26 Description

SASB is evaluating revisions to the water quality metric NR0201-04¹²² to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0201-04, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #4-35 – **Industry:** Coal Operations; **Topic Name:** Community Relations & Rights of Indigenous Peoples

Summary of Change – Split Topic

The SASB split the Community Relations & Rights of Indigenous Peoples into two separate topics, including “Community Relations” and “Rights of Indigenous Peoples.”

The Community Relations topic retained metrics NR0101-10 “Number and duration of non-technical delays” as well as NR0101-09 “Discussion of process to manage risk and opportunities associated with community rights and interests.”

The Rights of Indigenous Peoples topic retained metric NR0201-11 “(1) Proven and (2) Probable reserves in or near indigenous lands.” In addition, a new discussion and analysis metric was added to the Rights of Indigenous Peoples topic, which states, “Discussion of engagement processes and due diligence practices with respect to the management of indigenous rights.”

Revision #4-27 – **Industry:** Coal Operations; **Topic Name:** Workforce Health, Safety, and Well-Being

2017 Technical Agenda Item #4-27 Description

SASB is evaluating renaming the topic.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic Workforce Health, Safety, and Well-Being to Workforce Health and Safety.

Revision #4-36 – **Industry:** Coal Operations; **Topic Name:** Reserves Valuation and Capital Expenditures

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol associated with metric NR0201-16 to clarify the definition of the sensitivity analysis to be performed using the International Energy Agency’s (IEA) published scenarios. In addition, the revised protocol provides the company the opportunity to consider additional scenarios defined by the company if it chooses to disclose these supplemental scenarios.

¹²² NR0201-04: Number of incidents of non-compliance with water quality permits, standards, and regulations

Revision #4-38 – **Industry:** Iron & Steel Producers; **Topic Name:** Workforce Health, Safety, and Well-Being

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic Workforce Health, Safety, and Well-Being to Workforce Health and Safety.

Revision #4-28 – **Industry:** Metals & Mining; **Topic Name:** Water Management

2017 Technical Agenda Item #4-28 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0302-05¹²³ to improve its completeness.

Summary of Change – Revise Metric

The SASB updated the provisional metric NR0302-05 from, “Total fresh water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress,” to , “Total fresh water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress,” and additionally revised the technical protocol to include the disclosure of which facilities are located in areas of High or Extremely High water stress.

Revision #4-29 – **Industry:** Metals & Mining; **Topic Name:** Water Management

2017 Technical Agenda Item #4-29 Description

SASB is evaluating revisions to the water quality metric NR0302-06¹²⁴ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric NR0302-06, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #4-30 – **Industry:** Metals & Mining; **Topic Name:** Security, Human Rights, and the Rights of Indigenous Peoples

2017 Technical Agenda Item #4-30 Description

SASB is evaluating the revision of the technical protocol associated with metric NR0302-16¹²⁵ to improve its measurability.

Summary of Change – Revise Technical Protocol

The SASB modified the technical protocol for metric NR0302-16 to include a reference to the United Nations Declaration on the Rights of Indigenous Peoples and International Labour Organization (ILO) with respect to the identification of indigenous peoples.

¹²³ NR0302-05: Total fresh water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress

¹²⁴ NR0302-06: Number of incidents of non-compliance with water quality permits, standards, and regulations

¹²⁵ NR0302-16: (1) Proven and (2) probable reserves in or near indigenous land

Revision #4-40 – **Industry:** Metals & Mining; **Topic Name:** Community Relations

Summary of Change – Revise Technical Protocol

The SASB modified the technical protocol for metric NR0302-13 to include “natural resource governance” as an example of a discussion topic that companies should consider when discussing country, regional, or community risks.

Revision #4-41 – **Industry:** Metals & Mining; **Topic Name:** Community Relations

Summary of Change – Revise Technical Protocol

The SASB modified the technical protocol for metric NR0302-11 to clarify the definition of “non-technical delays.”

Revision #4-42 – **Industry:** Metals & Mining; **Topic Name:** Security, Human Rights, and the Rights of Indigenous Peoples

Summary of Change – Revise Technical Protocol

The SASB modified the technical protocol for metric NR0302-17 to include facilitate the disclosure of company governance processes for issues related to the topic, as well as its policies and practices related to the establishment of community agreements and project grievance mechanisms, where applicable.

Revision #4-31 – **Industry:** Metals & Mining; **Topic Name:** Workforce Health, Safety, and Well-Being

2017 Technical Agenda Item #4-31 Description

SASB is evaluating the revision of metric NR0302-18¹²⁶ associated with the topic to improve its usefulness and to align with external standards.

Summary of Change – Revise Metrics

The SASB changed metric NR0302-18 from “(1) MSHA All-Incidence Rate, (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees and (b) contract employees” to “(1) MSHA All-Incidence Rate, (2) Fatality Rate, (3) Near Miss Frequency Rate (NMFR), and (4) Average hours of Health, Safety, and Emergency Response Training for (a) full-time employees and (b) contract employees.”

In addition, the topic name shall be revised from, “Workforce Health, Safety, and Well-Being” to “Workforce Health and Safety.”

¹²⁶ NR0302-18: (1) MSHA All-Incidence Rate, (2) Fatality Rate, and (3) Near Miss Frequency Rate for (a) full-time employees and (b) contract employees

Revision #4-32– **Industry:** Metals & Mining; **Topic Name:** Business Ethics and Payments Transparency

2017 Technical Agenda Item #4-32 Description

SASB is evaluating the addition of a metric to ensure the usefulness, completeness, and representativeness of the metrics associated with the topic.

No Revision:

Based upon additional research and the lack of a clear, quantifiable metric that would result in useful and distributive disclosures, no changes related to the provisional standard related to Technical Agenda item 4-34 have been made at this time.

Revision 4-39: **Industry:** Metals & Mining – **Topic Name:** Business Ethics & Payments Transparency

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Business Ethics & Payments Transparency” to “Business Ethics & Transparency.”

Revision #4-33 – **Industry:** Construction Materials; **Topic Name:** Workforce Health, Safety, and Well-Being

2017 Technical Agenda Item #4-33 Description

SASB is evaluating the revision of a technical protocol associated with metric NR0401-10¹²⁷ to improve its measurability.

Summary of Change – Revise Technical Protocol

The SASB changed the technical protocol of metric NR0401-10 to clearly define “silicosis.”

In addition, the topic name was revised from “Workforce Health, Safety, and Well-Being” to “Workforce Health and Safety.”

Revision #4-34 – **Industry:** Construction Materials; **Topic Name:** Product Innovation

2017 Technical Agenda Item #4-34 Description

SASB is evaluating the revision of metric NR0401-11¹²⁸ to improve its comparability.

Summary of Change – Revise Metrics

The SASB revised metric NR0401-11 from, “Percentage of products that can be used for credits in sustainable building design and construction certifications” to “Percentage of products that qualify for credits in sustainable building design and construction certifications.”

¹²⁷ NR0401-10: Number of reported cases of silicosis

¹²⁸ NR0401-11: Percentage of products that can be used for credits in sustainable building design and construction certifications



Transportation Sector

- Automobiles
- Auto Parts
- Car Rental & Leasing
- Airlines
- Air Freight & Logistics
- Marine Transportation
- Cruise Lines
- Rail Transportation
- Road Transportation

Prepared by the
Sustainability Accounting Standards Board®

DRAFT

Revision #5-1 – **Industry:** Automobiles; **Topic Name:** Fuel Economy & Use-phase Emissions

2017 Technical Agenda Item #5-1 Description

The SASB is evaluating completeness, alignment, and clarity of metric TR0101-09.¹²⁹

No Revision

Based upon research, market input, and/or recommendations of the SASB, no changes related to Revision #5-1 were made to the provisional standard. Provisional metric TR0101-09 includes in its scope regional fuel economy standards for major automobile markets, with recommended disclosure according to the geographic segments a company currently reports in its financial reporting (i.e., determined by *FASB Accounting Standards Codification Topic 280, Segment Reporting*). Because regional fuel economy standards vary in approach (some regions use industry metrics that are based on fuel use per distance driven, others are based on carbon emissions per distance driven), and because there is now significant market share for automobiles related to alternative fuel, hybrid, or non-fuel vehicles, it is challenging to develop a metric that is comparable at a corporate level for companies that operate in global markets and offer a variety of drive trains and engine types. The SASB recognizes that metrics that are not comparable at the corporate level are not decision-useful for investors.

Revision #5-2 – **Industry:** Automobiles; **Topic Name:** Fuel Economy & Use-phase Emissions

2017 Technical Agenda Item #5-2 Description

The SASB is evaluating the addition of a metric to improve the usefulness and completeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a qualitative metric, “Discussion of strategies and approach to managing fleet fuel economy and emissions risks and opportunities,” to the Fuel Economy & Use-phase Emissions topic to address how companies are positioned to improve fuel economy and reduce emissions from passenger vehicles and light trucks.

Revision #5-24 – **Industry:** Automobiles; **Topic Name:** Labor Relations

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Labor Relations” to “Labor Practices.”

Revision #5-3 – **Industry:** Automobiles; **Topic Name:** Materials Sourcing

2017 Technical Agenda Item #5-3 Description

The SASB is evaluating revisions to the topic, including the corresponding metrics, based on its potential to affect corporate value.

¹²⁹ TR0101-09: Sales-weighted average passenger fleet fuel economy consumption or emissions by region

No Revision

Based upon research, market input, and/or recommendations of the SASB, no changes related to Revision #5-3 were made to the provisional standard.

Revision #5-4 – **Industry:** Automobiles; **Topic Name:** Materials Sourcing

2017 Technical Agenda Item #5-4 Description

SASB is evaluating the revision of metrics TR0101-12¹³⁰ and TR0101-13¹³¹ associated with the topic to improve cost-effectiveness and decision-usefulness.

Summary of Change – Revise Topic Scope and Metrics

The SASB revised the scope of the topic to focus on exposure to resource scarcity and supply constraints and removed two provisional metrics:

- TR0101-11 – Percentage of materials costs for items containing critical materials
- TR0101-12 –Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

Further, the SASB removed conflict minerals from the required scope of disclosure in provisional metric TR0101-13, “Discussion of the management of risks associated with the use of critical materials and conflict minerals.” The SASB also added language to the technical protocol of TR0101-13 to direct companies to discuss their primary critical materials used and any related risks.

Revision #5-21 – **Industry:** Auto Parts; **Topic Name:** Materials Efficiency & Waste Management

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Materials Efficiency & Waste Management” to “Waste Management.”

Revision #5-33 – **Industry:** Auto Parts; **Topic Name:** Materials Efficiency & Waste Management

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric TR0102-02, “Total amount of waste from manufacturing, percentage hazardous, percentage recycled,” to define hazardous waste and hazardous waste recycled per the relevant regulations at the point of waste generation. Previously, the standard required classification of all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. Environmental Protection Agency (EPA)’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB added a disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

¹³⁰ TR0101-12: Percentage of tungsten tin tantalum and gold smelters and refiners within the supply chain that are verified conflict-free

¹³¹ TR0101-13: Discussion of the management of risks associated with the use of critical materials and conflict minerals

Revision #5-5 – **Industry:** Auto Parts; **Topic Name:** Product Lifecycle Management

2017 Technical Agenda Item #5-5 Description

The SASB is evaluating the revision of metric TR0102-04¹³² to improve the clarity and decision-usefulness of the metrics associated with the topic.

Revision #5-6 – **Industry:** Auto Parts; **Topic Name:** Produce Lifecycle Management

2017 Technical Agenda Item #5-6 Description

SASB is evaluating the revision of metric TR0102-06¹³³ based on the verifiability of the data associated with the metric.

Summary of Change – Revise Metric

The SASB revised provisional metric TR0102-06 from “Weight of products and materials recycled or remanufactured” to “Percentage of input materials from recycled or remanufactured content.”

Revision #5-23 – **Industry:** Auto Parts; **Topic Name:** Product Lifecycle Management

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol of provisional metric TR0102-05, “Percentage of products sold that are recyclable or reusable,” to recognize scrap tires that fulfill U.S. Environmental Protection Agency (EPA) criteria as reusable products within the scope of the metric.

Revision #5-22 – **Industry:** Auto Parts; **Topic Name:** Product Lifecycle Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Product Lifecycle Management” into two separate topics: “Design for Fuel Efficiency” and “Materials Efficiency.”

The following metrics are associated with the Design for Fuel Efficiency topic:

- TR0102-04 – Revenue from products designed to increase fuel efficiency and/or reduce emissions¹³⁴

The following metrics are associated with the Materials Efficiency topic:

- TR0102-06 – Percentage of input materials from recycled or remanufactured content¹³⁵

¹³² TR0102-04: Total addressable market and share of market for products aimed at improved fuel efficiency and/or reduced emissions

¹³³ TR0102-06: Weight of products and materials recycled or remanufactured

¹³⁴ The provisional version of this metric was TR0102-04 - Total addressable market and share of market for products aimed at improved fuel efficiency and/or reduced emissions. See Revision #5-5.

¹³⁵ The provisional version of this metric was TR0102-06 - Weight of products and materials recycled or remanufactured. See Revision #5-6.

- TR0102-05 – Percentage of products sold that are recyclable or reusable

Revision #5-7 – Industry: Auto Parts; Topic Name: Materials Sourcing

2017 Technical Agenda Item #5-7 Description

The SASB is evaluating revisions to the topic, including the corresponding metrics, based on its potential to affect corporate value.

No Revision

Based upon research, market input, and/or recommendations of the SASB, no changes related to Technical Agenda Item #5-7 were made to the provisional standard.

Revision #5-10 – Industry: Airlines; Topic Name: Environmental Footprint of Fuel Use

2017 Technical Agenda Item #5-10 Description

The SASB is evaluating the completeness of the metrics associated with the topic.

No Revision

Based upon research, market input, and/or recommendations of the SASB, no changes related to Technical Agenda Item #5-10 were made to the provisional standard. An updated fleet fuel use efficiency metric will be researched, vetted, and potentially proposed in the future after the publication of a new International Civil Aviation Organization's (ICAO) carbon standard.

Revision #5-19 – Industry: Airlines; Topic Name: Environmental Footprint of Fuel Use

Summary of Change – Revise Metric

The SASB revised provisional metric TR0201-03 from "Total fuel consumed, percentage renewable" to "Total fuel consumed, percentage alternative, percentage sustainable."

Revision #5-20 – Industry: Airlines; Topic Name: Labor Relations

Summary of Change – Revise Topic Name

The SASB proposes renaming the provisional topic from "Labor Relations" to "Labor Practices."

Revision #5-11 – Industry: Airlines; Topic Name: Customer Welfare

2017 Technical Agenda Item #5-11 Description

The SASB is evaluating the addition of a topic and a corresponding metric based upon materiality.

Summary of Change – Retract Proposal to Add Topic

The SASB has not added the disclosure topic, "Customer Welfare," which was considered as a potential new topic in the 2017/18 exposure draft industry standard.

Revision #5-16 – Industry: Air Freight & Logistics; Topic Name: Environmental Footprint of Fuel Use

Summary of Change – Split Topic

The SASB split the provisional disclosure topic "Environmental Footprint of Fuel Use" into two separate topics: "Greenhouse Gas Emissions" and "Air Quality."

The following metrics are associated with the Greenhouse Gas Emissions topic:

- TR0202-01 – Gross global Scope 1 emissions
- TR0202-02 – Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets
- TR0202-03 – (1) Total fuel consumed, (2) percentage renewable for road transportation, (3) percentage alternative and (4) percentage sustainable for air transport¹³⁶

The following metrics are associated with the Air Quality topic:

- TR0202-04 – Air emissions for the following pollutants: NO_x, SO_x, and particulate matter (PM)

Revision #5-15 – **Industry:** Air Freight & Logistics; **Topic Name:** Accidents & Safety Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Accidents & Safety Management” into two separate topics: “Workforce Health & Safety” and “Accidents & Safety Management.”

The following metrics are associated with the Workforce Health & Safety topic:

- TR0202-10 – (1) Total recordable injury rate (TRIR) and (2) fatality rate for (a) full-time employees and (b) contract employees

The following metrics are associated with the Accidents & Safety Management topic:

- TR0202-07 – Description of implementation and outcomes of Safety Management System
- TR0202-08 – Number of aviation accidents
- TR0202-09 – Number of road accidents and incidents
- TR0202-11 – Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance

Revision #5-12 – **Industry:** Air Freight & Logistics; **Topic Name:** Fair Labor Practices

2017 Technical Agenda Item #5-12 Description

SASB is evaluating the suitability of the topic name.

¹³⁶ The provisional version of this metric was TR0202-03 – Total fuel consumed, percentage renewable for (1) road transportation and (2) air transport. See Revision #5-17.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Fair Labor Practices” to “Labor Practices.”

Revision #5-18 – Industry: Air Freight & Logistics; Topic Name: Fair Labor Practices

Summary of Change – Revise Technical Protocol

The SASB has revised the technical protocol associated with TR0202-05¹³⁷ to clarify that the definition of independent contractors is based on the U.S. Internal Revenue Service (IRS) “20-Factor test,” or regional equivalent. While the provisional metric stated that U.S. IRS guidance defines independent contractors (or local laws), the technical protocol did not specify the relevant U.S. IRS guidance. In addition, the clarity on the potential application of regionally equivalent laws was enhanced.

Revision #5-13 – Industry: Air Freight & Logistics; Topic Name: Environmental Footprint of Fuel Use

2017 Technical Agenda Item #5-13 Description

The SASB is evaluating the completeness of the metrics associated with the topic.

No Revision

Based upon research, market input, and/or recommendations of the SASB, no changes related to Technical Agenda Item #5-13 were made to the provisional standard. An updated fleet fuel use efficiency metric will be researched, vetted, and potentially proposed in the future after the publication of a new International Civil Aviation Organization’s carbon standard.

Revision #5-17 – Industry: Air Freight & Logistics; Topic Name: Environmental Footprint of Fuel Use

Summary of Change – Revise Metric

The SASB revised provisional metric TR0202-03 from “Total fuel consumed, percentage renewable for (1) road transport and (2) air transport” to “Total fuel consumed, by (1) road transport, (a) percentage renewable, and (2) air transport, percentage (a) alternative and (b) sustainable.”

Revision #5-28 – Industry: Marine Transportation; Topic Name: Environmental Footprint of Fuel Use

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental Footprint of Fuel Use” into two separate topics: “Greenhouse Gas Emissions” and “Air Quality.”

The following metrics are associated with the Greenhouse Gas Emissions topic:

- TR0301-01 – Gross global Scope 1 emissions
- TR0301-02 – Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets

137 TR0202-05: Percentage of drivers who are classified as independent contractors

- TR0301-03 – Total fuel consumed, percentage renewable
- TR0301-05 – Energy Efficiency Design Index (EEDI) for new ships

The following metrics are associated with the Air Quality topic:

- TR0301-04 – Air emissions for the following pollutants: NO_x, SO_x, and particulate matter (PM)

Revision #5-26 – **Industry:** Marine Transportation; **Topic Name:** Accidents & Safety Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Accidents & Safety Management” into two separate topics: “Employee Health & Safety” and “Accidents & Safety Management.”

The following metrics are associated with the Employee Health & Safety topic:

- TR0301-12 – Lost time injury rate

The following metrics are associated with the Accidents & Safety Management topic:

- TR0301-11 – Number of serious marine incidents
- TR0301-13 – Number of Conditions of Class or Recommendations
- TR0301-14 – Number of port state control (1) deficiencies and (2) detentions

Revision #5-27 – **Industry:** Marine Transportation; **Topic Name:** Accidents & Safety Management

Summary of Change – Revise Metric

The SASB revised provisional metric TR0301-11 from "Number of serious marine incidents" to "Number of marine casualties, percentage classified as very serious marine casualties." In addition, the SASB revised the technical protocol to replace definitions from the U.S. Code of Federal Regulations 46 CFR 4.03-2 with definitions from the United Nations International Maritime Organization (IMO)'s Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident (also known as the "Casualty Investigation Code").

Revision #5-14 – **Industry:** Cruise Lines; **Topic Name:** Fair Labor Practices

2017 Technical Agenda Item #5-14 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Fair Labor Practices” to “Labor Practices.”

Revision #5-29 – **Industry:** Cruise Lines; **Topic Name:** Shipboard Health & Safety Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Shipboard Health & Safety Management” into two separate topics: “Customer Health & Safety” and “Employee Health & Safety.”

The following metrics are associated with the Employee Health & Safety topic:

- TR0302-13 – Seafarer lost time injury rate

The following metrics are associated with the Customer Health & Safety topic:

- TR0302-10 – Number of alleged crime incidents involving passengers or employees
- TR0302-11 – Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed
- TR0302-12 – Number of (1) serious injuries per million customers and (2) voyages with a gastrointestinal illness count exceeding 2%

Revision #5-34 – **Industry:** Cruise Lines; **Topic Name:** Accident Management

Summary of Change – Revise Metric

The SASB revised provisional metric TR0302-20 from "Number of accidents and incidents" to "Number of marine casualties, percentage classified as very serious marine casualties." In addition, the SASB revised the technical protocol to replace definitions from the U.S. Code of Federal Regulations 46 CFR 4.03-2 with definitions from the United Nations International Maritime Organization (IMO)'s Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident (also known as the "Casualty Investigation Code").

Revision #5-30 – **Industry:** Rail Transportation; **Topic Name:** Environmental Footprint of Fuel Use

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental Footprint of Fuel Use” into two separate topics: “Greenhouse Gas Emissions” and “Air Quality.”

The following metrics are associated with the Greenhouse Gas Emissions topic:

- TR0401-01 – Gross global Scope 1 emissions
- TR0401-02 – Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets
- TR0401-03 – Total fuel consumed, percentage renewable

The following metrics are associated with the Air Emissions topic:

- TR0401-04 – Air emissions for the following pollutants: NO_x, SO_x, and particulate matter (PM)

Revision #5-31 – **Industry:** Rail Transportation; **Topic Name:** Accidents & Safety Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Accidents & Safety Management” into two separate topics: “Employee Health & Safety” and “Accidents & Safety Management.”

The following metrics are associated with the Employee Health & Safety topic:

- TR0401-07 – (1) Total recordable injury rate, (2) fatality rate, and (3) near miss frequency rate for all employees¹³⁸

The following metrics are associated with the Accidents & Safety Management topic:

- TR0401-06 – Number of accidents and incidents
- TR0401-08 – Number of (1) accident releases and (2) non-accident releases (NARs)
- TR0401-09 – Number of Federal Rail Administration (FRA) Recommended Violation Defects
- TR0401-10 – Frequency of internal railway integrity inspections

Revision #5-25 – **Industry:** Road Transportation; **Topic Name:** Environmental Footprint of Fuel Use

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental Footprint of Fuel Use” into two separate topics: “Greenhouse Gas Emissions” and “Air Quality.”

The following metrics are associated with the Greenhouse Gas Emission topic:

- TR0402-01 – Gross global Scope 1 emissions
- TR0402-02 – Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets
- TR0402-03 – Total fuel consumed, percentage renewable

The following metrics are associated with the Air Quality topic:

¹³⁸ The provisional version of this metric was TR0401-07 – (1) Total recordable injury rate, (2) fatality rate, and (3) near miss frequency rate.

- TR0402-04 – Air emissions for the following pollutants: NO_x, SO_x, and particulate matter (PM)

Revision #5-32 – **Industry:** Road Transportation; **Topic Name:** Accidents & Safety Management

Summary of Change – Move Metric

The SASB moved provisional metric TR0402-08, “(1) Total recordable injury rate and (2) fatality rate for (a) full-time employees and (b) contract employees,” from the Accidents & Safety Management disclosure topic to the Driver Working Conditions topic.

DRAFT



DRAFT

Services Sector

- Education
- Professional & Commercial Services
- Hotels & Lodging
- Casinos & Gaming
- Leisure Facilities
- Advertising & Marketing
- Media & Entertainment

Prepared by the
Sustainability Accounting Standards Board®

Revision #6-1 – **Industry:** Education; **Topic Name:** Data Security

2017 Technical Agenda Item #6-1 Description

SASB is evaluating the addition of a topic, including corresponding metrics, based on its potential to affect corporate value, and relevance across the industry.

Summary of Change – Add Topic and Metrics

The SASB added the disclosure topic “Data Security” to the standard, along with the following, corresponding metrics:

- Description of approach to identifying and addressing data security risks
- Discussion of policies and practices relating to collection, usage, and retention of customer information
- Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected¹³⁹

Revision #6-2 – **Industry:** Professional & Commercial Services; **Topic Name:** Professional Integrity

2017 Technical Agenda Item #6-2 Description

SASB is evaluating the revision of the technical protocol for metric SV0102-02¹⁴⁰ to improve clarity.

Summary of Change – Revise Metric

The SASB revised provisional metric SV0102-02 from “Amount of legal and regulatory fines and settlements associated with professional integrity or duty of care” to “Total amount of monetary losses as a result of legal proceedings associated with professional integrity or duty of care” to improve the metric structure and updated the technical protocol to clarify what is included in the scope of the metric.

Revision #6-3 – **Industry:** Professional & Commercial Services; **Topic Name:** Data Security

2017 Technical Agenda Item #6-3 Description

SASB is evaluating the revision of metric SV0102-05¹⁴¹ to improve comparability and completeness.

Summary of Change – Revise Metric

The SASB revised provisional metric SV0102-05 from “Number of data security breaches and percentage involving customers’ confidential business information or personally identifiable information,” to “Number of data security breaches, percentage involving customers’ confidential business information (CBI) or personally identifiable information (PII), number of customers affected.”

139 Note – Disclosure shall include a description of corrective actions implemented in response to data security breaches or threats.

140 SV0102-02: Amount of legal and regulatory fines and settlements associated with professional integrity or duty of care

141 SV0102-05: Number of data security breaches and percentage involving customers’ confidential business information or personally identifiable information

Revision #6-21 – **Industry:** Professional & Commercial Services; **Topic Name:** Workforce Diversity & Engagement

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric SV0102-06, “Percentage of gender and racial/ethnic group representation for (1) executives and (2) all others,” to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies shall describe their policies for promoting inclusivity and fostering equitable employee representation across their global operations.

Revision #6-4 – **Industry:** Hotels & Lodging; **Topic Name:** Energy & Water Management

2017 Technical Agenda Item #6-4 Description

SASB is evaluating revisions to the topic and its associated metrics based on its materiality and actionability by companies.

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Energy & Water Management” into two separate topics: “Energy Management” and “Water Management.”

The following metrics are associated with the Energy Management topic:

- SV0201-01 – Total energy consumed, percentage grid electricity, percentage renewable

The following metrics are associated with the Water Management topic:

- SV0201-02 – (1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress¹⁴²

Revision #6-23 – **Industry:** Hotels & Lodging; **Topic Name:** Energy & Water Management

Summary of Change – Revise Metric

The SASB revised provisional metric SV0201-02 from “Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress” to “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”

¹⁴² The provisional version of the metric was SV0201-02 – Total water withdrawn, percentage recycled, percentage in regions with High or Extremely High Baseline Water Stress. Please see Revision #6-23.

Revision #6-5 – **Industry:** Hotels & Lodging; **Topic Name:** Ecosystem Protection & Climate Adaptation

Summary 2017 Technical Agenda Item #6-5 Description

SASB is evaluating revisions to the topic and its associated metrics based on its materiality and actionability by companies.

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Ecosystem Protection & Climate Adaptation” into two separate topics: “Ecological Impacts” and “Climate Change Adaptation.”

The following metrics are associated with the Ecological Impacts topic:

- SV0201-04 – Number of lodging facilities in or near areas of protected conservation status or endangered species habitat
- SV0201-05 – Description of environmental management policies and practices to preserve ecosystem services

The following metrics are associated with the Climate Change Adaptation topic:

- SV0201-03 – Number of lodging facilities located in flood hazard areas or regional equivalent¹⁴³

Revision #6-6 – **Industry:** Hotels & Lodging; **Topic Name:** Fair Labor Practices

2017 Technical Agenda Item #6-6 Description

SASB is evaluating the revision of metric SV0201-08¹⁴⁴ based on the representativeness and usefulness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric SV0201-08 from “Average hourly wage for hotel employees, by region; percentage of hotel employees earning minimum wage,” to “(1) Average hourly wage and (2) percentage of lodging facility employees earning minimum wage, by region.”

Revision #6-7 – **Industry:** Hotels & Lodging; **Topic Name:** Fair Labor Practices

2017 Technical Agenda Item #6-7 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Fair Labor Practices” to “Labor Practices.”

¹⁴³ The provisional version of the metric was SV0201-03 – Number of lodging facilities located in FEMA Special Flood Hazard Areas or foreign equivalent.

¹⁴⁴ SV0201-08: Average hourly wage for hotel employees, by region; percentage of hotel employees earning minimum wage

Revision #6-8 – Industry: Hotels & Lodging; Topic Name: Fair Labor Practices

2017 Technical Agenda Item #6-8 Description

SASB is evaluating the revision of metric SV0201-07¹⁴⁵ based on the completeness of the metrics associated with the topic; and is evaluating the addition of a metric based on the usefulness of the metrics associated with the topic.

Summary of Change – Add Metric and Revise Metric

The SASB added a new metric to the Fair Labor Practices¹⁴⁶ topic, “Discussion of policies and programs to prevent worker harassment.” In addition, the SASB revised provisional metric SV0201-07 from “Amount of legal and regulatory fines and settlements associated with labor law violations,” to “Total amount of monetary losses as a result of legal proceedings associated with labor law violations”¹⁴⁷ to improve the metric structure.

Revision #6-9 – Industry: Casinos & Gaming; Topic Name: Political Spending

2017 Technical Agenda Item #6-9 Description

SASB is evaluating the removal of the topic, including the corresponding metrics SV0202-08¹⁴⁸ and SV0202-09¹⁴⁹ due to lack of evidence of financial materiality.

Summary of Change – Remove Topic and Metrics

The SASB removed the provisional topic “Political Spending” from the standard, along with the corresponding metrics:

- SV0202-08 – Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade associations
- SV0202-09 – Five largest political, lobbying, or tax-exempt group expenditures

Revision #6-10 – Industry: Casinos & Gaming; Topic Name: Activity Metrics

2017 Technical Agenda Item #6-10 Description

SASB is evaluating the revision of metric SV0202-C¹⁵⁰ to improve comparability.

Summary of Change – Revise Metric

The SASB revised provisional activity metric SV0202-C from “Number of online gaming accounts” to “Number of active online gaming customers” and added the following note: “Note – The number of active

145 SV0201-07: Amount of legal and regulatory fines and settlements associated with labor law violations

146 See Revision #6-7 for the revised topic name.

147 Note to SV0201-07 – Disclosure shall include a description of fines and settlements and corrective actions implemented in response to events.

148 SV0202-08: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups, including trade associations

149 SV0202-09: Five largest political, lobbying, or tax-exempt group expenditures

150 SV0202-C: Number of online gaming accounts

customers shall be considered as the number for which there was at least one financial transaction (bet, deposit, withdraw) with real currency within the reporting period, where real currency is defined by the U.S. Financial Crimes Enforcement Network."

Revision #6-11 – **Industry:** Casinos & Gaming; **Topic Name:** Worker Safety

2017 Technical Agenda Item #6-11 Description

SASB is evaluating the addition of the topic based on its materiality.

No Revision

The focus of this proposed topic was worker harassment. However, per SASB guidance, companies that derive a significant percentage of revenue from hotel operations should refer to the Hotel & Lodging standard and worker harassment is already included as an aspect of the Fair Labor Practices¹⁵¹ topic in the Hotels & Lodging standard. Thus, no changes related to Technical Agenda item #6-11 were made to the provisional standard.

Revision #6-12– **Industry:** Leisure Facilities; **Topic Name:** Customer & Worker Safety

2017 Technical Agenda Item #6-12 Description

SASB is evaluating revisions to the topic and its associated metrics based on the materiality of the topic.

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Customer & Worker Safety” into two separate topics: “Customer Safety” and “Workforce Safety.”

The following metrics are associated with the Customer Safety topic:

- SV0204-02 – Customer (1) fatality rate and (2) injury rate
- SV0204-04 – Percentage of facilities inspected for safety, percentage of facilities that failed inspection

The following metrics are associated with the Workforce Safety topic:

- SV0204-03 – Employee (1) Total Recordable Injury Rate and (2) Near Miss Frequency Rate¹⁵²

¹⁵¹ See Revision #6-7 for the revised topic name.

¹⁵² The provisional version of this metric was SV0204-03 – Employee (1) Total Recordable Injury Rate and (2) Near Miss Frequency Rate. Please see Revision #6-13.

Revision #6-13 – **Industry:** Leisure Facilities; **Topic Name:** Customer & Worker Safety

2017 Technical Agenda Item #6-13 Description

SASB is evaluating the revision of metric SV0204-03¹⁵³ based on the comparability of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric SV0204-03 from “Employee (1) Total Recordable Injury Rate and (2) Near Miss Frequency Rate,” to “(1) Total recordable injury rate (TRIR) and (2) Near miss frequency rate (NMFR) for (a) permanent employees and (b) seasonal employees.”

Revision #6-14 – **Industry:** Leisure Facilities; **Topic Name:** Water Management

2017 Technical Agenda Item #6-14 Description

SASB is evaluating the addition of the topic based on its materiality and applicability across the industry.

No Revision

Based upon research and recommendations of the SASB, no changes related to Revision # 6-14 were made to the provisional standard.

Revision #6-17 – **Industry:** Advertising & Marketing; **Topic Name:** Activity Metrics

Summary of Change – Revise Metric

The SASB revised the note associated with provisional activity metric SV0301-C, “Median frequency of exposures,” from “‘Frequency’ refers to the number of times targeted consumers are exposed to advertisements or marketing campaigns in the stated period of time” to “‘Frequency’ refers to the number of times targeted individuals are exposed to advertisements or marketing campaigns in the stated period of time.”

Revision #6-15 – **Industry:** Advertising & Marketing; **Topic Name:** Advertising Integrity

2017 Technical Agenda Item #6-15 Description

SASB is evaluating the revision of metric SV0301-03¹⁵⁴ based on the usefulness, neutrality, and fair representativeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised provisional metric SV0301-03 from “Percentage of campaigns that promote products or services deemed socially harmful and subject to restrictions or taxes on use” to “Percentage of campaigns that promote tobacco or alcohol products.”

¹⁵³ SV0204-03: Employee (1) Total Recordable Injury Rate and (2) Near Miss Frequency Rate

¹⁵⁴ SV0301-03: Percentage of campaigns that promote products or services deemed socially harmful and subject to restrictions or taxes on use

Revision #6-22 – Industry: Advertising & Marketing; Topic Name: Workforce Diversity & Inclusion

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric SV0301-07, “Percentage of gender and racial/ethnic group representation for (1) executives, (2) professionals, and (3) all others,” to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies shall describe their policies for promoting inclusivity and fostering equitable employee representation across their global operations.

Revision #6-16 – Industry: Media & Entertainment; Topic Name: Journalistic Integrity & Sponsorship Identification

2017 Technical Agenda Item #6-16 Description

SASB is evaluating the removal of metric SV0302-02¹⁵⁵ due to lack of comparability.

Summary of Change – Remove Metric

The SASB removed provisional metric SV0302-02, “Fact-checking expenses as a percentage of news production costs,” from the Journalistic Integrity & Sponsorship Identification disclosure topic.

Revision #6-19 – Industry: Media & Entertainment; Topic Name: Intellectual Property Protection & Media Piracy

Summary of Change – Remove Metric

The SASB removed provisional metric SV0302-07, “Number of copyright infringement cases, number successful, and number as copyright owner,” from the Intellectual Property Protection & Media Piracy disclosure topic.

Revision #6-20 – Industry: Media & Entertainment; Topic Name: Media Pluralism

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric SV0302-05, “Percentage of gender and racial/ethnic group representation for (1) executives, (2) professionals, and (3) all others,” to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies shall describe their policies for promoting inclusivity and fostering equitable employee representation across their global operations.

155 SV0302-02: Fact-checking expenses as a percentage of news production costs

Revision #6-18 – **Industry:** Media & Entertainment; **Topic Name:** Activity Metrics

Summary of Change – Revise Activity Metric

The SASB revised provisional activity metric SV0302-A, “Total recipients of media in the U.S. and the number of (1) households reached by broadcast TV, (2) subscribers to cable networks, and (3) circulation for magazines and newspapers” to require a breakdown by U.S. and non-U.S. recipients.

DRAFT



Resource Transformation Sector

Chemicals

Aerospace & Defense

Electrical & Electronic Equipment

Industrial Machinery & Goods

Containers & Packaging

Prepared by the
Sustainability Accounting Standards Board®

Revision #7-1 – **Industry:** Chemicals; **Topic Name:** Air Quality

2017 Technical Agenda Item #7-1 Description

SASB is evaluating the removal of metric RT0101-04¹⁵⁶ to improve the cost-effectiveness of the standard.

Summary of Change – Remove Metric

SASB removed metric RT0101-04, “Number of production facilities in or near areas of dense population.”

Revision #7-2 – **Industry:** Chemicals; **Topic Name:** Energy & Feedstock Management

2017 Technical Agenda Item #7-2 Description

SASB is evaluating the removal of metric RT0101-06¹⁵⁷ to improve the cost-effectiveness of the standard.

Summary of Change – Remove Metric

The SASB removed metric RT0101-06, “Percentage of raw materials from renewable resources.”

Revision #7-3 – **Industry:** Chemicals; **Topic Name:** Energy & Feedstock Management

2017 Technical Agenda Item #7-3 Description

SASB is evaluating revisions to metric RT0101-05¹⁵⁸ to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Metrics:

The SASB revised provisional metric RT0101-05, “Total energy consumed, percentage grid electricity, percentage renewable,” to add a new metric component that asks companies to report the share of self-generated energy, and a secondary technical protocol line that allows companies to report the amount of energy sold to a customer or electric utility.

Revision #7-4 – **Industry:** Chemicals; **Topic Name:** Water Management

2017 Technical Agenda Item #7-4 Description

SASB is evaluating revisions to the water quality metric RT0101-08¹⁵⁹ to improve its decision-usefulness.

Summary of Change – Revise Metric:

The SASB revised metric RT0101-08, “Number of incidents of non-compliance with water quality permits, standards, and regulations,” to limit the scope to incidents that result in a formal enforcement action, as opposed to all types of incidents of non-compliance regardless of whether such incidents resulted in enforcement actions.

156 RT0101-04. Number of production facilities in or near areas of dense population

157 RT0101-06: Percentage of raw materials from renewable resources

158 RT0101-05: Total energy consumed, percentage grid electricity, percentage renewable

159 RT0101-08: Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations

Revision #7-5 – **Industry:** Chemicals; **Topic Name:** Hazardous Waste Management

2017 Technical Agenda Item #7-5 Description

SASB is evaluating the technical protocol associated with metric RT0101-09¹⁶⁰ to improve its cost-effectiveness and alignment with existing reporting frameworks.

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol of provisional metric RT0101-09, “Amount of hazardous waste, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach changed the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a new disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #7-6 – **Industry:** Chemicals; **Topic Name:** Community Relations

2017 Technical Agenda Item #7-6 Description

SASB is evaluating the addition of a new topic, including new metrics, based on the potential for performance on this topic to affect corporate value and its relevance across the industry.

Summary of Change – Add Topic and Metric

The SASB added a topic, Community Relations, along with the associated metric, “Discussion of process to manage risks and opportunities associated with community relations and interests.” The technical protocol of the metric provides guidance for companies to discuss the processes and plans used to manage economic, environmental, and social issues with key community stakeholders.

Revision #7-7 – **Industry:** Chemicals; **Topic Name:** Safety & Environmental Stewardship of Chemicals & Genetically Modified Organisms

2017 Technical Agenda Item #7-7 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the provisional disclosure topic Safety & Environmental Stewardship of Chemicals & Genetically Modified Organisms into two separate disclosure topics: Safety & Environmental Stewardship of Chemicals, and Genetically Modified Organisms.

The following metrics are associated with the Safety & Environmental Stewardship of Chemicals topic:

- Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals Category I and II hazardous substances, percentage that have undergone a hazard assessment

¹⁶⁰ RT0101-09: Amount of hazardous waste, percentage recycled

- RT0101-12 – Discussion of strategy to (a) manage chemicals of concern and (b) develop alternatives with reduced human and/or environmental impact

The following metric is associated with the Genetically Modified Organisms topic:

- RT0101-13 – Percentage of products by revenue that contain genetically modified organisms (GMOs)

Revision #7-8 – **Industry:** Chemicals; **Topic Name:** Political Spending

2017 Technical Agenda Item #7-8 Description

SASB removed this topic based on a lack of evidence that performance on this topic has the potential to significantly affect corporate value.

Summary of Change – Remove Topic

The SASB removed the Political Spending topic and the two associated quantitative metrics¹⁶¹ based on a lack of evidence that the topic has the potential to significantly affect corporate value or operating performance.

Revision #7-9 – **Industry:** Chemicals; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #7-9 Description

SASB is evaluating the potential for a new topic and associated metrics, based on the potential to affect corporate value. SASB will evaluate metrics RT0101-15¹⁶² and RT0101-16¹⁶³ for relevance.

Summary of Change – Add Topic and Metric

SASB added a Management of the Legal & Regulatory Environment topic with the following metric: “Discussion of positions on the regulatory environment related to environmental and social factors, and description of efforts to manage risks and opportunities presented.”

Revision #7-10 – **Industry:** Chemicals; **Topic Name:** Health, Safety, and Emergency Management

2017 Technical Agenda Item #7-10 Description

SASB is evaluating the removal of metric RT0101-19¹⁶⁴ to improve the cost-effectiveness of the standard.

Summary of Change – Remove Metric:

SASB removed metric RT0101-19, “Challenges to the Safety Systems indicator rate (Tier 3).”

161 RT0101-13: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups including trade organizations; RT0101-14: Five largest political, lobbying, or tax-exempt group expenditures

162 RT0101-15: Amount of political campaign spending, lobbying expenditures, and contributions to tax-exempt groups, including trade associations

163 RT0101-16: Five largest political, lobbying, or tax-exempt group expenditures

164 RT0101-19: Challenges to the Safety Systems indicator rate (Tier 3)

Revision #7-30 – **Industry:** Chemicals; **Topic Name:** Greenhouse Gas Emissions

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol to clarify aspects of the World Resources Institute (WRI) Greenhouse Gas (GHG) guidance related to the calculation and reporting of GHG emissions.

Revision #7-32– **Industry:** Chemicals; **Topic Name:** Health, Safety, and Emergency Management

Summary of Change – Topic Split:

The SASB staff split the provisional disclosure topic “Health, Safety, and Emergency Management” into two separate topics -- “Workforce Health & Safety” and “Operational Safety, Emergency Preparedness, and Response” – with the following associated metrics:

Workforce Health & Safety

- RT0101-20 (1) Total recordable injury rate (TRIR) and (2) fatality rate for all employees
- RT0101-21 Discussion of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks

Operational Safety, Emergency Preparedness, and Response

- RT0101-17 Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)
- RT0101-18 Number of transport incidents

Revision #7-36 – **Industry:** Chemicals; **Topic Name:** Safety & Environmental Stewardship of Chemicals

Summary of Change – Revise Metric:

The SASB replaced the provisional quantitative metrics RT0101-10 and RT0101-11¹⁶⁵ with a new metric, “Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals Category I and II hazardous substances, percentage that have undergone a hazard assessment.”

Revision #7-37 – **Industry:** Chemicals; **Topic Name:** Safety & Environmental Stewardship of Chemicals

Summary of Change – Revise Technical Protocol:

The SASB revised the technical guidance of metric RT0101-12 to more effectively communicate the overall management approach to chemical safety and stewardship, including revisions to disclosure

¹⁶⁵ RT0101-10, “Percentage of products that contain Registration, Evaluation, Authorization and Restriction of Chemical (REACH) substances of very high concern (SVHC);” RT0101-11 “Percentage of products that contain Class I World Health Organization (WHO) Acute Toxicity Hazard Categories pesticides”

elements related to processes used to characterize chemical risks and gather product safety and environmental impact data.

Revision #7-38 – **Industry:** Chemicals; **Topic Name:** Water Management

Summary of Change – Revise Metric:

The SASB implemented the following revisions to the metrics associated with the Water Management disclosure topic:

- Removed the water recycling metric component of provisional metric RT0101-07 and replaced it with water consumed; as a result, the metric was revised from, “(1) Total water withdrawn, percentage in regions with High or Extremely High Baseline Water Stress and (2) percentage recycled water usage,” to “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”
- Added the following water management discussion and analysis metric, “Discussion of water management risks and description of strategies and practices to mitigate those risks”.

Revision #7-11 – **Industry:** Aerospace & Defense; **Topic Name:** Hazardous Waste Management

2017 Technical Agenda Item #7-11 Description

SASB is evaluating the technical protocol associated with metric RT0201-02¹⁶⁶ to improve its cost-effectiveness and alignment with reporting frameworks.

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol of provisional metric RT0201-02, “Amount of hazardous waste, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach changed the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a new disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #7-12 – **Industry:** Aerospace & Defense; **Topic Name:** Data Security

2017 Technical Agenda Item #7-12 Description

SASB is evaluating the addition of a metric to ensure the completeness and usefulness of the metrics associated with the topic.

Summary of Change – Add Metric:

SASB added the following qualitative metric to the Data Security topic: “Percentage of operations, by revenue, independently certified to a suitable third-party party cybersecurity management standard.”

¹⁶⁶ RT0101-02: Amount of hazardous waste, percentage recycled

Revision #7-13 - **Industry:** Aerospace & Defense; **Topic Name:** Supply Chain Management & Materials Sourcing

2017 Technical Agenda Item #7-13 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Rename Topic

The SASB (1) renamed the topic “Supply Chain Management & Materials Sourcing” to “Materials Sourcing,” and, (2) moved metric “RT0201-14 Number of counterfeit parts detected, percentage avoided” from the “Materials Sourcing” disclosure topic to the “Product Safety” disclosure topic. The “Materials Sourcing” topic includes the following metrics:

- RT0201-14: Number of counterfeit parts detected, percentage avoided
- RT0201-15: Percentage of materials costs for items containing critical materials
- RT0201-16: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free
- RT0201-17: Discussion of the management of risks associated with the use of critical materials and conflict minerals

Revision #7-14– **Industry:** Aerospace & Defense; **Topic Name:** Supply Chain Management & Materials Sourcing

2017 Technical Agenda Item #7-14 Description

SASB is evaluating the revision and/or removal of metrics RT0201-16¹⁶⁷ and RT0201-17¹⁶⁸ to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic and Metrics

The SASB revised the scope of the Supply Chain Management & Materials Sourcing disclosure topic to improve the representation of potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed provisional metrics RT0201-16, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free” and RT0201-15, “Percentage of materials costs for items containing critical materials.” Additionally, the SASB removed the term “conflict minerals” from the provisional metric RT0201-17, “Discussion of the management of risks associated with the use of critical materials and conflict minerals” and revised the technical protocol to require companies to identify which primary critical materials present risk to their operations.

¹⁶⁷ RT0201-16: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

¹⁶⁸ RT0201-17: Discussion of the management of risks associated with the use of critical materials and conflict minerals

Revision #7-35 – **Industry:** Aerospace & Defense; **Topic Name:** Product Safety

Summary of Change – Revise Metric:

The SASB revised the technical protocol language to expand the scope of the metric to include discussion of recalls of products that occurred due to product safety concerns in addition to those that occurred due to product safety incidents.

Revision #7-15 - **Industry:** Electrical & Electronic Equipment; **Topic Name:** Product Lifecycle Management & Innovation for Environmental Efficiency

2017 Technical Agenda Item #7-15 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Rename Topic

The SASB renamed the provisional disclosure topic Product Lifecycle Management & Innovation for Environmental Efficiency to: Product Lifecycle Management.

Revision #7-16 – **Industry:** Electrical & Electronic Equipment; **Topic Name:** Product Lifecycle & Innovation for Environmental Efficiency

2017 Technical Agenda Item #7-16 Description

SASB is evaluating the revision of metric RT0202-07¹⁶⁹ to improve the representativeness and decision-usefulness of the metrics associated with the topic.

Rationale for no proposed change

The Technical Agenda proposal to revise metric RT0202-07 was based upon a perceived redundancy in measuring revenues from electrical equipment that delivers energy efficiency gains to customers. The percentage of eligible products by revenue that meet ENERGY STAR® criteria (RT0202-07) is a measure of the market (revenue) *potential* for products that enhance customer efficiency. Conversely, the revenue from renewable energy-related and energy efficiency-related products (RT0202-08) measures the *current* revenue from products that can enhance customer efficiency. The two metrics thus measure different market angles and are independently useful and complete, and provide fair representation of performance.

Revision #7-17 – **Industry:** Electrical & Electronic Equipment; **Topic Name:** Product Lifecycle Management & Innovation for Environmental Efficiency

2017 Technical Agenda Item #7-17 Description

SASB is evaluating the removal of metric RT0202-09¹⁷⁰ to improve the cost-effectiveness of the standard and the applicability of the metrics associated with the topic.

¹⁶⁹ RT0202-07: Revenue from renewable energy-related and energy efficiency-related products

¹⁷⁰ RT0202-09: Total energy cost savings achieved through energy performance contracts

Summary of Change – Remove Metric

SASB removed provisional metric RT0202-09, “Total energy cost savings achieved through energy performance contracts”.

Revision #7-18 – Industry: Electrical & Electronic Equipment; Topic Name: Materials Sourcing

2017 Technical Agenda Item #7-18 Description

SASB is evaluating the revision and/or removal of metrics RT0202-14¹⁷¹ and RT0202-15¹⁷² to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic and Metrics

The SASB revised the scope of the Materials Sourcing disclosure topic to improve the representation of potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed provisional metrics RT0202-14, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free” and RT0202-13, “Percentage of materials costs for items containing critical materials.” Additionally, the SASB removed the term “conflict minerals” from the provisional metric RT0201-15, “Discussion of the management of risks associated with the use of critical materials and conflict minerals” and revised the technical protocol to require companies to identify which primary critical materials present risk to their operations.

Revision #7-31 – Industry: Electrical & Electronic Equipment; Topic Name: Hazardous Waste Management

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol of provisional metric RT0202-02, “Amount of hazardous waste, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach changed the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a new disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #7-28– Industry: Electrical & Electronic Equipment; Topic Name: Business Ethics & Competitive Behavior

Summary of Change – Revise Topic Name:

The SASB revised the topic name from Business Ethics & Competitive Behavior to Business Ethics.

171 RT0202-14: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

172 RT0202-15: Discussion of the management of risks associated with the use of critical materials and conflict minerals

Revision #7-19 – **Industry:** Industrial Machinery & Goods; **Topic Name:** Fuel Economy & Emissions in Use-phase

2017 Technical Agenda Item #7-19 Description

SASB is evaluating the revision of metric RT0203-06¹⁷³ to improve its decision-usefulness.

Summary of Change – Revise Metrics

The SASB revised provisional metric RT0203-06, “Sales-weighted emissions of (a) NO_x and (b) PM for: (1) marine diesel engines, (2) locomotive diesel engines, and (3) other non-road diesel engines” by adding a fourth product category, “(4) on-road medium- and heavy-duty engines,” and including a note to the metric requiring the disclosure of qualitative information of a company's strategy and approach to address fuel economy and greenhouse gas emissions of products; “Discussion of strategies and approach to managing fleet fuel economy and emissions risks and opportunities”

Revision #7-20 – **Industry:** Industrial Machinery & Goods; **Topic Name:** Materials Sourcing

2017 Technical Agenda Item #7-20 Description

SASB is evaluating the revision and/or removal of metrics RT0203-09¹⁷⁴ and RT0203-10¹⁷⁵ to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic: Materials Sourcing

The SASB revised the scope of the Materials Sourcing disclosure topic to improve the representation of potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed provisional metrics RT0203-09, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free” and RT0203-08, “Percentage of materials costs for items containing critical materials.” Additionally, the SASB removed the term “conflict minerals” from the provisional metric RT0203-10, “Discussion of the management of risks associated with the use of critical materials and conflict minerals” and revised the technical protocol to require companies to identify which primary critical materials present risk to their operations.

Revision #7-21 – **Industry:** Containers & Packaging; **Topic Name:** Air Quality

2017 Technical Agenda Item #7-21 Description

SASB is evaluating the revision of metric RT0204-03¹⁷⁶ to improve its cost-effectiveness and alignment with existing regulations.

Summary of Change – Revise Metric

SASB revised metric RT0204-03 from “Air emissions for the following pollutants: NO_x (excluding N₂O), SO_x, particulate matter (PM), and volatile organic compounds (VOCs)” to allow companies within the

173 RT0203-06: Sales-weighted emissions of (a) NO_x and (b) PM for: (1) marine diesel engines, (2) locomotive diesel engines, and (3) other non-road diesel engines

174 RT0202-09: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

175 RT0202-10: Discussion of the management of risks associated with the use of critical materials and conflict minerals

176 RT0204-03: Air emissions for the following pollutants: NO_x (excluding N₂O), SO₂, particulate matter (PM), and volatile organic compounds (VOCs)

paper products segment to report air emissions per existing industry practices. In addition, the technical protocol was revised such that (1) all SO_x emissions will be reported as SO₂, and (2) VOC emissions will be reported as total carbon emissions. The technical protocol was updated to reflect these changes and provide guidance regarding associated definitions, scope, compilation, and presentation of the revised metric.

Revision #7-22 – Industry: Containers & Packaging; Topic Name: Energy Management

2017 Technical Agenda Item #7-22 Description

SASB is evaluating revisions to metric RT0204-04¹⁷⁷ to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Technical Protocol

SASB revised the technical protocol of the provisional metric RT0204-04, “Total energy consumed, percentage grid electricity, percentage renewable,” to permit companies to report the share of self-generated energy by adding the following line to the technical protocol: “The company may choose to disclose the amount of energy self-generated and the amount of energy that it sells to an electric utility or end-use customer in excess of what it generates”.

Revision #7-23 – Industry: Containers & Packaging; Topic Name: Water Management

2017 Technical Agenda Item #7-23 Description

SASB is evaluating revisions to the water quality metric RT0204-06¹⁷⁸ to improve its decision-usefulness.

Summary of Change – Revise Metric:

SASB revised metric RT0204-06, “Number of incidents of non-compliance with water quality permits, standards, and regulations,” to limit the scope to incidents that result in a formal enforcement action, as opposed to all incidents of non-compliance, regardless of whether such incidents resulted in enforcement actions.

Revision #7-24 – Industry: Containers & Packaging; Topic Name: Hazardous Waste Management

2017 Technical Agenda Item #7-24 Description

SASB is evaluating the technical protocol associated with metric RT0204-07¹⁷⁹ to improve its cost-effectiveness and alignment with existing reporting frameworks.

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol of provisional metric RT0204-07, “Amount of hazardous waste, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach changed the requirement to classify all

177 RT0204-04: Total energy consumed, percentage grid electricity, percentage renewable

178 RT0204-06: Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations

179 RT0204-07: Amount of total waste from manufacturing, percentage hazardous, percentage recycled

hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA's Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a new disclosure requirement to report the hazardous waste regulations that were used to classify the company's waste.

Revision #7-25 – Industry: Containers & Packaging; Topic Name: Product Lifecycle Management

2017 Technical Agenda Item #7-25 Description

SASB is evaluating the revision of metric RT0204-10¹⁸⁰ to improve its decision-usefulness and representativeness

Summary of Change – Revise Metric:

The SASB revised provisional metric RT0204-10 from “Percentage of raw materials from (1) recycled content (2) renewable resources” to “Percentage of raw materials from (1) recycled content (2) renewable resources and (3) recycled content and renewable resources.”

Revision #7-26 - Industry: Containers & Packaging; Topic Name: Materials Sourcing

2017 Technical Agenda Item #7-26 Description

SASB is evaluating the revision of metric RT0204-13¹⁸¹ to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Metric:

The SASB changed the word “purchased” to “procured” in the provisional metric and technical protocol of RT0204-13, “Total wood fiber purchased, percentage from certified sources.”

Revision #7-27 – Industry: Containers & Packaging; Topic Name: Materials Sourcing

2017 Technical Agenda Item #7-27 Description

SASB is evaluating the revision of the technical protocol associated with metric RT0204-13¹⁸² to improve its clarity.

Rationale for No Proposed Change

The proposed technical protocol revision in Technical Agenda item 7-27 is now addressed within Technical Agenda item 7-26, wherein the scope of metric RT0204-13 is revised by replacing the word “purchased” with the word “procured” in the metric and in the technical protocol.

180 RT0204-10: Percentage of raw materials from (1) recycled content (2) renewable resources

181 RT0204-13: Total wood fiber purchased, percentage from certified sources

182 RT0204-13: Total wood fiber purchased, percentage from certified sources

Revision #7-29 – Industry: Containers & Packaging; Topic Name: Greenhouse Gas Emissions

Summary of Change – Revise Metric:

The SASB revised the technical protocol to clarify aspects of the World Resources Institute (WRI) Greenhouse Gas (GHG) guidance related to the calculation and reporting of GHG emissions.

Revision #7-33 – Industry: Containers & Packaging; Topic Name: Materials Sourcing

Summary of Change – Revise Topic Name:

The SASB revised the provisional topic name from “Materials Sourcing” to “Supply Chain Management”.

Revision #7-34 – Industry: Containers & Packaging; Topic Name: Product Lifecycle Management

Summary of Change – Revise Technical Protocol:

The SASB added the following line in the technical protocol to allow companies to report recycled wood fiber content per industry guidance:

"For paper-based products, companies may calculate the percentage recycled as the total product fiber weight (in metric tons) of raw materials from recycled content divided by the total fiber weight (in metric tons) of all raw materials for products."

Revision #7-39 – Industry: Containers & Packaging; Topic Name: Water Management

Summary of Change – Revise Metric:

The SASB implemented the following revisions to the metrics associated with the Water Management disclosure topic:

- Removed the water recycling metric component of provisional metric RT0101-07 and replaced it with water consumed; as a result, the metric was revised from, “(1) Total water withdrawn, percentage in regions with High or Extremely High Baseline Water Stress and (2) percentage recycled water usage,” to “(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.”
- Added the following water management discussion and analysis metric, “Discussion of water management risks and description of strategies and practices to mitigate those risks



Food & Beverage Sector

Agricultural Products

Meat, Poultry & Dairy

Processed Foods

Non-Alcoholic Beverages

Alcoholic Beverages

Tobacco

Food Retailers & Distributors

Restaurants

Prepared by the
Sustainability Accounting Standards Board®

Revision #8-1 to #8-4, #8-6, & #8-8 to #8-10 – Industry: Agricultural Products; Topic: Industry Description and Various Topics

2017 Technical Agenda Item Descriptions

#8-1: SASB is evaluating the operations of companies within the Agricultural Products industry to improve the relevance and applicability of the topics and metrics.

#8-2: SASB is evaluating the removal of metric CN0101-02¹⁸³ to improve the cost-effectiveness of the standard and the applicability of the metrics associated with the topic.

#8-3: SASB is evaluating the suitability of the topic name.

#8-4: SASB is evaluating revisions to the topics, including corresponding metrics CN0101-06¹⁸⁴, CN0101-07¹⁸⁵, and CN0101-10¹⁸⁶, to improve the materiality of the standard, the relevance of the topics across the industry, and the applicability of the metrics.

#8-6: SASB is evaluating the removal of the topic, including corresponding metrics CN0101-08¹⁸⁷, CN0101-09¹⁸⁸, CN0101-11¹⁸⁹, and CN0101-12¹⁹⁰ to improve the cost-effectiveness of the standard and the relevance of the topics across the industry.

#8-8: SASB is evaluating revisions to the topic, including corresponding metrics CN0101-17¹⁹¹ and CN0101-19¹⁹² to improve the relevance of the topic across the industry, and the applicability of the metrics.

#8-9: SASB is evaluating the suitability of the topic name.

#8-10 SASB is evaluating revisions to the topic, including corresponding metrics CN0101-20¹⁹³ and CN0101-21¹⁹⁴ to improve the relevance of the topic across the industry, and the applicability of the metrics.

¹⁸³ CN0101-02: Biogenic carbon dioxide (CO₂) emissions.

¹⁸⁴ CN0101-06: (1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress

¹⁸⁵ CN0101-07: Discussion of water withdrawal risks and description of management strategies and practices to mitigate those risks

¹⁸⁶ CN0101-10: Number of incidents of non-compliance with water-quality permits, standards, and regulations

¹⁸⁷ CN0101-08: Description of strategies to manage land use and ecological impacts

¹⁸⁸ CN0101-09: (1) Volume of wastewater reused and (2) volume of wastewater discharged to the environment

¹⁸⁹ CN0101-11: Amount of fertilizer consumption by: (1) nitrogen-based, (2) phosphate-based, and (3) potassium-based fertilizers

¹⁹⁰ CN0101-12: Amount of pesticide consumption by hazard level

¹⁹¹ CN0101-17: Percentage of farms and facilities certified for fair labor practices

¹⁹² CN0101-19: Description of efforts to assess, monitor, and reduce exposure of direct, seasonal, and migrant employees to pesticides

¹⁹³ CN0101-20: Amount of crop losses, percentage offset through financial mechanisms

¹⁹⁴ CN0101-21: Average crop yield and five-year standard deviation per major crop type by major operating region

Summary of Changes – Revise Industry Scope, and Related Topics and Metrics

The SASB revised the scope of the Agricultural Products industry, including the industry description, to better reflect the actual operations of companies in the industry (Revision #8-1). More specifically, while the provisional standard included on-farm operations within the industry scope, companies in the industry do not generally own or directly control farming operations. As a result, the industry scope (as defined in the “Industry Description” in the provisional standard) is narrowed by removing the reference to “growing” agricultural products and instead, focusing on the variety of activities that better reflect actual industry operations, including the processing, trading, distributing, and storage of agricultural products.

This revised industry scope (Revision #8-1) establishes the rationale for multiple, related revisions to several disclosure topics and the corresponding metrics, as summarized below:

- Topic: Greenhouse Gas Emissions
 - Revision #8-2: Removed provisional metric CN0101-02, “Biogenic carbon dioxide (CO₂) emissions.”
- Topic: Water Withdrawal
 - Revision #8-3: Renamed topic to Water Management.
 - Revision #8-4: Revised provisional topic scope to remove on-farm water withdrawals, as well as to include an aspect of water management related to wastewater.
 - Revision #8-4: Revised provisional metric CN0101-07 from “Discussion of risks associated with water withdrawal and description of strategies and practices to mitigate those risks” to “Discussion of water management risks and description of strategies and practices to mitigate those risks.”
- Topic: Land Use & Ecological Impacts
 - Revision #8-4: Moved provisional metric CN0101-10, “Number of incidents of non-compliance with water-quality permits, standards, and regulations,” from the provisional topic, Land Use & Ecological Impacts, to the revised topic, Water Management.
 - Revision #8-6: Removed the provisional topic and the following corresponding provisional metrics (which constitute all metrics associated with the topic, except CN0101-10, which is proposed to be moved to a different topic, as per Revision #8-4):
 - CN0101-08: Description of strategies to manage land use and ecological impacts

- CN0101-09: (1) Volume of wastewater reused and (2) volume of wastewater discharged to the environment
 - CN0101-11: Amount of fertilizer consumption by: (1) nitrogen-based, (2) phosphate-based, and (3) potassium-based fertilizers
 - CN0101-12: Amount of pesticide consumption by hazard level
- Topic: Fair Labor Practices & Workforce Health & Safety
 - Revision #8-8: Removed the following provisional metrics:
 - CN0101-17: Percentage of farms and facilities certified for fair labor practices
 - CN0101-19: Description of efforts to assess, monitor, and reduce exposure of direct, seasonal, and migrant employees to pesticides
- Revision #8-9: Renamed topic to Workforce Health & Safety
- Topic: Climate Change Impacts on Crop Yields
 - Revision #8-10: Removed the provisional topic, Climate Change Impacts on Crop Yields, and the following corresponding provisional metrics:
 - CN0101-20: Amount of crop losses, percentage offset through financial mechanisms
 - CN0101-21: Average crop yield and five-year standard deviation per major crop type by major operating region
 - Revision #8-10: Moved provisional metric CN0101-22, “Identification of principal crops and discussion of risks and opportunities presented by climate change,” from the provisional topic, Climate Change Impacts on Crop Yields, to the topic, Ingredient Sourcing.

Revision #8-40– **Industry:** Agricultural Products; **Topic Name:** Energy & Fleet Fuel Management

Summary of Change – Rename Topic and Move Metric

The SASB renamed the provisional disclosure topic, “Energy & Fleet Fuel Management,” to “Energy Management.” The provisional metric CN0101-05, “Fleet fuel consumed, percentage renewable,” was moved to the “Greenhouse Gas Emissions” topic.

Revision #8-5 – **Industry:** Agricultural Products; **Topic Name:** Water Withdrawal

2017 Technical Agenda Item #8-5 Description

SASB is evaluating revisions to the water quality metric CN0101-10¹⁹⁵ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the provisional metric CN0101-10, “Number of incidents of non-compliance with water-quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #8-7 – **Industry:** Agricultural Products; **Topic Name:** Food Safety & Health Concerns

2017 Technical Agenda Item #8-7 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Food Safety & Health Concerns” into two separate topics: “Food Safety” and “GMO Management”.

The following metrics are associated with the Food Safety topic:

- CN0101-13– Global Food Safety Initiative (GFSI) audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate
- CN0101-14 – Percentage of agricultural products sourced from suppliers certified to a GFSI scheme
- CN0101-15 – Number of recalls issued, total amount of food product recalled

The following metric is associated with the GMO Management topic:

- CN0101-16 – Description of strategies to manage the use of genetically modified organisms (GMOs)

Revision #8-11 – **Industry:** Agricultural Products; **Topic Name:** Environmental & Social Impacts of Ingredient Supply Chains

2017 Technical Agenda Item #8-11 Description

SASB is evaluating the addition of a metric to improve the usefulness, representativeness, and completeness of the metrics associated with the topic, as well as to increase alignment with existing industry standards.

¹⁹⁵ CN0101-10: Number of incidents of non-compliance with water-quality permits, standards, and regulations

Summary of Change – Add Metric

The SASB added the following metric to the Environmental & Social Impacts of Ingredient Supply Chains¹⁹⁶ provisional topic: “Suppliers’ social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate.”

Revision #8-26 – Industry: Agricultural Products; Topic Name: Environmental & Social Impacts of Ingredient Supply Chains

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol to the provisional metric CN0101-24 “Description of management strategy for environmental and social risks arising from contract growing and commodity sourcing” to explicitly address environmental and labor risks related to agrochemical usage.

Specifically, provisional metric CN0101-24 was revised from:

For environmental risks, relevant strategies to discuss include the diversification of suppliers, supplier training programs on environmental best management practices, expenditures on R&D for alternative and substitute crops, and audits or certifications of suppliers’ environmental practices.

For social risks, relevant strategies to discuss include supplier training programs on agrochemical application, engagement with suppliers on labor and human rights issues, maintenance of a supply chain code of conduct, and audits or certifications of suppliers’ social practices.

to (additions underlined)

For environmental risks, relevant strategies to discuss include the diversification of suppliers, supplier training programs on environmental best management practices including implementation of agricultural management practice systems (MPS) including for fertilizer use, integrated pest management (IPM), and/or efforts to address deforestation, expenditures on R&D for alternative and substitute crops, and audits or certifications of suppliers’ environmental practices.

For social risks, relevant strategies to discuss include supplier training programs on agrochemical application, engagement with suppliers on labor and human rights issues and workforce health and safety issues such as exposure to pesticide, maintenance of a supply chain code of conduct, and audits or certifications of suppliers’ social practices.

¹⁹⁶ See Revision #8-34, which splits the provisional disclosure topic “Environmental & Social Impacts of the Ingredient Supply Chain” into two separate topics, “Environmental & Social Impacts of Ingredient Supply Chain” and “Ingredient Sourcing”.

Revision #8-34 – **Industry:** Agricultural Products; **Topic Name:** Environmental & Social Impacts of the Ingredient Supply Chains

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental & Social Impacts of the Ingredient Supply Chain” into two separate topics: “Environmental & Social Impacts of Ingredient Supply Chain” and “Ingredient Sourcing”.

The following metrics are associated with the Environmental & Social Impacts of Ingredient Supply Chain topic:

- CN0101-24 – Description of management strategy for environmental and social risks arising from contract growing and commodity sourcing
- CN0101-25 – Percentage of agricultural raw materials that are certified to a third-party environmental and/or social standard
- Suppliers’ social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate¹⁹⁷

The following metrics are associated with the Ingredient Sourcing topic:

- CN0101-22 – Identification of principal crops and discussion of risks and opportunities presented by climate change¹⁹⁸
- CN0101-23 – Percentage of agricultural raw materials sourced from regions with High or Extremely High Baseline Water Stress

Revision #8-12 – **Industry:** Agricultural Products; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #8-12 Description

SASB is evaluating revisions to the topic, including the corresponding metric CN0101-26¹⁹⁹, to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Remove Topic and Metric

The SASB removed the provisional topic Management of Legal & Regulatory Environment from the standard, along with the corresponding metric CN0101-26: “Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented.”

¹⁹⁷ See Revision #8-11, which adds this metric to the industry standard.

¹⁹⁸ See Revision #8-10, which moves this metric from the Climate Change Impacts on Crop Yields provisional topic.

¹⁹⁹ CN0101-26: Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented

Revision #8-13 and #8-14 – **Industry:** Meat, Poultry & Dairy; **Topic Name:** Water Withdrawal (and Land Use & Ecological Impacts for #8-14)

2017 Technical Agenda Item Descriptions

#8-13: SASB is evaluating the suitability of the topic name.

#8-14: SASB is evaluating revisions to the topics, including corresponding metrics CN0102-05²⁰⁰, CN0102-06²⁰¹, and CN0102-07²⁰², to improve the materiality of the standard, the relevance of the topics across the industry, and the applicability of the metrics.

Summary of Change – Revise Topic and Metrics

The SASB implemented the following changes related to the topic in the provisional standard, Water Withdrawal, including its corresponding metrics, which will also affect the topic, Land Use & Ecological Impacts, and a corresponding metric:

- Revision #8-13: Renamed the provisional topic Water Withdrawal to Water Management.
- Revision #8-14:
 - Expanded the scope of the topic, Water Withdrawal (renamed, as described above) to more holistically include water management, including aspects related to the management of wastewater.
 - Moved metric CN0102-06, “Number of incidents of non-compliance with water-quality permits, standards, and regulations,” from the Land Use & Ecological Impacts topic to the Water Withdrawal topic (renamed, as described above).
 - Consolidated the provisional metric CN0102-05, “Discussion of risks associated with water withdrawal and description of strategies and practices to mitigate those risks,” associated with the provisional Water Withdrawal topic, with the provisional metric CN0102-07, “Discussion of risks associated with water discharges and description of strategies and practices to mitigate those risks,” associated with the Land Use & Ecological Impacts topic, into the following metric to be associated with the Water Withdrawal topic (renamed, as described above), “Discussion of water management risks and description of strategies and practices to mitigate those risks.”

²⁰⁰ CN0102-05: Discussion of risks associated with water withdrawal and description of strategies and practices to mitigate those risks

²⁰¹ CN0102-06: Number of incidents of non-compliance with water-quality permits, standards, and regulations

²⁰² CN0102-07: Discussion of risks associated with water discharges and description of strategies and practices to mitigate those risks

Revision #8-15 – **Industry:** Meat, Poultry & Dairy; **Topic Name:** Land Use & Ecological Impacts

2017 Technical Agenda Item #8-15 Description

SASB revised the water quality metric CN0102-06²⁰³ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric CN0102-06, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #8-16 – **Industry:** Meat, Poultry & Dairy; **Topic Name:** Land Use & Ecological Impacts

2017 Technical Agenda Item #8-16 Description

SASB is evaluating the revision of metrics CN0102-08²⁰⁴, CN0102-09²⁰⁵, and CN0102-10²⁰⁶ to improve the applicability and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Metrics

SASB updated the technical protocols for metrics CN0102-08, CN0102-09, and CN0102-10 within the Land Use & Ecological Impacts topic to expand their scope to include operations outsourced to third parties.

Revision #8-28 – **Industry:** Meat, Poultry & Dairy; **Topic Name:** Antibiotic Use in Animal Production

Summary of Change – Revise Metric

The SASB revised provisional metric CN0102-17 “Percentage of animal production that receives (1) medically important antibiotics and (2) nontherapeutic antibiotics” to “Percentage of animal production that receives (1) medically important antibiotics, and (2) not medically important antibiotics, by animal protein type.”

Revision #8-35 – **Industry:** Meat, Poultry & Dairy; **Topic Name:** Environmental & Social Impacts of the Animal Supply Chain

Summary of Change – Revise Topics and Metrics

The SASB implemented the following changes related to the provisional topics, “Environmental & Social Impacts of Animal Supply Chains” and “Environmental Risks in Animal Feed Supply Chains”, and their associated metrics:

- Renamed the provisional topic “Environmental Risks in Animal Feed Supply Chains” to “Animal & Feed Sourcing”.

²⁰³ CN0102-06: Number of incidents of non-compliance with water-quality permits, standards, and regulations

²⁰⁴ CN0102-08: Amount of animal litter and manure generated, percentage managed according to a nutrient management plan

²⁰⁵ CN0102-09: Percentage of pasture and grazing land managed to NRCS Conservation Plan criteria

²⁰⁶ CN0102-10: Animal protein production from concentrated animal feeding operations (CAFO)

- Moved provisional metrics CN0102-22, “Percentage of contract producers in regions with High or Extremely High Baseline Water Stress” and CN0102-24, “Discussion of strategy to manage opportunities and risks to livestock supply presented by climate change” from the topic, “Environmental & Social Impacts of Animal Supply Chains” to the renamed topic, “Animal & Feed Sourcing.”
- Merged the provisional metrics CN0102-24, “Discussion of strategy to manage opportunities and risks to livestock supply presented by climate change” and CN0102-26, “Discussion of strategy to manage opportunities and risks to feed sourcing presented by climate change” into a single metric in the renamed “Animal & Feed Sourcing” topic.

Revision #8-41 – Industry: Processed Foods; Topic Name: Energy & Fleet Fuel Management

Summary of Change – Revise Topic and Remove Metric

The SASB revised the provisional disclosure topic “Energy & Fleet Fuel Management” to eliminate the aspect of fleet fuel management and therefore exclusively focus on energy management. As a result, provisional metric, CN0103-02, “Fleet fuel consumed, percentage renewable,” has been removed. Furthermore, the topic has been renamed to “Energy Management.”

Revision #8-46 – Industry: Processed Foods; Topic Name: Health & Nutrition

Summary of Change – Revise Metric

The SASB revised provisional metric CN0103-10 from “Description of the process to identify and manage products and ingredients of concern and emerging dietary preferences” to “Description of risks and opportunities related to nutritional and health concerns and discussion of strategies to mitigate those risks.”

Revision #8-17 – Industry: Processed Foods; Topic Name: Health & Nutrition

2017 Technical Agenda Item #8-17 Description

SASB is evaluating the removal of metric CN0103-11²⁰⁷ to improve the cost-effectiveness and applicability of the metrics associated with the topic.

Summary of Change – Remove Metric

The SASB removed metric CN0103-11, “Revenue from products that meet Smart Snacks in School criteria or foreign equivalent.”

²⁰⁷ CN0103-11: Revenue from products that meet Smart Snacks in School criteria or foreign equivalent.

Revision #8-18 – **Industry:** Processed Foods; **Topic Name:** Product Labeling & Marketing

2017 Technical Agenda Item #8-18 Description

SASB is evaluating the revision of metric CN0103-13²⁰⁸ to improve its representativeness.

Summary of Change – Revise Metric

The SASB revised the provisional metric CN0103-13 from “Number of child advertising impressions made, percentage promoting products meeting the Children’s Food and Beverage Initiative (CFBAI) Uniform Nutrition Criteria” to “Percentage of advertising impressions made on children, percentage made on children promoting products that meet dietary guidelines.”

Revision #8-19 – **Industry:** Processed Foods; **Topic Name:** Water Management

2017 Technical Agenda Item #8-19 Description

SASB is evaluating revisions to the water quality metric CN0103-04²⁰⁹ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric CN0103-04, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #8-36 – **Industry:** Processed Foods; **Topic Name:** Environmental & Social Impacts of the Ingredient Supply Chains

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental & Social Impacts of the Ingredient Supply Chains” into two separate topics: “Environmental & Social Impacts of Ingredient Supply Chain” and “Ingredient Sourcing”.

The following metrics are associated with the Environmental & Social Impacts of Ingredient Supply Chain topic:

- CN0103-20 – Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, by certification scheme
- CN0103-21– Suppliers’ social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate

The following metrics are associated with the Ingredient Sourcing topic:

²⁰⁸ CN0103-13: Number of child advertising impressions made, products meeting the Children’s Food and Beverage Initiative Uniform Nutrition Criteria.

²⁰⁹ CN0103-04: Number of incidents of non-compliance with water-quality permits, standards, and regulations

- CN0103-19 – Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress
- CN0103-22 – List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations

Revision #8-42– **Industry:** Non-Alcoholic Beverages; **Topic Name:** Energy & Fleet Fuel Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Energy & Fleet Fuel Management” into two separate topics: “Greenhouse Gas Emissions” and “Energy Management”.

The following metric is associated with the “Greenhouse Gas Emissions” topic:

- CN0201-02 – Fleet fuel consumed, percentage renewable

The following metrics are associated with the “Energy Management” topic:

- CN0201-01– Operational energy consumed, percentage grid electricity, percentage renewable

Revision #8-29– **Industry:** Non-Alcoholic Beverages; **Topic Name:** Health & Nutrition

Summary of Change – Revise Metric

The SASB revised provisional metric CN0201-06 from “Description of the process to identify and manage products and ingredients of concern and emerging dietary preferences” to “Description of risks and opportunities related to nutritional and health concerns and discussion of strategies to mitigate those risks.”

Revision #8-20 – **Industry:** Non-Alcoholic Beverages; **Topic Name:** Product Labeling & Marketing

2017 Technical Agenda Item #8-20 Description

SASB is evaluating the revision of metric CN0201-07²¹⁰ to improve its representativeness.

Summary of Change – Revise Metrics

The SASB revised provisional metric CN0201-07 from “Number of child advertising impressions made, percentage promoting products meeting the Children’s Food and Beverage Initiative (CFBAI) Uniform Nutrition Criteria” to “Percentage of advertising impressions made on children, percentage made on children promoting products that meet dietary guidelines.”

²¹⁰ CN0201-07: Number of child advertising impressions made, percentage promoting products meeting the Children’s Food and Beverage Initiative (CFBAI) Uniform Nutrition Criteria.

Revision #8-37 – **Industry:** Non-Alcoholic Beverages; **Topic Name:** Environmental & Social Impacts of the Ingredient Supply Chains

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental & Social Impacts of the Ingredient Supply Chains” into two separate topics: “Environmental & Social Impacts of Ingredient Supply Chain” and “Ingredient Sourcing”.

The following metrics are associated with the Environmental & Social Impacts of Ingredient Supply Chain topic:

- CN0201-14 – Suppliers’ social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate

The following metrics are associated with the Ingredient Sourcing topic:

- CN0201-13 – Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water Stress
- CN0201-15 – List of priority beverage ingredients and discussion of sourcing risks due to environmental and social considerations

Revision #8-21 – **Industry:** Alcoholic Beverages; **Topic Name:** Responsible Drinking & Marketing

2017 Technical Agenda Item #8-21 Description

SASB is evaluating the revision of metric CN0202-04²¹¹ to improve its representativeness.

Summary of Change – Revise Metric:

The SASB revised provisional metric CN0202-04 from “Number of advertising impressions, percentage made on individuals above the legal drinking age” to “Percentage of advertising impressions made on individuals above the legal drinking age.”

Revision #8-22 – **Industry:** Alcoholic Beverages; **Topic Name:** Responsible Drinking & Marketing

2017 Technical Agenda Item #8-22 Description

SASB is evaluating the technical protocol associated with metric CN0202-05²¹² to improve its completeness and relevance.

Summary of Change – Revise Technical Protocol:

SASB revised the technical protocol associated with metric CN0202-05, “Notices of violations received for non-conformance with industry and regulatory marketing and/or labeling codes,” as follows:

²¹¹ CN0202-04: Number of advertising impressions, percentage made on individuals above the legal drinking age

²¹² CN0202-05: Notices of violations received for non-conformance with industry and regulatory marketing and/or labeling codes

- Added the Beer Institute Advertising & Marketing Code to the list of laws and industry self-regulatory initiatives covered by technical protocol .02: “The scope of disclosure includes notices of violations received due to non-conformance with both laws and industry self-regulations, including the following . . .”
- Revised technical protocol .03 from “The registrant may disclose any other non-conformances with internal code(s) of practice on marketing and/or labeling” to “The registrant may disclose any other non-conformances of published media with internal code(s) of practice on marketing and/or labeling.”

Furthermore, the SASB revised the wording of the metric to improve its clarity (a revision of “industry and regulatory” to “industry or regulatory”).

Revision #8-38 – **Industry:** Alcoholic Beverages; **Topic Name:** Management of Environmental & Social Impacts of the Ingredient Supply Chain

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Environmental & Social Impacts of Ingredient Supply Chains” into two separate topics: “Environmental & Social Impacts of Ingredient Supply Chain” and “Ingredient Sourcing”.

The following metrics are associated with the Environmental & Social Impacts of Ingredient Supply Chain topic:

- CN0202-11 – Suppliers’ social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate

The following metrics are associated with the Ingredient Sourcing topic:

- CN0202-10 – Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water Stress
- CN0202-12 – List of priority beverage ingredients and discussion of sourcing risks due to environmental and social considerations

Revision #8-23 – **Industry:** Tobacco; **Topic Name:** Activity Metric

2017 Technical Agenda Item #8-23 Description

SASB is evaluating the revision of activity metric CN0302-A²¹³ to improve its alignment with existing industry metrics.

²¹³ CN0302-A: Cigarette sales volume

Summary of Change – Revise Metric

The SASB revised provisional activity metric CN0302-A from “Cigarette sales volume” to “Combustible tobacco product sales volume: (1) cigarette, (2) cigar, and (3) other smoked tobacco products²¹⁴” and provisional activity metric CN0302-B from “Smokeless tobacco sales volume” to “Non-combustible product sales volume: (1) traditional smokeless tobacco, (2) non-tobacco nicotine products, and (3) heated tobacco products²¹⁵.”

Revision #8-24 – Industry: Tobacco; Topic Name: Marketing Practices

2017 Technical Agenda Item #8-24 Description

SASB is evaluating the revision of metrics CN0301-04²¹⁶ and CN0301-05²¹⁷ to improve the cost-effectiveness, representativeness, and applicability of the metrics associated with the topic.

Summary of Change – Revise Metrics:

The SASB consolidated the metrics CN0301-04 and CN0301-05 in the provisional industry standard and revising the resulting metric to focus on companies’ positions on the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) and relevant corporate marketing policies, as opposed to specific alignment with the WHO FCTC.

More specifically, the SASB consolidated the following provisional metrics:

- CN0301-04: Description of alignment of tobacco advertising, promotion, and sponsorship (TAPS) activities with Article 13 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC)
- CN0301-05: Description of alignment of tobacco labeling and packaging practices with Article 11 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC)

into the following metric:

- Discussion of positions on Articles 11 and 13 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) and description of the company’s marketing policy

²¹⁴ Note to **CN0302-A** — Cigar sales volume includes product sales of cigars, cigarillos, and little cigars. Other smoked tobacco includes products sold by the registrant such as pipe tobacco, loose leaf tobacco, bidis, and kreteks or clove cigarettes. Unit of measure shall be by number of sticks in millions, except for pipe tobacco and loose leaf tobacco, which shall be by weight in metric tons.

²¹⁵ Note to **CN0301-B**—Traditional smokeless tobacco sales volume includes product sales of chewing tobacco, snuff, and dissolvable products, and shall be disclosed by number of cans or packs in millions. Non-tobacco nicotine products include e-vapor and e-cigarette devices and associated refill products and pharmaceutical nicotine-replacement therapy products (e.g., gums, lozenges, patches, etc.). Heated tobacco products include devices and associated refill products. Nicotine-replacement therapy products shall be disclosed in number of packs in millions and e-cigarette, e-vapor, and heated tobacco products shall be disclosed in number of devices sold and the number of refill products sold in millions.

²¹⁶ CN0301-04: Description of alignment of tobacco advertising, promotion, and sponsorship (TAPS) activities with Article 13 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC)

²¹⁷ CN0301-05: Description of alignment of tobacco labeling and packaging practices with Article 11 of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC)

Revision #8-25 – **Industry:** Tobacco; **Topic Name:** Public Health

2017 Technical Agenda Item #8-25 Description

SASB is evaluating the revision of metric CN0301-01²¹⁸ to improve its representativeness and applicability.

Summary of Change – Revise Metric

The SASB revised metric CN0301-01 from “Revenue from (1) smokeless tobacco products, (2) non-tobacco nicotine-delivery products, and (3) other ‘tobacco harm-reduction’ products” to “Revenue from (1) non-tobacco nicotine products, and (2) heated tobacco products,” with an additional clarification that sales should be reported gross and net of excise taxes.

Revision #8-43– **Industry:** Food Retailers & Distributors; **Topic Name:** Energy & Fleet Fuel Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Energy & Fleet Fuel Management” into two separate topics: “Greenhouse Gas Emissions” and “Energy Management”.

The following metric is associated with the “Greenhouse Gas Emissions” topic:

- CN0401-05 – Fleet fuel consumed, percentage renewable

The following metrics are associated with the “Energy Management” topic:

- CN0401-04 – Operational energy consumed, percentage grid electricity, percentage renewable

Revision #8-47 – **Industry:** Food Retailers & Distributors; **Topic Name:** Product Health & Nutrition

Summary of Change – Revise Metric

The SASB revised provisional metric CN0401-12 from “Description of the process to identify and manage products and ingredients of concern and emerging dietary preferences” to “Description of risks and opportunities related to nutritional and health concerns and discussion of strategies to mitigate those risks.”

Revision #8-44 – **Industry:** Food Retailers & Distributors; **Topic Name:** Fair Labor Practices

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Fair Labor Practices” to “Labor Practices.”

²¹⁸ CN0301-01: Revenue from (1) smokeless tobacco products, (2) non-tobacco nicotine-delivery products, and (3) other “tobacco harm-reduction” products

Revision #8-27 – **Industry:** Food Retailers & Distributors; **Topic Name:** Management of Environmental & Social Impacts in the Supply Chain

Summary of Change – Revise Technical Protocols

The SASB revised the technical protocols associated with metric CN0401-20, “Discussion of strategy to manage environmental and social risks within the supply chain” to expand disclosure on animal welfare and antibiotics usage in the animal supply chain. Accordingly, the note to the separate metric, CN0401-22, “(1) Percentage of eggs sold from cage-free sources and (2) percentage of pork sold from gestation-crate-free sources” on animal welfare standards and policies was removed.

Revision #8-39– **Industry:** Restaurants; **Topic Name:** Energy & Water Management

Summary of Change – Split Topic

The SASB split the provisional disclosure topic “Energy & Water Management” into two separate topics: “Energy management” and “Water Management”.

The following metric is associated with the “Energy Management” topic:

- SV0203-01 – Total energy consumed, percentage grid electricity, percentage renewable

The following metric is associated with the “Water Management” topic:

- SV0203-02 – Total water withdrawn, percentage in regions with High or Extremely High Baseline Water Stress

Revision #8-33 – **Industry:** Restaurants; **Topic Name:** Food & Packaging Waste Management

Summary of Change – Revise Technical Protocol

SASB revised the technical protocol for provisional metric SV0203-05 “Amount of waste, percentage food waste, percentage diverted” to define inedible parts as a component of food waste, remove cooking oil as a component of food waste, and clarify the scope of food donations.

Revision #8-45 – **Industry:** Restaurants; **Topic Name:** Fair Labor Practices

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Fair Labor Practices” to “Labor Practices.”

Revision #8-30 – **Industry:** Restaurants; **Topic Name:** Fair Labor Practices

Summary of Change – Remove Metric

The SASB removed metric SV0203-14, “Amount of tax credit received for hiring through enterprise zone programs.”

Revision #8-32 – **Industry:** Restaurants; **Topic Name:** Supply Chain Management & Food Sourcing

Summary of Change – Revise Technical Protocols

The SASB revised the technical protocols associated with metric SV0203-17, “Discussion of strategy to manage environmental and social risks within supply chain” to expand disclosure on animal welfare and antibiotics usage in the animal supply chain. Accordingly, the note to metric SV0203-16, “(1) Percentage of eggs purchased from cage-free sources and (2) percentage of pork purchased from gestation crate-free sources”, which is related to animal welfare standards and policies, was removed.

DRAFT



Consumer Goods Sector

- Apparel, Accessories & Footwear
- Appliance Manufacturing
- Household & Personal Products
- Building Products & Furnishings
- Toys & Sporting Goods
- Multiline and Specialty Retailers & Distributors
- E-Commerce

Prepared by the
Sustainability Accounting Standards Board®

Revision #9-1 – **Industry:** Apparel, Accessories & Footwear; **Topic Name:** Raw Material Sourcing & Innovation

2017 Technical Agenda Item #9-1 Description

The SASB is evaluating the revision of metric CN0501-03²¹⁹ to improve its cost-effectiveness and the alignment with existing industry frameworks.

Summary of Change – Revise Metric

The SASB revised provisional metric CN0501-03 from “Top five raw materials used in products, by weight” to “Discussion of environmental and social risks associated with sourcing priority raw materials.”

Revision #9-2 – **Industry:** Apparel, Accessories & Footwear; **Topic Name:** Raw Material Sourcing & Innovation

2017 Technical Agenda Item #9-2 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from Raw Materials Sourcing & Innovation to Raw Material Sourcing.

Revision #9-3 – **Industry:** Apparel, Accessories & Footwear; **Topic Name:** Labor Conditions in the Supply Chain

2017 Technical Agenda Item #9-3 Description

SASB is evaluating the revision of metric CN0501-06²²⁰ to improve its completeness and representativeness.

Summary of Change – Revise Technical Protocol

The SASB added a note to provisional metric CN0501-06, “Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits,” to provide context regarding a registrant’s supply chain auditing practices.

Revision #9-4 – **Industry:** Appliance Manufacturing; **Topic Name:** Product Safety

2017 Technical Agenda Item #9-4 Description

SASB is evaluating the addition of a new metric to improve the completeness, representativeness, and decision-usefulness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric, “Discussion of process to identify and manage safety risks associated with the use of its products.”

²¹⁹ CN0501-03: Top five raw materials used in products, by weight

²²⁰ CN0501-06: Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits

Revision #9-13 – **Industry:** Building Products & Furnishings; **Topic Name:** Wood Sourcing

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Wood Sourcing” to “Wood Supply Chain Management.”

Revision #9-5 – **Industry:** Multiline and Specialty Retailers & Distributors; **Topic Name:** Fair Labor Practices

2017 Technical Agenda Item #9-5 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Fair Labor Practices” to “Labor Practices.”

Revision #9-6 – **Industry:** Multiline and Specialty Retailers & Distributors; **Topic Name:** Workforce Diversity & Inclusion

2017 Technical Agenda Item #9-6 Description

SASB is evaluating the revision of metric CN0403-04²²¹ to improve its cost-effectiveness and applicability.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric CN0403-04, “Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees,” to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies shall describe their policies for promoting inclusivity and fostering equitable employee representation across their global operations.

Revision #9-7 – **Industry:** E-Commerce; **Topic Name:** Employee Recruitment, Inclusion, and Performance

2017 Technical Agenda Item #9-7 Description

SASB is evaluating the revision of metric CN0404-12²²² to improve its cost-effectiveness and applicability.

Summary of Change – Revise Technical Protocol

The SASB proposes to revise the technical protocol for the provisional metric CN0404-12, “Percentage of gender and racial/ethnic group representation for (1) executives, (2) technical staff, and (3) all others,” to require gender breakdown globally but racial/ethnic breakdown per the U.S. Equal Employment Opportunity Commission (EEOC)’s EEO-1 Job Classification Guide categories only in the United States. Additionally, the SASB revised the technical protocol to specify that companies shall describe their policies for promoting inclusivity and fostering equitable employee representation across their global operations.

²²¹ CN0403-04: Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees

²²² CN0404-12: Percentage of gender and racial/ethnic group representation for (1) executives, (2) technical staff, and (3) all others

Revision #9-8 – **Industry:** E-Commerce; **Topic Name:** Energy & Water Footprint of Hardware Infrastructure

2017 Technical Agenda Item #9-8 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Energy & Water Footprint of Hardware Infrastructure” to “Hardware Infrastructure Energy & Water Management.”

Revision #9-9 – **Industry:** E-Commerce; **Topic Name:** Data Privacy

2017 Technical Agenda Item #9-9 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic “Data Privacy” to “Data Privacy & Advertising Standards.”

Revision #9-11 – **Industry:** E-Commerce; **Topic Name:** Employee Recruitment, Inclusion & Performance

Summary of Change – Remove Metric:

The SASB removed provisional metric CN0404-14, “Percentage of successful H-1B visa applications.”

Revision #9-10 – **Industry:** E-Commerce; **Topic Name:** Data Security & Fraud Protection

Summary of Change – Revise Technical Protocol

The SASB revised the provisional metric CN0404-07, “Number of data security breaches, percentage involving customers’ personally identifiable information (PII), number of customers affected,” to align definitions of “data security breach” and “encryption” with those identified by the National Initiative for Cybersecurity Careers & Studies (NICCS).

Revision #9-12 – **Industry:** E-Commerce; **Topic Name:** Logistics & Packaging Efficiency

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from “Logistics & Packaging Efficiency” to “Product Packaging & Distribution.”

Revision #9-14 – **Industry:** E-Commerce; **Topic Name:** Data Privacy²²³

Summary of Change – Revise Metric

The SASB revised metric CN0404-08 from, “Percentage of users whose customer information is collected for secondary purposes, percentage who have opted-in,” to “Number of users whose information is used for secondary purposes.”

²²³ Please see Revision #9-9 for a revision related to this metric.



Renewable Resources & Alternative Energy Sector

Biofuels

Solar Technology & Project Developers

Wind Technology & Project Developers

Fuel Cells & Industrial Batteries

Forestry Management

Pulp & Paper Products

Prepared by the
Sustainability Accounting Standards Board®

Revision #10-1 – **Industry:** Biofuels; **Topic Name:** Product Formulation & Impacts on Food Markets

2017 Technical Agenda Item #10-1 Description

SASB is evaluating the removal of the topic, including the corresponding metrics RR0101-06²²⁴ and RR0101-07²²⁵ to improve the cost-effectiveness and relevance of the standard.

Summary of Change – Remove Topic and Metrics

The SASB removed the provisional topic Product Formulation & Impacts on Food Markets and the following corresponding metrics:

- RR0101-06: Top five feedstocks used for biofuels production, by weight.
- RR0101-07: Percentage of feedstock grown in food-insecure countries.

Revision #10-2 – **Industry:** Biofuels; **Topic Name:** Water Management in Manufacturing

2017 Technical Agenda Item #10-2 Description

SASB is evaluating revisions to the water quality metric RR0101-05²²⁶ to improve its decision-usefulness.

Summary of Change – Revise Metric

The SASB revised the scope of the metric RR0101-05, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to incidents that result in a formal enforcement action, as opposed to all types of incidents of non-compliance regardless of whether such incidents resulted in enforcement actions.

Revision #10-3 – **Industry:** Biofuels; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #10-3 Description

SASB is evaluating revisions to the topic, including the corresponding metric RR0101-10²²⁷, to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Metric

SASB revised metric RR0101-10, “Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented,” by eliminating references to political influence to improve the cost-effectiveness and materiality of the standard.

²²⁴ RR0101-06: Top five feedstocks used for biofuels production, by weight

²²⁵ RR0101-07: Percentage of feedstock grown in food-insecure countries

²²⁶ RT0101-05: Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations

²²⁷ RR0101-10: Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented

Revision #10-12 – Industry: Solar Technology & Project Developers;
Topic Name: Activity Metrics

Summary of Change – Revise Metric

The SASB removed the activity metric RR0102-A, “Total capacity of photovoltaic (PV) solar modules sold.”

Revision #10-15 – Industry: Solar Technology & Project Developers;
Topic Name: Community & Ecological Impacts of Project Development

Summary of Change – Revise Metric

The SASB replaced the existing metric, RR0102-07 “Project development asset impairments associated with community or ecological impacts” with the following metric: “Total number and duration of project delays due to ecological concerns or impacts.”

Revision #10-16 – Industry: Solar Technology & Project Developers;
Topic Name: Community & Ecological Impacts of Project Development

Summary of Change – Revise Topic Name

The SASB revised the name of the disclosure topic Community & Ecological Impacts of Project Development to Ecological Impacts of Project Development.

Revision #10-34 – Industry: Solar Technology & Project Developers;
Topic Name: Hazardous Materials Management

Summary of Change – Revise Topic Name

The SASB revised the name of the Hazardous Materials Management topic to Hazardous Waste Management.

Revision #10-35 – Industry: Solar Technology & Project Developers;
Topic Name: Product Lifecycle Environmental Impacts

Summary of Change – Revise Topic Name

The SASB renamed the Product Lifecycle Environmental Impacts topic to Product End-of-Life.

Revision #10-25 – Industry: Solar Technology & Project Developers;
Topic Name: Hazardous Waste Management

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol of provisional metric RT0101-09, “Amount of hazardous waste, percentage recycled,” to define hazardous waste and hazardous waste recycled per the regulations prevalent at the point of waste generation. The revised approach will revise the requirement to classify all hazardous waste, regardless of where it is generated, according to the protocols of the U.S. EPA’s Resource Conservation and Recovery Act (RCRA). Additionally, the SASB included a disclosure requirement to report the hazardous waste regulations that were used to classify the company’s waste.

Revision #10-27 – Industry: Solar Technology & Project Developers; Topic Name: Management of Energy Infrastructure Integration & Related Regulations

Summary of Change – Remove Metric

The SASB removed the metric “Average price of solar energy (1) photovoltaic (PV) modules and (2) completed utility-scale systems.”

Revision #10-4 – Industry: Solar Technology & Project Developers; Topic Name: Management of Energy Infrastructure Integration & Related Regulations

2017 Technical Agenda Item #10-4 Description

SASB is evaluating revisions to the topic, including the corresponding metric RR0102-09²²⁸, to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Metrics

SASB revised RR0102-10, “Discussion of risks and opportunities associated with energy policy and its impact on the integration of solar energy into existing energy infrastructure” to remove the requirement to disclose political and lobbying expenditures.

Revision #10-5 – Industry: Solar Energy; Topic Name: Materials Sourcing

2017 Technical Agenda Item #10-5 Description

SASB is evaluating revisions to the topic, including the corresponding metrics RR0102-14 and RR0102-15²²⁹, to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Revise Topic and Metrics

The SASB revised the scope of the Materials Sourcing disclosure topic to better capture potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed provisional metric RR0102-14 “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free.” Additionally, the SASB removed the term “conflict minerals” from the provisional metric RR0102-16 “Discussion of the management of risks associated with the use of critical materials and conflict minerals,” refocused the disclosure on company management of critical materials, and correspondingly updated the technical protocol to require the company to identify primary critical materials that present a risk to its operations.

²²⁸ RR0102-09: Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks

²²⁹ RR0102-14: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free; and RR0102-15: Discussion of the management of risks associated with the use of conflict minerals

Revision #10-26 – **Industry:** Solar Technology & Project Developers; **Topic Name:** Product Lifecycle Environmental Impacts

Summary of Change – Revise Metrics

The SASB revised the metrics associated with the topic Product Lifecycle Environmental Impacts in accordance with the following:

- Replaced the metric RR0102-13 "Discussion of approach to manage use, reclamation, and disposal of hazardous materials" with "Discussion of approach and strategies to designing products for high-value recycling."
- Added the metric "Percentage of products containing IEC 62474 declarable substances, arsenic compounds, antimony compounds, and beryllium compounds."

Revision #10-33 – **Industry:** Wind Technology & Project Developers; **Topic Name:** Design to Mitigate Community & Ecological Impacts

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from "Design to Mitigate Community & Ecological Impacts" to "Ecological Impacts of Project Development."

Revision #10-6 – **Industry:** Wind Energy; **Topic Name:** Materials Sourcing

2017 Technical Agenda Item #10-6 Description

SASB is evaluating the revision and/or removal of metrics RR0103-09²³⁰ and RR0103-10²³¹ to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic and Metrics

The SASB revised the scope of the Materials Sourcing disclosure topic to better capture potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed provisional metric "Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free," conflict-free," and, "Percentage of materials costs for items containing critical materials." Additionally, the SASB removed the term "conflict minerals" from the provisional metric "Discussion of the management of risks associated with the use of critical materials and conflict minerals," and revised the technical protocol to further require the company to identify which primary critical materials present a risk to its operations.

Revision #10-7 – **Industry:** Fuel Cells & Industrial Batteries; **Topic Name:** Product Efficiency

2017 Technical Agenda Item #10-7 Description

SASB is evaluating splitting the topic to improve the quality and clarity of the standard.

²³⁰ RR0103-09: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

²³¹ RR0103-10: Discussion of the management of risks associated with the use of critical materials and conflict minerals

No Proposed Change

Based upon research and approval of the SASB Standards Board, no changes related to Technical Agenda item 10-7 are proposed to the provisional standard at this time.

Revision #10-8 – Industry: Fuel Cells & Industrial Batteries; Topic Name: Materials Sourcing

2017 Technical Agenda Item #10-8 Description

SASB is evaluating the revision and/or removal of metrics RR0104-13²³² and RR0104-14²³³ to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic and Metrics

The SASB revised the scope of the Materials Sourcing disclosure topic to better capture potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB further proposes to remove provisional metric “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free,” conflict-free,” and, “Percentage of materials costs for items containing critical materials.” Additionally, the SASB proposes to remove the term “conflict minerals” from the provisional metric “Discussion of the management of risks associated with the use of critical materials and conflict minerals,” and to revise the technical protocol to require the company to identify which primary critical materials present a risk to its operations.

Revision #10-9 – Industry: Forestry Management; Topic Name: Ecosystem Services & Impacts

2017 Technical Agenda Item #10-9 Description

SASB is evaluating the revision of the technical protocol associated with metric RR0201-02²³⁴ to improve the relevance of the metric.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol of provisional quantitative metric RR0201-02, “Area of forestland with protected conservation status,” and provisional quantitative metric RR0201-03, “Area of forestland in endangered species habitat” as follows to improve their relevance:

RR0201-02

- .11: Update references for areas of protected conservation status to U.S.- and Canadian-based laws.
- .12: Add note to include public lands managed by the registrant.

RR0201-03

²³² RR0104-13: Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

²³³ RR0104-14: Discussion of the management of risks associated with the use of critical materials and conflict minerals

²³⁴ RR0201-02: Area of forestland with protected conservation status; RR0201-03: Area of forestland in endangered species habitat

- .25: Change reference to IUCN regarding both the identification and protection of endangered species and their habitat to U.S. laws.

Revision #10-17 – **Industry:** Forestry Management; **Topic Name:** Ecosystem Services & Impacts

Summary of Change – Revise Technical Protocol

The SASB removed the following line from the technical protocol: “The company may choose to provide discussion around forestlands that are located in protected areas but present low risk to biodiversity or ecosystem services. The company may choose to provide similar discussion for forestlands located in areas with no official designation of high biodiversity value but that present high biodiversity or ecosystem services risks.”

Revision #10-10 – **Industry:** Pulp & Paper Products; **Topic Name:** Air Quality

2017 Technical Agenda Item #10-10 Description

SASB is evaluating the revision of metric RR0202-03²³⁵ to improve its cost-effectiveness and alignment with existing regulations.

Summary of Change – Revise Metric

SASB revised metric RR0202-03 from “Air emissions for the following pollutants: NO_x (excluding N₂O), SO_x, volatile organic compounds (VOCs), particulate matter (PM), and hazardous air pollutants (HAPS)” to “Air emissions for the following pollutants: NO_x (excluding N₂O), SO₂, volatile organic compounds (VOCs), total filterable particulate matter emissions, and hazardous air pollutants (HAPS).” The technical protocol has been updated to reflect these changes and provide guidance regarding associated definitions, scope, compilation, and presentation of the revised metric.

Revision #10-11 – **Industry:** Pulp & Paper Products; **Topic Name:** Energy Management

2017 Technical Agenda Item #10-11 Description

SASB is evaluating revisions to metric RR0202-04²³⁶ to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Revise Metric

The SASB revised metric RR0202-04 “Total energy consumed, (1) percentage grid electricity, (2) percentage from biomass, and (3) percentage from other renewables” to include a reporting category within the existing metric that asks companies to report the share of self-generated energy, and a secondary technical protocol line that allows companies to report the amount of energy sold to a customer or electric utility.

²³⁵ RR0202-03: Air emissions for the following pollutants: NO_x (excluding N₂O), SO_x, volatile organic compounds (VOCs), particulate matter (PM), and hazardous air pollutants (HAPS)

²³⁶ RR0202-04: Total energy consumed, (1) percentage grid electricity, (2) percentage from biomass, and (3) percentage from other renewables

Revision #10-23 – Industry: Pulp & Paper Products; Topic Name: Greenhouse Gas Emissions

Summary of Change – Revise Technical Protocol:

The SASB revised the technical protocol to clarify aspects of the World Resources Institute (WRI) Greenhouse Gas (GHG) guidance related to the calculation and reporting of mobile and biogenic emissions.

Revision #10-24 – Industry: Pulp & Paper Products; Topic Name: Fiber Sourcing & Recovery

Summary of Change – Revise Topic Name

The SASB changed the provisional topic name from “Fiber Sourcing & Recovery” to “Supply Chain Management.”

DRAFT



Infrastructure Sector

- Electric Utilities & Power Generators
- Gas Utilities & Distributors
- Water Utilities & Services
- Waste Management
- Engineering & Construction Services
- Home Builders
- Real Estate
- Real Estate Services

Prepared by the
Sustainability Accounting Standards Board®

Revision #11-1 – Industry: Electric Utilities & Power Generators; Topic Name: Greenhouse Gas Emissions & Energy Resource Planning

2017 Technical Agenda Item #11-1 Description

SASB is evaluating the addition of new metrics, to improve the completeness and decision-usefulness of the metrics associated with the topic, as well as the alignment with existing reporting frameworks and industry metrics.

Summary of Change – Add Metric

The SASB added a new metric, “Greenhouse gas emissions (GHG) associated with power deliveries.”

Revision #11-2 – Industry: Electric Utilities & Power Generators; Topic Name: Water Management

2017 Technical Agenda Item #11-2 Description

SASB is evaluating a revision to the water quality metric IF0101-06²³⁷ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric IF0101-06, “Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations,” to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #11-3 – Industry: Electric Utilities & Power Generators; Topic Name: Community Impacts of Project Siting

2017 Technical Agenda Item #11-3 Description

SASB is evaluating the removal of the topic, including the corresponding metrics IF0101-10²³⁸ and IF0101-11²³⁹, to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Remove Topic and Metrics

The SASB removed the provisional topic, Community Impacts of Project Siting, from the standard, along with the corresponding provisional metrics:

- IF0101-10: Number of projects requiring environmental or social modification, percentage of modifications resulting from formal public interventions or protests
- IF0101-11: Discussion of community engagement processes to identify and mitigate concerns regarding project environmental and community impacts

²³⁷ IF0101-06: Number of incidents of non-compliance with water quality and/or quantity permits, standards, and regulations

²³⁸ IF0101-10: Number of projects requiring environmental or social modification, percentage of modifications resulting from formal public interventions or protests

²³⁹ IF0101-11: Discussion of community engagement processes to identify and mitigate concerns regarding project environmental and community impacts

Revision #11-4 – **Industry:** Electric Utilities & Power Generators; **Topic Name:** Energy Affordability

2017 Technical Agenda Item #11-4 Description

SASB is evaluating the addition of a new topic, including new metrics, based on the potential for performance on this topic to affect corporate value, and to improve the materiality and decision-usefulness of the standard.

Summary of Change – Add Topic and Metrics:

The SASB added the disclosure topic Energy Affordability, including the following corresponding metrics:

- Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers
- Typical monthly electric bill for residential customers for 1) 500 kWh and 2) 1,000 kWh of electricity delivered per month
- Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days
- Description of external factors that impact the affordability of electricity, including the economic conditions of the service territory, and the resulting risks and opportunities

Furthermore, the SASB revised one activity metric and added a new activity metric:

- Revised activity metric, IF0101-A, “Number of (1) residential and (2) commercial customers served,” to incorporate a third customer category, industrial customers
- Added new activity metric, “Total electricity delivered to (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers”

Revision #11-5 – **Industry:** Electric Utilities & Power Generators; **Topic Name:** End-Use Efficiency & Demand

2017 Technical Agenda Item #11-5 Description

SASB is evaluating the addition of new metrics to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric to the topic, End-Use Efficiency & Demand, “Percentage of electric utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM).”

Revision #11-6 – **Industry:** Electric Utilities & Power Generators; **Topic Name:** Management of the Legal & Regulatory Environment

2017 Technical Agenda Item #11-6 Description

SASB is evaluating revisions to the topic, including suitability of the corresponding metrics IF0101-19²⁴⁰, IF0101-20²⁴¹, IF0101-21²⁴², to improve the cost-effectiveness and materiality of the standard.

Summary of Change – Remove Topic and Metrics

The SASB removed the provisional topic, Management of the Legal & Regulatory Environment, from the standard, along with the corresponding metrics:

- IF0101-19: Discussion of policies and processes to identify and manage potential ethical violations resulting from interactions with utility commissions
- IF0101-20: Amount of legal and regulatory fines and settlements associated with allegations of violations resulting from interactions with utility commissions
- IF0101-21: Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented

As a result of the above, the SASB also revised the provisional topic, Greenhouse Gas Emissions & Energy Resource Planning, to incorporate the element of engagement with regulators in the context of GHG emissions and energy resource planning. This resulted in a revision to provisional metric IF0101-02, “Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emission-reduction targets, and an analysis of performance against those targets,” to incorporate the element of compliance with emissions regulations, as well as strategies to attain such regulatory compliance, into the technical protocol.

Revision #11-17 – **Industry:** Electric Utilities & Power Generators; **Topic Name:** Grid Resiliency

Summary of Change – Revise Metric

The SASB revised provisional metric IF0101-17, “Number of incidents of non-compliance with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection [CIP] standards” to focus on compliance with cybersecurity regulations more broadly, as opposed to the NERC CIP standards exclusively. However, the NERC CIP standards have been explicitly incorporated in the technical protocol to clarify that, when they are applicable regulations to the entity, they are explicitly within the scope of the metric. Furthermore, the NERC CIP standards serve as guiding principles designed to establish the types of other cybersecurity regulations included within the scope of the metric.

²⁴⁰ IF0101-19: Discussion of policies and processes to identify and manage potential ethical violations resulting from interactions with utility commissions

²⁴¹ IF0101-20: Amount of legal and regulatory fines and settlements associated with allegations of violations resulting from interactions with utility commissions

²⁴² IF0101-21: Discussion of positions on the regulatory and political environment related to environmental and social factors and description of efforts to manage risks and opportunities presented

The revised metric is: "Number of incidents of non-compliance with physical and/or cyber security standards or regulations."

Revision #11-7 – Industry: Gas Utilities & Distributors; Topic Name: Integrity of Gas Delivery Infrastructure

2017 Technical Agenda Item #11-7 Description

SASB is evaluating the addition of a new topic, including new metrics, based on the potential for performance on this topic to affect corporate value, and to improve the materiality and decision-usefulness of the standard.

Summary of Change – Revise Topic

The SASB revised the provisional disclosure topic, "Operational Safety, Emergency Preparedness, and Response," to remove the aspect of emergency preparedness, retain the focus on the management of safety risks stemming from gas distribution infrastructure, and add the related aspect of GHG emissions stemming from gas distribution infrastructure. The revision results in renaming the topic to "Integrity of Gas Delivery Infrastructure," as well as making the following corresponding changes to the metrics associated with the topic:

- Removed provisional metric IF0102-03: "Average response time for gas emergencies"
- Added new metric: "Percentage of gas (1) transmission and (2) distribution pipelines inspected"
- Revised provisional metric IF0102-05 from "Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout project lifecycles" to "Discussion of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions"

Furthermore, the SASB revised activity metric, IF0102-C, from "Length of distribution pipelines" to "Length of (1) transmission and (2) distribution pipelines."

Revision #11-8 – Industry: Gas Utilities & Distributors; Topic Name: Energy Affordability

2017 Technical Agenda Item #11-8 Description

SASB is evaluating the addition of a new topic, including new metrics, based on the potential for performance on this topic to affect corporate value, and to improve the materiality and decision-usefulness of the standard.

Summary of Change – Add Topic and Metrics:

The SASB added the disclosure topic, Energy Affordability, including the following, corresponding metrics:

- Average retail gas rate for 1) residential, 2) commercial, 3) industrial customers, and 4) transportation services only

- Typical monthly gas bill for residential customers for 1) 50 MMBtu and 2) 100 MMBtu of gas delivered per year
- Number of residential customer gas disconnections for non-payment, percentage re-connected within 30 days
- Description of external factors that impact the affordability of gas, including the economic conditions of the service territory, and the resulting risks and opportunities

Furthermore, the SASB revised two activity metrics:

- Revised activity metric, IF0102-A, from “Number of (1) residential and (2) commercial customers served” to “Number of (1) residential, (2) commercial, and (3) industrial customers served”
- Revised activity metric, IF0102-B, from “Amount of natural gas delivered, percentage delivered to (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third-party” to “Amount of natural gas delivered to (1) residential, (2) commercial, and (3) industrial customers, and (4) transferred to a third-party”

Revision #11-9 – Industry: Gas Utilities & Distributors; Topic Name: End-Use Efficiency

2017 Technical Agenda Item #11-9 Description

SASB is evaluating the addition of new metrics to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Add Metric:

The SASB added a new metric to the topic End-Use Efficiency: “Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM).”

Revision #11-10 – Industry: Water Utilities & Services; Topic Name: Effluent Quality Management

2017 Technical Agenda Item #11-10 Description

SASB is evaluating revisions to metric IF0103-02²⁴³ to improve its decision-usefulness.

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for metric IF0103-02, “Number of incidents of non-compliance with water effluent quality permits, standards, and regulations,” to limit the scope of incidents of non-compliance exclusively to those that result in a formal enforcement action.

²⁴³ IF0103-02: Number of incidents of non-compliance with water effluent quality permits, standards, and regulations

Revision #11-11 – **Industry:** Water Utilities & Services; **Topic Name:** Fair Pricing & Access

2017 Technical Agenda Item #11-11 Description

SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic from “Fair Pricing & Access” to “Water Affordability & Access.”

Revision #11-12: **Industry:** Water Utilities & Services; **Topic Name:** Fair Pricing & Access

2017 Technical Agenda Item #11-12 Description

SASB is evaluating revisions to the topic, including the corresponding metrics IF0103-09²⁴⁴ and IF0103-10²⁴⁵, to improve the materiality and decision-usefulness of the standard.

Summary of Change – Revise Metrics

The SASB removed the following provisional metrics:

- IF0103-09: Number of formal customer complaints regarding pricing of and/or access to water received, percentage withdrawn
- IF0103-10: Discussion of how considerations of fair pricing and access are integrated into determinations of rate structures

And replaced them with the following performance metrics:

- Average retail water rate for (1) residential, (2) commercial, and (3) industrial customers
- Typical monthly water bill for residential customers
- Number of residential customer water disconnections for non-payment, percentage re-connected within 30 days
- Description of external factors that impact the affordability of water, including the economic conditions of the service territory, and the resulting risks and opportunities

Furthermore, the SASB revised two activity metrics, and added a new activity metric:

- Revised activity metric, IF0103-A, “Number of (1) residential and (2) commercial customers served,” to incorporate a third customer category, industrial customers.

²⁴⁴ IF0103-09: Number of formal customer complaints regarding pricing of and/or access to water received, percentage withdrawn

²⁴⁵ IF0103-10: Discussion of how considerations of fair pricing and access are integrated into determinations of rate structures

- Revised activity metric, IF0103-B, “Volume of water delivered and percentage purchased from a third party” to “Total water delivered to (1) residential, (2) commercial, (3) industrial, and (4) all other customers”
- Added new activity metric, “Total water sourced, percentage by source type”

Revision #11-13 – **Industry:** Water Utilities & Services; **Topic Name:** End-Use Efficiency

2017 Technical Agenda Item #11-13 Description

SASB is evaluating the addition of new metrics to improve the decision-usefulness and completeness of the metrics associated with the topic.

Summary of Change – Add Metric

The SASB added a new metric to the topic, End-Use Efficiency: “Percentage of water utility revenues from rate structures that are designed to promote conservation and revenue resilience.”

Revision #11-21 – **Industry:** Water Utilities & Services; **Multiple Topics**

Summary of Change – Revise Activity Metrics

The SASB revised or clarified multiple components of the industry standard to specify the type of industry activity or activities that are applicable to each these components. As a result, multiple disclosure topics, accounting metrics, and activity metrics were revised or clarified by specifying whether water services, wastewater services, and/or stormwater services apply to the topic and/or metric scope. The actions executed are as follows:

1. Revised exposure draft activity metric TA11-12-A, “Number of (1) residential, (2) commercial, and (3) industrial customers served,” to breakout disclosure of each customer type by water service customers versus wastewater service customers; furthermore, allow for additional customer types to be disclosed, as determined and defined by the entity.
2. Revised provisional activity metric IF0103-C, “Average volume of wastewater treated per day,” to separate disclosure by sanitary sewer, stormwater, and combined sewer, as follows: “Average volume of wastewater treated per day, by (1) sanitary sewer, (2) stormwater, and (3) combined sewer.”
3. Revised provisional activity metric IF0103-D, “Length of transportation and distribution lines,” to separate disclosure by pipe or line type, as follows: “Length of (1) water mains and (2) sewer pipe.”
4. Clarified topic, Distribution Network Efficiency, to specify that the topic is exclusively focused on water services.
5. Clarified topic, Network Resiliency & Impacts of Climate Change, to specify that the topic applies to both water services and wastewater services.

6. Revised provisional metric IF0103-14, “Water treatment capacity located in FEMA Special Flood Hazard Areas or foreign equivalent” to specify that the metric applies to both water services and wastewater services; the resulting metric is: “(1) Water and (2) wastewater treatment capacity located in flood hazard areas.”
7. Clarified technical protocols of the following metrics to specify that the metrics apply to all industry activities, though disclosure may be broken out by the type of activity:
 - a. Provisional metric IF0103-01, “Total energy consumed, percentage grid electricity, percentage renewable”
 - b. Provisional metric IF0103-17, “Discussion of efforts to identify and manage risks and opportunities related to the impact of climate change on the distribution network”
8. Clarified technical protocols of the following metrics to specify that the metrics exclusively apply to water services:
 - a. Exposure draft metric TA11-12-01, “Average retail water rate for (1) residential, (2) commercial, and (3) industrial customers”
 - b. Exposure draft metric TA11-12-02, “Typical monthly water bill for residential customers”
 - c. Exposure draft metric TA11-12-03, “Number of residential customer water disconnections for non-payment, percentage reconnected within 30 days”
 - d. Exposure draft metric TA11-13-01, “Percentage of water utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)”²⁴⁶
 - e. Provisional metric IF0103-11, “Customer water savings from efficiency measures by market”
 - f. Provisional metric IF0103-12, “Water pipe replacement rate”
 - g. Provisional metric IF0103-13, “Volume of non-revenue real water losses”
 - h. Provisional metric IF0103-16, “(1) Number of service disruptions, (2) population affected, and (3) average duration”

²⁴⁶ See Revision 11-13 for a revision related to this metric.

Revision #11-22 – Industry: Water Utilities & Services; Topic Name: Distribution Network Resiliency

Summary of Change – Revise Technical Protocol

The SASB revised the technical protocol for provisional metric IF0103-12, “Water pipe replacement rate,” to include pipe rehabilitations and renewals within the scope of “pipe replacements,” as well as to explicitly exclude pipe repairs. Additionally, the wording of the metric has been clarified to include the term “water main” as opposed to “water pipe.” The resulting metric is, “Water main replacement rate.”

Revision #11-23 – Industry: Water Utilities & Services; Topic Name: Drinking Water Quality

Summary of Change – Revise Metric

The SASB revised the provisional metric IF0103-07, “Number of (1) acute health-based, (2) non-acute health-based, and (3) non-health-based drinking water violations,” to include non-compliance with locally applicable drinking water regulations.

Revision #11-24 – Industry: Water Utilities & Services; Topic Name: Drinking Water Quality

Summary of Change – Revise Metric

The SASB revised the provisional metric IF0103-08, “Discussion of strategies to manage drinking water contaminants of emerging concern” to address the following:

- Limit the applicability of the technical protocol that requires speculative disclosure on “risks and/or opportunities associated with the potential for emerging contaminants to [be regulated],” in order to only apply to contaminants that have received a preliminary or positive regulatory determination or a health advisory notice.
- The technical protocol has been expanded to specify that locally applicable drinking water regulations, or proposed regulations, on contaminants of emerging concern are included within the scope of the metric.

Revision #11-26 – Industry: Water Utilities & Services; Topic Name: Network Resilience & Impacts of Climate Change

Summary of Change – Revise Metric

The SASB revised provisional metric IF0103-16, “(1) Number of service disruptions, (2) population affected, and (3) average duration” to:

- Remove the “average duration” component of the metric but specify that disruptions are to be disclosed by length of duration category: under 4 hours, between 4 and 12 hours, or 12 hours or more;
- Revise the metric component on “population affected” to “customers affected;” and

- Clarify the metric wording to communicate that only unplanned service disruptions are within the scope of the metric.

The resulting metric is: "Number of unplanned service disruptions, customers affected, each by duration category."

Revision #11-27 – Industry: Water Utilities & Services; Topic Name: Network Resilience & Impacts of Climate Change

Summary of Change – Revise Metric

The SASB revised provisional metric IF0103-15, "Volume of sanitary sewer overflows (SSO), percentage recovered" to "Number and volume of sanitary sewer overflows (SSO), percentage recovered."

Revision #11-28 – Industry: Water Utilities & Services; Topic Name: Water Scarcity

Summary of Change – Revise Topic and Metrics

The SASB revised the disclosure topic, Water Scarcity, to more broadly address water supply resilience as opposed to water scarcity exclusively. As a result, the topic name was revised to Water Supply Resilience.

Furthermore, the technical protocol associated with provisional metric IF0103-06, "Discussion of strategies to manage risks associated with the quality and availability of water resources," was revised to more comprehensively incorporate water supply risks beyond water scarcity, as well as to explicitly require disclosure of the most significant risks to water supply.

Revision #11-14 – Industry: Waste Management; Topic Name: Management of Leachate & Hazardous Waste

2017 Technical Agenda Item #11-14 Description

SASB is evaluating revisions to metric IF0201-11²⁴⁷ to improve its decision-usefulness.

Summary of Change – Revise Metric

The SASB revised metric IF0201-11, "Number of incidents of non-compliance associated with environmental impacts," to limit the scope of incidents of non-compliance to exclusively those that result in a formal enforcement action.

Revision #11-18 – Industry: Waste Management; Topic Name: Greenhouse Gas Emissions

Summary of Change – Revise Metric

The SASB revised provisional metric IF0201-03 from, "Description of long-term and short-term strategy or plan to manage Scope 1 emissions, emission reduction targets, and an analysis of performance against those targets," to add "lifecycle emissions" to the scope of the metric, as per the following: "Description of

²⁴⁷ IF0201-11: Number of incidents of non-compliance associated with environmental impacts

long-term and short-term strategy or plan to manage Scope 1 emissions and lifecycle emissions, emission reduction targets, and an analysis of performance against those targets.”

Revision #11-19 – Industry: Waste Management; Topic Name: Recycling & Resource Recovery

Summary of Change – Revise Metric

The SASB revised provisional metric IF0201-18 “Percentage of customers receiving (1) recycling and (2) composting services, by customer type,” and IF0201-19 “Amount of material (1) recycled and (2) composted,” to exclude waste-to-energy from the scope of recycling. Additionally, provisional metric IF0201-19 was also revised to add waste-to-energy as a third category for disclosure.

Revision #11-20 – Industry: Waste Management; Topic Name: Labor Relations

Summary of Change – Revise Topic Name

The SASB revised the provisional topic name from “Labor Relations” to “Labor Practices.”

Revision #11-15 – Industry: Engineering & Construction Services; Topic Name: Business Ethics & Bidding Integrity

2017 Technical Agenda Item #11-15 Description

The SASB is evaluating the suitability of the topic name.

Summary of Change – Revise Topic Name

The SASB renamed the provisional topic, changing it from “Business Ethics & Bidding Integrity” to “Business Ethics.”