High-level panel:  Recent trends and key challenges in enterprise reporting agenda and impact of COVID-19

Presented by

Robert Hirth
Co-Vice Chair
Sustainability Accounting Standards Board
90% of S&P 500 Publish ESG/Sustainability Reports (Source: G&A Institute)
ESG Framework Statistics and Assurance

- 65% responded to CDP’s questionnaire
- 50% report using GRI
- 36% aligned with the UN SDG’s
- 25% reference or align with SASB (14% aligning, 11% mentioning)
- 16% reference or report on TCFD (only 5% reporting)

- 29% reported some form of external assurance, with engineering firms having the largest market share of third party assurers.
Multiple Frameworks Being Reported- Company Response

• This Sustainability Report details our sustainability performance for 2019 and early 2020. To supplement this report, we publish summary information online and in an eight page summary.

• We support and align with the world’s leading sustainability reporting frameworks. You can find all our indexes on our downloads page.

- Bloomberg Gender-Equality Index (GEI)
  – Global Reporting Initiative (GRI) Content Index
  – Sustainability Accounting Standards Board (SASB) Index
  – Task Force on Climate-related Financial Disclosures (TCFD) Index
  – UN Global Compact (UNGC) Communication on Progress Index
  – UN Guiding Principles Reporting Framework (UNGPRF) on Human Rights Index
  – United Nations Sustainable Development Goals (UN SDGs) Index
United Nations Sustainable Development Goals

XYZ is committed to supporting the achievement of the United Nations Sustainable Development Goals (SDGs), which aim to address global challenges and achieve peace and prosperity for all.

Of the SDGs, our ESG program supports and aligns most closely with the following ten. As we continue to enhance our ESG program, we will seek ways to further how we can positively impact the SDGs.
We understand the urgency of the Paris Agreement and the UN Intergovernmental Panel on Climate Change’s science-based target of limiting the global temperature increase to well below 2 degrees Celsius. We believe that addressing climate change requires a holistic management approach and the tracking and monitoring of our greenhouse gas (GHG) emissions and our executive and management teams understand that there are two distinct elements of climate change that impact our company: adaptation and mitigation.

We are addressing both adaptation and mitigation with oversight and guidance from our board of directors and have implemented a robust management system to identify associated risks and opportunities. This Task Force on Climate-related Financial Disclosures (TCFD) report aims to provide our stakeholders with information about our climate change governance framework, strategy, risks and opportunities, relevant metrics and targets.
One Company’s Reporting

**Employees**
- Implemented work-from-home procedures across the organization for over 4,000 employees
- Revised critical work practices to protect the safety of over 7,400 field-based employees
- Expanded existing paid leave policies for domestic employees

**Customers**
- Provided uninterrupted essential service to our 3 million customers
- Maintained a high level of safety and customer service performance
- Temporarily suspended disconnections due to non-payment
- Available 24/7 to respond to emergency calls

**Communities**
- Provided critical services to hundreds of healthcare centers and testing facilities
- Donated over $600,000 of financial support to organizations in many of the communities in which we operate to assist residents in need
- Partnered with the American Red Cross blood drive
Industries Grouped by Resource Intensity & Sustainability Impacts

Sustainable Industry Classification System (SICS®): 77 industries within 11 sectors

**Consumer Goods**
- Apparel, Accessories & Footwear
- Appliance Manufacturing
- Building Products & Furnishings
- E-Commerce
- Household & Personal Products
- Multiline and Specialty Retailers & Distributors
- Toys & Sporting Goods

**Extractives & Minerals Processing**
- Coal Operations
- Construction Materials
- Iron & Steel Producers
- Metals & Mining
- Oil & Gas - Exploration & Production
- Oil & Gas - Midstream
- Oil & Gas - Refining & Marketing
- Oil & Gas - Services

**Financials**
- Asset Management & Custody Activities
- Commercial Banks
- Consumer Finance
- Insurance
- Investment Banking & Brokerage
- Mortgage Finance
- Security & Commodity Exchanges

**Food & Beverage**
- Agricultural Products
- Alcoholic Beverages
- Food Retailers & Distributors
- Meat, Poultry & Dairy
- Non-Alcoholic Beverages
- Processed Foods
- Restaurants
- Tobacco

**Health Care**
- Biotechnology & Pharmaceuticals
- Drug Retailers
- Health Care Delivery
- Health Care Distributors
- Managed Care
- Medical Equipment & Supplies

**Infrastructure**
- Electric Utilities & Power Generators
- Engineering & Construction Services
- Gas Utilities & Distributors
- Home Builders
- Real Estate
- Real Estate Services
- Waste Management
- Water Utilities & Services

**Renewable Resources & Alternative Energy**
- Biofuels
- Forestry Management
- Fuel Cells & Industrial Batteries
- Pulp & Paper Products
- Solar Technology & Project Developers
- Wind Technology & Project Developers

**Resource Transformation**
- Aerospace & Defense
- Chemicals
- Containers & Packaging
- Electrical & Electronic Equipment
- Industrial Machinery & Goods

**Services**
- Advertising & Marketing
- Casinos & Gaming
- Education
- Hotels & Lodging
- Leisure Facilities
- Media & Entertainment
- Professional & Commercial Services

**Technology & Communications**
- Electronic Manufacturing Services & Original Design Manufacturing
- Hardware
- Internet Media & Services
- Semiconductors
- Software & IT Services
- Telecommunication Services

**Transportation**
- Air Freight & Logistics
- Airlines
- Auto Parts
- Automobiles
- Car Rental & Leasing
- Cruise Lines
- Marine Transportation
- Rail Transportation
- Road Transportation
SASB’s Materiality Map®
A first view of exposure to material sustainability risks across a diversified portfolio

SASB Materiality Map®
SASB’s Materiality Map® identifies sustainability issues that are likely to affect the financial condition or operating performance of companies within an industry. In the left-hand column, SASB identifies 26 sustainability-related business issues, or General Issue Categories, which encompass a range of Disclosure Tools and their associated Accounting Matrices that vary by industry. For example, the General Issue Category of Customer Welfare encompasses both the Health and Nutrition topic in the Processed Foods Industry and the Counterfeit Drugs topic in the Health Care Distributors Industry. For commercial use terms of the Materiality Map, please contact us.

Sector Level Map
- Issue is likely to be material for more than 50% of industries in sector
- Issue is likely to be material for fewer than 50% of industries in sector
- Issue is not likely to be material for any of the industries in sector

Industry Level Map
- Not likely a material issue for companies in the industry
- Likely a material issue for companies in the industry

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Consumer Goods
Extractives & Minerals Processing

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