



PRESS RELEASE

SASB Initiates New Standard-Setting Project to Address Plastics in Pulp & Paper Products and Chemicals Industries

SAN FRANCISCO, June 25, 2020—The [Sustainability Accounting Standards Board](#) (SASB) voted to initiate a new standard-setting project to address single-use plastics and bio-alternatives in the Chemicals and Pulp & Paper industries. Heightened public scrutiny of the environmental impacts of plastics use has contributed to increased regulation and shifting customer demand for packaging, creating risks and opportunities for companies in key industries and their investors. The project, which was unanimously approved by the Board, will address important implications raised through evidence-based research and market consultation. The SASB staff will commence further research and consultation with an aim to propose updates to the industry standards within the next six months for board review and, if approved, public comment. This project was approved at the [June 23, 2020 public meeting](#) of the [Standards Board](#).

During the public meeting, the Standards Board also reviewed next steps on two ongoing standard-setting projects. First, the Board discussed a preliminary decision to add a [Tailings Management](#) topic to the SASB standards for the Metals & Mining and Coal Operations industries. This new topic builds on the existing coverage of tailings facilities in the SASB Standards to more completely address an issue that is receiving significant attention from investors in the wake of recent high-profile events. Second, the Board discussed a preliminary decision to remove an accounting metric (FN-AC-550a.1) from the [Systemic Risk](#) topic in the Asset Management & Custody Activities industry because it no longer provides a representationally faithful measure of liquidity risk in light of regulatory developments. The staff identified additional areas in which the topic's scope and associated metrics may be enhanced and will thus continue research and consultation. The Standards Board was supportive of the preliminary decisions for both these projects.

“The COVID-19 pandemic highlights just how quickly global sustainability issues can evolve,” says Standards Board Chair Jeffrey Hales. “Our standards are designed to evolve alongside the market. As seen by the progress discussed at our recent Board meeting, SASB’s [project-based model](#) is designed to effectively address broad themes, regulatory changes, and other trends that can affect multiple sectors.”

The meeting also included updates on ongoing projects. The SASB staff presented key highlights of consultations held to date for the [Content Moderation](#) on Internet Platforms research project, including a taxonomy of three key social themes and the industries to which they apply. The staff also sought the Board’s input regarding ongoing revisions to the [Conceptual Framework](#) and [Rules of Procedure](#) projects. Upon completion of the revision process, the revised documents will be issued for public comment, subject to Standards Board approval. SASB anticipates the public comment periods for both documents will begin in August of 2020.

“Under the direction of the Standards Board, the SASB staff is actively advancing 10 standard-setting and research projects,” says SASB Director of Research—Standards Bryan Esterly. “In addition, we are closely monitoring impacts of the COVID-19 pandemic, which has aspects that relate to all five of SASB’s sustainability dimensions: the environment, social capital, human



capital, business model and innovation, and leadership and governance. Our analysis of these trends, as well as engagement with companies and investors, may give rise to new issues for consideration for standard-setting or new thinking about the issues already addressed in the standards.”

SASB’s rigorous standard-setting process includes evidence-based research, broad and balanced stakeholder participation from companies and investors, and independent oversight and direction from the Standards Board. [Standard-setting meetings](#) of the Standards Board are open to members of the public via livestream. The next meeting is September 17-18, 2020.

Visit [SASB.org](https://sasb.org) for more information about SASB's [standard-setting process](#) and [current projects](#).

About SASB

The Sustainability Accounting Standards Board (SASB) Foundation, which supports and oversees the Standards Board, is an independent, nonprofit international standard-setting organization that develops and maintains robust reporting standards that enable businesses around the world to identify, manage, and communicate financially material sustainability information to investors. SASB standards are evidence based, developed with broad market participation, and are designed to be cost-effective for companies and decision-useful for investors. To download any of the 77 industry-specific standards, or learn more about SASB, please visit [SASB.org](https://sasb.org).

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