SASB’S SUSTAINABLE INDUSTRY CLASSIFICATION SYSTEM® (SICS®)

It is increasingly clear that a company’s market value is determined by more than financial performance. In many industries, as much as 80 percent of market capitalization is made up of intangibles such as intellectual capital, customer relationships, brand value, and other forms of capital—e.g., environmental, social and human. Traditional financial tools tell only a part of the story. SASB’s Sustainable Industry Classification System® (SICS®) uses an impact-focused methodology categorizing companies under a sustainability lens. SICS builds on and complements traditional classification systems by grouping companies into sectors and industries in accordance with a fundamental view of their business model, their resource intensity and sustainability impacts, and their sustainability innovation potential. Each of the following 77 industries (across 11 sectors) has its own unique set of sustainability accounting standards in the SASB system.