

SASB Taxonomy Comments

General Responses

1. Do you foresee any issues with the taxonomy being used globally across jurisdictions?

Specific comments can be found below with specific examples. The overall assessment is that the taxonomy currently could incorporate more elements from the IFRS and US-GAAP taxonomies. This also addresses the question of “Should SASB taxonomy use elements from GAAP/IFRS taxonomies where applicable?”

2. Do you have any recommendations to enable wider adoption of XBRL based SASB reporting?

Provide elements that are consistent with general reporting principles of IR framework

E.g., IR January 2021, Part 4.7:

“The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy.”

Suggestion – create textBlock for companies to tag this qualitative disclosure

3. Do you agree with the recommendation of anchoring that we have proposed for taxonomy extension?

Yes – in general, anchoring provides a way for data consumers to understand extensions at scale.

4. Should SASB taxonomy use typed dimensions?

The SASB taxonomy team should collaborate with FASB’s XBRL team on typed dimensions. Whilst typed dimensions are incorporated into the U.S. GAAP taxonomy, and it is encouraged that the SASB taxonomy should leverage the modeling approach used in other taxonomies like US GAAP and IFRS, the tagging implications of typed dimensions needs to be analyzed thoroughly before this modeling approach is propagated. For example, were there any unintended consequences of introducing the typed dimension to the U.S. GAAP taxonomy? What is the general design principle of including typed dimensions into the particular area(s) of the U.S GAAP taxonomy, and does that design principle apply to the SASB taxonomy?

5. Has the taxonomy adequately addressed tagging of TCFD disclosures?

No comment

6. In the preparer guide, we have outlined a process for governing the taxonomy going forward. Please let us know if you have recommendations and/or the structure of the proposed taxonomy review committee.

The establishment of a taxonomy review committee is strongly encouraged. Participants in the taxonomy review committee should represent the stakeholders in the ESG ecosystem – representatives from the standard setters (IFRS/FASB), SEC or other similar non-U.S. regulatory bodies, AICPA or other similar non-U.S. organizations, public accounting firms, filers (both U.S. and non-U.S.), the investment community, and data aggregators.

Detailed Comments

The following observations are categorized into these sub-topics:

(1) Wide adoption

- (a) The SASB taxonomy should leverage existing elements in the FASB’s US GAAP Reporting Taxonomy and SEC taxonomies as much as possible. For example, the SEC’s countries taxonomy (COUNTRY) elements should be referenced and modeled directly in the taxonomy, especially if the goal is to promote its international adoption.

Suggest: adding the elements directly (e.g, country_AU) as children under srt_StatementGeographicalAxis in the link role “191000 - Statement - Common Domain Members”.

- (b) Taxonomy currently references SRT (SEC Reporting Taxonomy) elements – this limits usability of the taxonomy outside of the U.S. (e.g., srt_ProductOrServiceAxis). Consider including elements also from IFRS Taxonomy (e.g., ifrs_ProductsAndServicesAxis)

(2) Usability of the taxonomy

- (a) This element sasb-dei-corporate_NameOfReportingEntityOrOtherMeansOfIdentification should be bifurcated into two elements. One that is purely for “Name of the reporting entity” and another element for “Unique identifier” and have an enumerated list (CIK, LEI, etc). Alternatively, keep the element sasb-dei-corporate_NameOfReportingEntityOrOtherMeansOfIdentification as is and have an enumerated list for identifier (Company Name, CIK, LEI).

- (b) For comparability, the element `sasb-dei-cor_DocumentType` should have an enumerated list.

Specific Standard Mapping to SASB Taxonomy – E-Commerce

The E-Commerce industry standard is used as one example to map through and provide comments. Any comments pertaining specifically to E-Commerce can be generalized to other SASB industry standards as well.

(1) The elements provided should allow for additional voluntary disclosure as permitted by the standard. For example, Note to CG-EC-330a.1(4) states: “The entity may disclose results of other survey findings, such as the percentage of employees who are: proud of their work/where they work, inspired by their work/co-workers, and aligned with corporate strategy and goals.” The taxonomy should provide elements for:

- a. The percentage of employees who are proud of their work/where they work;
- b. The percentage of employees who are inspired by their work/co-workers; and
- c. The percentage of employees who are aligned with corporate strategy and goals.

If the taxonomy does not accommodate for such voluntary disclosures, as permitted by the standard, then there is a risk that companies following the examples laid out by Note to CG-EC-330a.1(4) may create extensions, thereby reducing comparability.

(2) This is more a commentary of the SASB standards, per se, rather than the taxonomy itself, which is simply a reflection of the standards. However, in order to encourage adoption of the SASB standards in non-US jurisdictions, the breakdown of employees by gender and racial/ethnic groups should not be limited to just the U.S.:

“The entity shall disclose gender representation for all employees and racial/ethnic group representation for its U.S. employees by employee category.” - CG-EC-330a.3.(1)

The taxonomy should provide `srt_StatementGeographicalAxis` in this presentation hierarchy as siblings to `sasb_GenderAxis` and `sasb_RaceEthnicityAxis`. This would facilitate filers who want to disclose the following (CG-EC-330a.3.(7)):

“The entity may provide supplemental disclosures on gender and/or racial/ethnic group representation by country or region.”

(3) Again, whilst the SASB standards may be U.S.-centric, some of the taxonomy elements can be generalized. For example, `sasb_EmployeesPercentageOfTechnicalStaffWhoAreH1BVisaHolders` may not be

applicable to filers in non-U.S. jurisdictions. Therefore, expanding the definition of this element to include “equivalent working visas in Non-U.S. jurisdictions” may encourage less extensions being made by non-U.S. filers.