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REPORT OF THE SASB CHAIR

November 12, 2020 to February 8, 2021

Item I: Standards-Setting Activities

A. Meetings of the Standards Board

- On Dec 2, the Standards Board held a public web-based meeting. A recording of the public meeting is available on SASB's website. At the public meeting, the Standards Board discussed several projects, including the following highlights:
 - The Board heard the staff's analysis of consultation findings for the standard-setting project on Raw Materials Sourcing in Apparel and agreed with the staff's recommendation to maintain the project scope and to pursue the development of a proposed standards update that could be released for public comment.
 - For the Systemic Risk in Asset Management standard-setting project, staff presented preliminary findings from research and stakeholder consultation and discussed next steps with the Board. Specifically, the discussion centered on the removal of the relevant disclosure topic and proceeding to the exposure draft stage, while exploring considerations around a new disclosure topic.
 - Staff presented an update on the Human Capital research project, including discussion of the preliminary human capital framework, the upcoming consultation period, and recent market developments.
 - For the Alternative Meat & Dairy research project, staff presented key findings from public consultation, including views on relevance of the issue in key industries and an assessment of findings against criteria for standard setting. The Board expressed further interest in understanding the financial impacts of this topic and supported the prioritization of three industries for continued evaluation of standard setting: Meat, Poultry & Dairy, Food Retailers & Distributors, and Processed Foods. Staff will conduct additional research and consultation and continue formulating a view on advancing to standard setting.
- The Standards Board will hold meetings on Feb 25-26 and May 4-5, 2021. The meetings are planned to include a standard-setting meeting open to observers from the public, and an administrative meeting that is internal only.

B. Additional Agenda Updates

- On Dec 16, the Standards Board opened a public consultation to help finalize the body of evidence supporting the project and identify the industry-specific impacts of the themes

outlined in SASB's preliminary human capital framework. The public consultation will remain open until Feb 12, 2021.

- On Dec 20, the Standards Board issued exposure drafts and an invitation to comment for proposed changes to the Metals & Mining and Coal Operations Standards. The Board proposes adding a new disclosure topic, Tailings Storage Facilities Management, and three corresponding metrics to both standards. The proposed topic reflects expanded coverage of the risks associated with management of tailings storage facilities (TSFs), including maintaining safe operations of facilities, failure prevention, and emergency preparedness. The public comment period will remain open until Mar 17, 2021.

Item II: Interaction with the SASB Foundation, Advisory Groups, and Stakeholders

A. SASB Foundation Board of Directors

- On Dec 3, the Chair of the Standards Board attended a web-based meeting of the Foundation Board of Directors.
- On Nov 17, the Chair of the Standards Board attended a web-based meeting of the Nominating and Governance Committee.

B. Key Stakeholder Interaction

- On Jan 19, the Chair of the Standards Board attended a web-based meeting of the Climate Disclosure Standards Board (CDSB) as a member of the CDSB Board.

C. Standards Advisory Group

- On Dec 8th and 9th, the SASB Research Team virtually hosted the annual Standards Advisory Group Workshop for Asia and the US/Europe, respectively. The workshops consisted of a series of presentations providing an update on SASB's momentum and the growth of investor and corporate support over the course of 2020. Additionally, the workshops featured breakout sessions focused on a several topics including the following: SASB's Standards Application Guidance, SASB disclosures in the era of COVID, SASB's Conceptual Framework, industry-specific human capital issues, alignment between standards and frameworks, and reporting across multiple industries.
- On Jan 21, the Research Team hosted a webinar for the launch of the Data Security Working Group. The goal of this Working Group is to solicit feedback from a range of stakeholders regarding the current SASB metrics and generate ideas for alternative approaches.
- Research Team project leads have engaged with SAG members as a part of the consultation phase of all research and standard-setting projects.
- Members of the Research Team continue to have 1-on-1 conversations with SAG members regarding a series of topics related to challenges and opportunities related to the implementation and use of the SASB Standards, as well as potential research projects.

Item III: Additional Stakeholder Education and Communications

A. Speaking Engagements and Presentations (SASB Board and Staff)

- Members of the Standards Board and Research team provided support for stakeholder education and communication by speaking at many events. Highlights include:
 - Corporate Board Member's 16th Annual Boardroom Summit (November 19, Jeff Hales, Standards Board)
 - Petroleum Equipment and Services Association ESG Event (November 19, David Parham, Research Team)
 - CPA Canada Oil & Gas Conference (November 19 – 20, David Parham, Research Team)
 - Teacher Retirement System of Texas (December 8, Jeff Hales, Standards Board, Greg Waters, Research Team, and Jeff Cohen, SASB Staff)
 - SASB Human Capital Public Consultation Webinar Launch (January 12, Kelli Okuji Wilson, Marvin Smith, Research Team)
 - 2021 AIF Annual Investors' Meeting (January 14, Jeff Hales, Standards Board)
 - Fourth Annual 2021 Houston Board of Directors Forum, NACD (January 16, Jeff Hales, Standards Board)
 - Tailings Management Webinar (January 19, Ekaterina Hardin, Research Team)
 - Capitals Coalition Human Capital Webinar (January 21, Kelli Okuji Wilson, Research Team)
 - The Real Estate Round Table - Sustainability Policy Advisory Committee Virtual Meeting (January 27, Will Meister, Bryan Esterly, Research Team)
 - Fordham University School of Law and Gabelli School of Business (February 2, Jeff Hales, Standards Board)
 - Purdue University (February 5, Jeff Hales, Standards Board)

B. Other Public Meetings

- On Jan 12, the Research Team hosted a webinar on the Human Capital research project. The webinar provided an update on the public consultation phase of the Human Capital project and an explanation of the stakeholder-specific surveys being used to gather feedback.
- On Jan 19, the Research Team hosted a webinar on the Tailings Management standard setting project. The webinar focused on the proposed changes to the standards associated with the Tailings Management project and how stakeholders can provide feedback during the Public Comment Period.

C. Other Items

- SASB has updated its website to provide improved navigation and usability, including a more user-friendly way to download the SASB Standards and related content and access information about research and standards-setting projects that are in process.