



Summary of Meeting Outcomes

Public Standards Board Meeting

June 23, 2020

The following represents a staff summary of the outcomes of public meetings of the Sustainability Accounting Standards Board (SASB). Meeting outcomes may include final decisions made by the Board in accordance with the SASB Rules of Procedure, preliminary Board decisions that are tentative and subject to change until they receive final Board approval, or other outcomes resulting from Board discussions or staff updates.

The meeting recording, materials, and a schedule of upcoming meetings are available at the [Standards Board Meeting Calendar & Archive](#).

The current SASB standards are available at [Download Current Standards](#). Information on projects can be found on the [Current Projects](#) page. [Subscribe](#) to receive standards-related updates or [provide input](#) on the SASB standards.

Agenda Planning

- Staff presented an overview of the current project pipeline, including brief updates on ongoing standard-setting and research projects that were not on the agenda for discussion. Additional discussion included ways that stakeholders can remain apprised of SASB's project work as well as how to engage with SASB on projects of interest.
- Staff additionally provided a brief summary of how it is approaching research related to the ESG implications of the COVID-19 pandemic, as well as work to establish a technical corrections process.



Standard-Setting Projects

Plastics Risks and Opportunities in Pulp & Paper Products and Chemicals Industries

- The Board unanimously agreed to add a project related to single-use plastics/bio-alternatives for the Chemicals and Pulp & Paper Products industries to the standard-setting agenda.
- The purpose of this project is to identify and evaluate specific disclosure topics and resulting metrics that encapsulate the financial risks and opportunities associated with a shifting regulatory and demand-side environment for single-use plastics and bio-alternatives for inclusion in the Chemicals and Pulp & Paper Products industry standards.
- Staff will continue research and consultations with an aim to produce an exposure draft for the Board's review and potential approval within the next six months.

Tailings Management in Extractives

- The Board discussed a preliminary decision to add a new Tailings Management disclosure topic to the Metals & Mining and Coal Operations industry standards. The new topic will fall under SASB's Leadership & Governance sustainability dimension and will be associated with the Critical Risk Incident Management general issue category. The Board expressed support for this preliminary decision with no Board members expressing significant concerns or reservations at this point.
- The preliminary decision included maintaining the Waste & Hazardous Materials Management disclosure topics in the two industry standards, but narrowing their scope to industrial waste issues as risks related to tailings facilities will be addressed in the new disclosure topics cited above.
- Staff will continue research and consultation in further support of metrics development based on the preliminary decisions on disclosure topics made by the Board. Staff plans to present the Board with a proposed exposure draft for both industries within the next three months, though notes timing implications of third-party market initiatives on tailings that may impact the project timeline.



Systemic Risk in Asset Management

- The Board discussed a preliminary decision to remove accounting metric FN-AC-550a.1 from the Asset Management & Custody Activities Standard, which calls for a breakdown of open-end fund assets by liquidity category. The Board expressed support for this preliminary decision with no Board members expressing significant concerns or reservations at this point.
- The staff identified additional areas in which the topic's scope and associated metrics may be enhanced, and will thus continue research and consultation in order to develop an exposure draft for the Board's review.

Research Projects

Content Moderation on Internet Platforms

- The staff presented key highlights of consultations held to date and elements of a proposed Content Moderation taxonomy, which outlines key social themes related to content moderation and the industries to which they apply.
- Staff indicated it is likely to present a proposal to initiate standard-setting in the Internet Media & Services industry in the future based on its research and consultation to date.
- The Board discussed questions from staff to inform ongoing considerations around the need for standard-setting. Board member views were expressed on: 1) the extent to which staff should engage social media platforms with smaller user bases; 2) how staff should pursue evidence-based research given regulatory momentum in this area; and 3) how staff should evaluate the "worker health & safety" theme described in the taxonomy. No Board decisions were made.
- Next steps in the project will consist of further consultations, revisions to the taxonomy based on Board feedback and additional market input, and documentation of evidence of financial impact, with a focus on social media platforms.



Other Projects

Conceptual Framework & Rules of Procedure

- The Board discussed four main topics relating to the *Conceptual Framework* and *Rules of Procedure*, which serve as key governing documents for SASB's standard-setting work: 1) the complementary relationship between the *Conceptual Framework* and *Rules of Procedure* documents; 2) the potential removal of the six Guiding Principles within the *Rules of Procedure* and subsequent replacement with a reference to the tenets and objectives detailed within the *Conceptual Framework*; 3) The potential addition of "transparency" as a tenet within the *Conceptual Framework*; 4) the revision of the criteria for topic and metric selection.
- The Board discussed and staff emphasized that revisions to the *Conceptual Framework* and *Rules of Procedure* will not substantively alter SASB's core principles or the process through which standard-setting is carried out, but rather will focus on how those principles and processes are articulated.
- The next steps for the projects consist of staff continuing to draft revisions to the *Conceptual Framework* and *Rules of Procedure* based on views expressed by Board members. Staff plans to present proposed exposure drafts of both documents for the Board's review in August 2020.