

SASB Newsletter *December 2015 ISSUE*

Happy Holidays from SASB



The spirit of the holiday season is particularly resonant at the SASB this year. Themes like peace, hope, and joy speak to our work as much as they do to our hearts.

PEACE

We find peace in the long-awaited opportunity for deep reflection that 2016 offers. In March, we'll deliver standards for our final sector, officially completing the provisional phase of our standards-setting work. We'll enter a quiet period of implementation review and deep consultation with issuers and analysts—understanding the patterns of systemic risk and evaluating the materiality, decision-usefulness, and cost effectiveness of the standards, prior to their codification. We've been issuing standards sector by sector for 11 quarters in a row since Q3 2013. We welcome the coming period of peaceful implementation review and consultation.

HOPE

We find hope in the overwhelming support we continue to receive from our stakeholders. More than 2,800 investors, corporate professionals, and other market participants have already [helped shape the standards](#), ensuring that investor-grade information on material sustainability factors can be supplied to the capital markets in a cost-effective way. From climate risk to counterfeit drugs, we are hopeful that disclosure will allow investors and issuers to better understand and manage their risk exposures. With your continued support, our financial markets will become a more efficient economic engine, creating sustainable value for investors, businesses, and society at large.

Implementation Guide for Companies

Download the Guide from new "Using SASB" portal



In early December, SASB launched the [SASB Implementation Guide for Companies](#). The guide provides structure and key considerations for companies seeking to implement sustainability accounting standards within their existing business functions and processes.

It helps companies:

- Select sustainability topics
- Assess disclosure readiness and alignment gaps
- Evaluate and benchmark performance
- Integrate into existing business processes
- Present information for disclosure

[Download the Guide](#)

Fundamentals of Sustainability Accounting (FSA) Public Launch

Learn more about Sustainability Accounting



The [Fundamentals of Sustainability Accounting – or FSA – Credential](#), the only credential that teaches how to identify, quantify, communicate, and analyze material sustainability factors, opened for

JOY

Finally, we find joy in the progress we are making toward our mission. As of last week, SASB has issued provisional sustainability accounting standards for 71 of 79 industries—94 percent of the U.S. equity market by market cap. Meanwhile, our recently released [Implementation Guide for Companies](#) has already been downloaded by hundreds of organizations, and we'll soon release similar guidance for [investors](#). Material information is the right of every investor, and we find joy in building on the great tradition of transparency and standardized disclosure that is the hallmark of the largest and most robust capital market in the world.

The SASB has come a long way in a relatively short time. Investors, issuers, and other stakeholders have been critical to helping us achieve our mission. Our progress is your progress. With sincere appreciation for your goodwill, we wish you peace, hope, and joy this holiday season and in the coming year.

Sincerely,



Jean Rogers, PhD, PE
CEO and Founder

SASB Chair to Head Global Task Force on Climate Change

Initiative focused on corporate risk and disclosure



During December's COP21 Conference in Paris, the Financial Stability Board [announced SASB Chair Michael Bloomberg](#) as the head of a newly-created global taskforce aimed at highlighting the financial exposure of companies to the risks of climate change. The taskforce will deliver specific recommendations for

voluntary disclosure principles, with the goal of creating transparency and consistency for investors to better understand the risks and opportunities within their portfolios.

public registration in late October after a pilot period in summer 2015. More than 190 test takers have registered for the Level I exam, primarily coming from the consulting, investing, or sustainability fields. Over 50 percent have 10-plus years of experience and 75 percent have a CFA, CPA, and/or MBA. The Level II exam is in development to be launched in summer 2016. [Read more](#) about what a variety of test takers have to say about the FSA.

New Programs and Partners

CSRHub, WeSustain, Corporate Knights, and eFront



SASB has recently launched the [Research & Insight Partnership Program](#), which helps commercial and

academic partners research market trends to provide useful findings and insights. The first partner of this new initiative is CSRHub. Recent months also saw the addition of WeSustain as an [ERP partner](#), Corporate Knights as an [Investible Products](#) partner, and eFront as a [Data Provider & Investor Tools](#) partner. To learn more about SASB Partnership Programs, contact Eli Reisman at eli.reisman@sasb.org.

Join SASB's Standards-Setting team

We're hiring: Head of Standards Setting Organization and Sector Analysts

SASB is seeking a Head of Standards Setting Organization to oversee research, consultation, codification and maintenance of the SASB standards. [Read here for more.](#)

SASB is also seeking Sector Analysts for the Health Care, Services, and Non-Renewable Resources sectors. The Sector Analyst will lead the standards-setting activities for the sector and serve as the primary liaison with issuers, investors, and other stakeholders in the sector as SASB enters a period of deep consultation in 2016. Candidates with 5-plus years of experience in their sector can apply [here](#).

In the News

Media hits from this quarter

SASB research shows that climate-related issues are reasonably likely to have material impacts in 72 of 79 SICs industries, representing 93 percent of U.S. equities by market cap. Because these impacts are unique in each industry—from business continuity risks facing healthcare delivery facilities to the potential for stranded assets in oil and gas—it's not as simple as understanding GHG emissions across the board. SASB's industry-specific disclosure topics and metrics provide information that businesses can use to make climate risk actionable and investors can use to manage this risk in their portfolios.

Janine Guillot Joins SASB

Director of Capital Markets Policy & Outreach



To support investors' efforts to access better sustainability disclosure, [SASB has created a new position](#). Janine Guillot, SASB's Director of Capital Markets Policy & Outreach, will liaise with investors,

analysts, exchanges, ratings agencies, information brokers, and investor associations to understand their information needs and support market adoption of standardized sustainability disclosures. Previously, Ms. Guillot served as the Chief Operating Investment Officer for the California Public Employees' Retirement System (CalPERS).

Comment on Infrastructure

Public comment period now open for the sector

SASB has released exposure drafts of its proposed standards for eight industries in the [Infrastructure](#) sector and welcomes your comments through January 5, 2016.

The sector includes:

- Electric Utilities
- Engineering & Construction Services
- Gas Utilities
- Home Builders
- Real Estate Owners, Developers & Investment Trusts
- Real Estate Services
- Water Utilities
- Waste Management

- [Why Investors Can't Avoid Climate Risk by Divesting](#) (WSJ)
- [ESG Investing Is Thriving In Europe And The United States](#)
(Seeking Alpha)
- [Empowering Investors to Effect Climate-Change Action](#) (Financial Times)
- [SASB Offers Implementation Guide for Sustainability Standards](#) (Accounting Today)
- [Investors Want More From Sustainability Reporting, Says Former SEC Head](#) (WSJ)
- [SASB's FSA Credential: Who Will Benefit from It and Why](#)
(Sustainable Brands)

SASB Announces \$1 Million Cash Contribution And Pro Bono Support from Deloitte & Touche LLP

Big Four professional services firm recognizes importance of sustainability accounting standards in facilitating decision-useful disclosure. Deloitte's commitment signals growing support for SASB, and greater standardization, transparency, and quality of sustainability reporting more broadly among the accounting and audit profession.

[More information available here.](#)

On the Blog

Highlights from the SASB staff

- [COP21: Our Markets Need Not Wait](#)
- [Industry Expertise Informs SASB Topics and Metrics](#)
- [CFA Institute: Sustainability Is Key to Robust Analysis](#)
- [Fiduciary Duty Guidance Is a Sign of the Times](#)
- [Better than Boilerplate: More Detailed Disclosures Benefit Investors](#)

Access the exposure drafts, review them, and submit your comments using SASB's [Public Comment Portal](#).

- [End the Drought; Invest in Sustainability and Make It Rain](#)

