



Summary of Meeting Outcomes

Public Standards Board Meeting

March 5, 2021

The following represents a staff summary of the outcomes of a public meeting 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 specific projects can be found on the [Active Projects](#) page. [Subscribe](#) to receive standards-related updates or [provide input](#) on SASB Standards.

Agenda Planning

- Staff presented an overview of the current project pipeline, including brief updates on ongoing research projects and standard-setting activities that would not be included in the subsequent sessions of the meeting.
- Staff provided general updates related to the sustainability disclosure space and SASB specifically. This included an updates on:
 - Value Reporting Foundation merger progress;
 - Issuance of key publications, including *A Practical Guide to Sustainability Reporting Using GRI and SASB Standards*, a jointly developed paper that illustrates how the GRI and SASB Standards can be used in a complementary fashion, as well as SASB's *Climate Risk Technical Bulletin*, which demonstrates how climate risks and opportunities manifest in industry-specific ways across the SASB Standards;
 - SASB's participation in the IFRS Foundation Trustees' technical readiness working group focused on accelerating progress toward global



sustainability disclosure standards focused on enterprise value creation;
and

- A summary of SASB's progress toward establishing its XBRL Taxonomy.

Research Projects

Human Capital

- Staff presented a series of proposed project tranches, and recommended prioritization of those tranches, based on the findings of the Human Capital research project to date. The Board generally supported the staff view, with several areas of discussion centered on the nature, or the prioritization, of various project tranches.
- The Board expressed general support for prioritizing the workplace culture project tranche, which includes diversity and inclusion, though some Board members encouraged a broader focus on workplace culture.
- The Board expressed substantial support for an industry-agnostic workstream centered on broadly applicable, fundamental human capital information needs by investors. While staff clarified that the outcomes of this workstream are uncertain, including any direct implications for the SASB Standards, the Board supported the concept that some fundamental principles related to human capital may benefit from an industry-agnostic approach. Staff further clarified that this workstream does not alter the overall importance of industry-specificity in generating decision-useful information for investors.
- The Board generally acknowledged the staff view that the alternative workforce theme may be best addressed through the other proposed project tranches. However, some Board members encouraged greater prioritization of this theme based on the significant financial implications of workforce models.
- Staff reviewed the next steps in the project, which consist of presenting the proposed staff work plan to the Board, as well as the initial project(s) related to the priority tranche (workplace culture and industry-agnostic human capital information).

Supply Chain Management in the Tobacco Industry

- Staff presented key findings from the Supply Chain Management in the Tobacco Industry research project. Research and consultation findings indicated that while sustainability issues related to supply chain management are likely to



present material financial implications, investor interest in the issue varies widely and there is uncertainty about the market needs that SASB could serve through standard setting.

- The Board supported the staff view to conclude the research project without initiating standard setting, while applying the findings of the research project to a supply chain management project that is broader than the Tobacco industry in the future. While the Board expressed interest in the staff pursuing a broader supply chain management project, no timeline or next steps were discussed, based on the acknowledgement that various other projects are higher priority at present.

Alternative Meat & Dairy

- Staff presented key research and consultation findings from the Alternative Meat & Dairy research project, which included a staff recommendation to initiate a standard-setting project.
- The Board unanimously agreed to initiate the standard-setting project recommended by staff: Alternative Products in Food & Beverage. The project scope includes the consideration of new or revised disclosure topics and metrics to address alternative products in the Meat, Poultry & Dairy industry and the Food Retailers & Distributors industry.
- The Board agreed to exclude the Restaurants and Non-Alcoholic Beverages industries from the scope of the standard-setting project. The Board discussed considerations and trade-offs related to whether the Processed Foods industry should be within the scope of the standard-setting project. The discussion centered on challenges related to the prevalence of alternative products in the industry and the feasibility of developing improvements to the existing Standard. The Board ultimately agreed to exclude the Processed Foods industry from the scope of standard setting, but encouraged a resolution to the ongoing research project in a timely manner, given that the sole outstanding question pertains to whether standard setting should be pursued in the Processed Foods industry.

Standard Setting Projects

Tailings Management in Extractives

- Staff presented the results of the recently concluded public comment period, in which 15 public comment letters were received from a range of market participants.



- The Board discussed a theme arising out of public comments centered on the appropriate level of alignment between the SASB Standards and the Global Industry Standard on Tailings Management (GISTM). Board members noted the differing objectives between the SASB Standards and the GISTM, which the Board generally agreed indicates careful consideration around alignment. However, the Board remained generally supportive of continued alignment with GISTM, when consistent with the SASB *Conceptual Framework*, and expressed caution around unnecessary divergence.
- The Board discussed a second theme observed in public comments centered on definitions for the terms “material findings” and “significant incidents.” The discussion focused on challenges related to the lack of clear definitions for these terms. Board members provided a range of suggestions for staff to consider as it advances forward.
- Next steps for the project include continuing deliberations on any further revisions to the exposure draft and continuing to engage with market participants to ultimately inform the staff recommendations to the Board.