

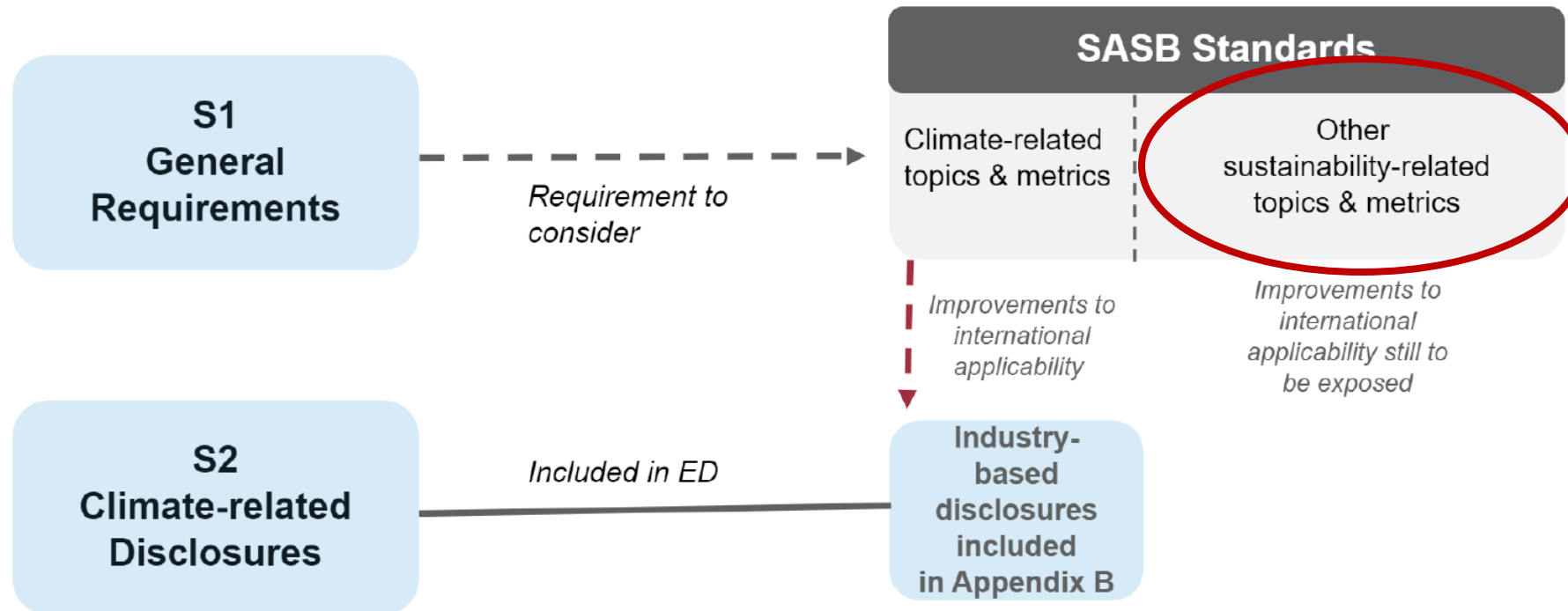
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Diese Sitzungsunterlage wird der Öffentlichkeit für die FA-Sitzung zur Verfügung gestellt, so dass dem Verlauf der Sitzung gefolgt werden kann. Die Unterlage gibt keine offiziellen Standpunkte der FA wieder. Die Standpunkte der FA werden in den Deutschen Rechnungslegungs Standards sowie in seinen Stellungnahmen (Comment Letters) ausgeführt.
Diese Unterlage wurde von einem Mitarbeiter des DRSC für die FA-Sitzung erstellt.

FA NB – öffentliche SITZUNGSUNTERLAGE

Sitzung:	17. Sitzung FA NB / 22.05.2023 / 13:15 – 14:15 Uhr
TOP:	3 – ISSB ED Methodology SASB Internationalisation
Thema:	Stellungnahme zum Entwurf zum Vorgehen zur Internationalisierung der SASB Standards
Unterlage:	17_03a_FA-NB_ISSB_SASB_Präsi (Stand: 16. Mai 2023)

Role of SASB Standards in IFRS Sustainability Disclosure Standards



Illustrates content that has been exposed for public comment by the ISSB and is subject to existing IFRS Foundation due process.

Illustrates the SASB Standards to be subject to the proposed due process set out in this paper.

Quelle: IFRS Foundation, 10/2022

Internationalisierung der SASB Standards



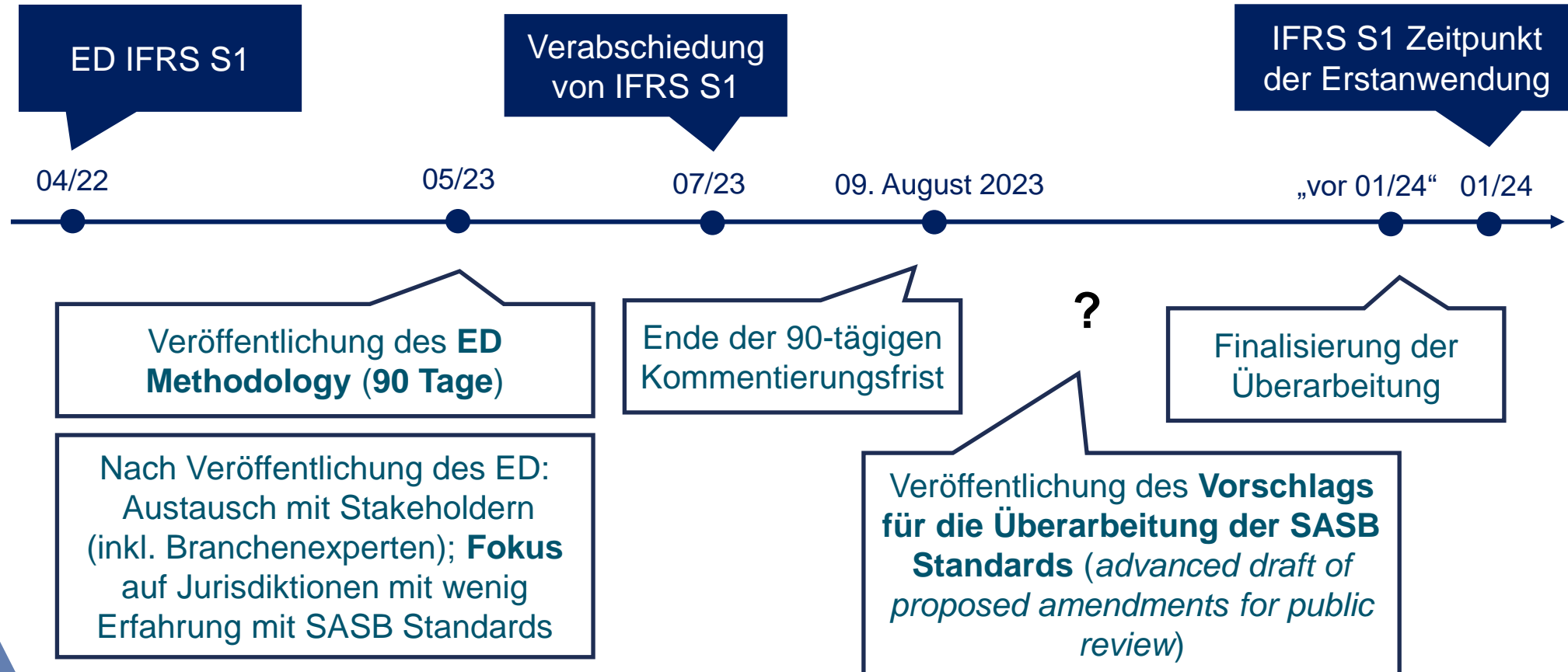
Bedeutung der SASB Standards (ED Tz. 2)

“The SASB Standards serve as a primary source of guidance for applying IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) to help entities produce relevant and comparable disclosures in the absence of specific IFRS Sustainability Disclosure Standards.”

Ausrichtung und Umfang des Projekts (ED Tz. 5 f.)

- Eng abgegrenztes Projekt: Überarbeitung der ca. 200 “non-climate related” Metriken mit US-amerikanischem Bezug
- Update der SAB Standards Taxonomy entsprechend der Änderungen der SASB Standards
- Änderung der SASB Standards aufgrund der Konsultation von IFRS S2

Internationalisierung der SASB Standards – Zeitplan



Internationalisierung der SASB Standards



Vorgehensweise im FA NB

1. Erste inhaltliche Befassung FA NB-Sitzung am 22. Mai 2023
2. Anfrage bei derzeitigen SASB Standard-Anwendern
3. Rückmeldungen der SASB Standard-Anwender FA NB-Sitzung im Juni 2023
4. Öffentliche Diskussion des DRSC am 28. Juni 2023 – gemeinsam mit ISSB und EFRAG
5. Finalisierung der Stellungnahme des FA NB an den ISSB im Juli 2023
6. Ggf. *review* der vom ISSB überarbeiteten SASB Standards

Internationalisierung der SASB Standards – Anwender in Deutschland



54 Unternehmen in Deutschland

1	adidas AG	11	Covestro AG	21	EQS Group AG	31	K+S AG	41	SAP SE	51	UniCredit Bank AG
2	Allianz SE	12	Daimler AG	22	Evonik Industries AG	32	KION Group AG	42	SGL Carbon SE	52	Volkswagen AG
3	Atoss Software AG	13	Delivery Hero SE	23	Evotec SE	33	LANXESS AG	43	Siemens AG	53	Vonovia SE
4	BASF SE	14	Deutsche Bank AG	24	Fresenius Medical Care AG & Co KGaA	34	LEG Immobilien AG	44	Siemens Energy AG	54	Zalando SE
5	Bayer AG	15	Deutsche Börse AG	25	Fresenius SE & Co KGaA	35	MBB SE	45	Software AG		
6	BMW Group	16	Deutsche Lufthansa AG	26	Friedrich Vorwerk Group SE	36	Merck KGaA	46	Symrise AG		
7	BioNTech SE	17	Deutsche Telekom AG	27	GEA Group AG	37	Muenchener Rueckversicherungs-Gesellschaft AG	47	TeamViewer AG		
8	Brenntag AG	18	dpdhl	28	GFT Technologies SE	38	Porsche AG	48	Telefónica Deutschland Holding AG		
9	Commerzbank AG	19	E.ON SE	29	HeidelbergCement AG	39	Rheinmetall AG	49	thyssenkrupp AG		
10	Continental AG	20	Enapter AG	30	Jumia Technologies AG	40	RWE AG	50	UCB Pharma GmbH		

Quelle:
www.sasb.org
 (Stand: 21.4.2023)

Internationalisierung der SASB Standards – Methodology



Stufenkonzept (ED Tz. 9, Appendices A, B und C mit Erläuterungen und Beispielen)

Revision Approach 1

Equivalent international reference

means:

internationally recognised, globally applicable standard, definition or calculation method:

- by which most jurisdictions abide and
- for which jurisdictional equivalents are generally not meaningfully different from the prevalent international standard, definition or calculation method

Table 1—Revision Approach 1 to enhancing international applicability of the SASB Standards

<i>Construction Materials SASB Standard</i>	<i>Proposed revision</i>
<p>EM-CM-320a.2. Number of reported cases of silicosis</p> <p>1 The entity shall disclose the number of reported cases of silicosis affecting the entity’s current workforce or past employees.</p> <p>1.1 The scope of disclosure includes cases of chronic, acute, or accelerated silicosis.</p> <p>1.2 The entity shall refer to U.S. 29 CFR 1910.1053 Appendix B for the definition of chronic, acute, or accelerated silicosis.</p>	<p>EM-CM-320a.2. Number of reported cases of silicosis</p> <p>1 The entity shall disclose the number of reported cases of silicosis affecting the entity’s current workforce or past employees.</p> <p>1.1 Silicosis is defined in accordance with the World Health Organization’s International Classification of Diseases as pneumoconiosis due to dust containing silica.</p> <p>1.2 The scope of disclosure includes clinically diagnosed cases of chronic, acute, or accelerated silicosis.</p>

Internationalisierung der SASB Standards – Methodology



Stufenkonzept (ED Tz. 9, Appendices A, B und C mit Erläuterungen und Beispielen)

Revision Approach 2

Definitions that are likely to be internationally applicable

Approach 2 instead of 1 when:

- internationally applicable standard, definition or calculation method has not been identified
- underlying concept is understood widely, would not be disruptive for preparers and would provide information needed for the original disclosure as a suitable substitute for jurisdiction-specific reference

Table 2—Revision Approach 2 to enhancing international applicability of the SASB Standards

<i>E-Commerce</i> SASB Standard	Proposed revision
CG-EC-330a.4. Percentage of technical employees who are H-1B visa holders	CG-EC-330a.4. Percentage of technical employees who are foreign nationals
...	...
1.1 Technical staff includes employees categorized in the 15-0000 group (Computer and Mathematical Occupations) or 17-0000 group (Architecture and Engineering Occupations) of the Standard Occupation Classification (SOC) system from U.S. Bureau of Labor Statistics (BLS).	1.1 The percentage shall be calculated as the number of technical employees who are foreign nationals divided by the total number of the entity's technical employees.
1.2 The percentage shall be calculated as the number of technical employees with valid H-1B visas divided by the total number of technical employees.	1.2 Technical employees generally are defined as employees who perform highly skilled or highly qualified work generally categorised in the computer, mathematical, architecture and engineering occupations.

Internationalisierung der SASB Standards – Methodology



Stufenkonzept (ED Tz. 9, Appendices A, B und C mit Erläuterungen und Beispielen)

Revision Approach 3

Text that would rely on applicable jurisdictional laws, regulations or definitions in a generalised way

Applied when:

- internationally applicable standard, definition or calculation method has not been identified and
- different jurisdictional standards, definitions or calculation methods correspond with the jurisdiction-specific reference that is being replaced

Table 3—Revision Approach 3 to enhancing international applicability of the SASB Standards

Waste Management SASB Standard	Proposed revision
IF-WM-150a.2. Number of corrective actions implemented for landfill releases	IF-WM-150a.2. Number of corrective actions implemented for landfill releases
...	...
1.1 Corrective actions are defined as control and cleanup of landfill releases of constituents detected at a statistically significant level above the established background level (as defined in Appendix I of U.S. 40 CFR Part 258) to achieve the groundwater protection standards in U.S. 40 CFR Part 258.50 Subpart E—Ground-Water Monitoring and Corrective Action.	1.1 Corrective actions include the control and clean-up of landfill releases of constituents detected at a statistically significant level above the established background level to achieve the groundwater protection standards as defined in accordance with applicable jurisdictional laws or regulations.
2 The scope of disclosure includes corrective actions for Subtitle C landfills as defined in U.S. 40 CFR Part 258.50 Subpart E—Ground-Water Monitoring and Corrective Action for municipal solid waste landfills and Subtitle D landfills as	2 The scope of disclosure includes corrective actions implemented for both active landfills and closed landfills.
	3 The entity shall disclose the applicable jurisdictional laws or regulations used to define corrective actions.

Internationalisierung der SASB Standards – Methodology



Stufenkonzept (ED Tz. 9, Appendices A, B und C mit Erläuterungen und Beispielen)

Revision Approach 4

jurisdiction-specific reference can be removed without leaving the disclosure topic incomplete

For example, if:

- disclosure topic contains other metrics that provide relevant information

Example of Revision Approach 4—removing a metric in the SASB Standards

- B9 Metric HC-BP-240b.1 in the *Biotechnology & Pharmaceuticals* SASB Standard measures the number of Abbreviated New Drug Application (ANDA) litigation settlements involving payments or provisions to delay bringing an authorised generic product to market. The ANDA process guides pharmaceutical entities seeking approval to sell generic drugs in the US. The US federal code governs the parameters of ANDA processes and associated litigation under the Drug Price Competition and Patent Term Restoration Act of 1984 (Hatch-Waxman Amendments), Public Law 98-417.
- B10 No global equivalent to ANDA has been identified. The staff found nothing resembling the ANDA process or associated litigation after researching non-US jurisdictions in Africa, Asia-Pacific, Europe and South America. Drug sales and
- B11 Research shows that developing an internationally applicable metric that preserves the initial intent of HC-BP-240b.1 is not feasible. Nevertheless, the two other metrics in the Affordability & Pricing disclosure topic in the *Biotechnology & Pharmaceuticals* SASB Standard, with some minor modifications, substantially preserve the disclosure topic’s completeness. Applying Revision Approach 4, HC-BP-240b.1 would be removed and not replaced.

Internationalisierung der SASB Standards – Methodology



Stufenkonzept (ED Tz. 9, Appendices A, B und C mit Erläuterungen und Beispielen)

Revision Approach 5

Consider drafting a similar replacement metric

if:

- Approach 4 has been proposed or
- sub-metric has been removed due to Approach 1-3
- it helps to complete the set of metrics necessary to understand performance under that associated disclosure topic

Example of Revision Approach 5—removing and replacing a metric in the SASB Standards

- B12 Accounting metric TR-AF-430a.1 in the *Air Freight & Logistics* SASB Standard measures an entity's percentage of carriers exceeding a pre-set safety scoring system threshold. TR-AF-430a.1 uses the US Department of Transportation's Federal Motor Carrier Safety Administration's (FMCSA) Behavior Analysis and Safety Improvement Categories (BASIC) tool, which is reliant on US legal and regulatory information-gathering systems and is modelled using US data (see Table C9 for another set of SASB Standards metrics that reference the BASIC tool).
- B13 The FMCSA's Safety Measurement System captures a broad range of US carrier data and calculates the BASIC percentiles in a customised data system to highlight carrier safety performance issues and prioritise possible US federal regulatory authority intervention.
- B14 The BASIC tool examines only US motor carrier safety data and assesses motor carrier safety using formulations based only on US historical data. No global equivalent to the BASIC tool and safety measurement data system has been identified, though some may be in development.
- B15 No other metric in the 'Supply Chain Management' disclosure topic in the *Air Freight & Logistics* SASB Standard is intended to capture entity performance using the concepts embedded in TR-AF-430a.1.
- B16 Applying Revision Approach 5, TR-AF-430a.1 would be removed and replaced. A new qualitative metric based on language used in similar metrics in the SASB Standards would be developed to evaluate an entity's policies and strategies to identify, assess and manage business-disruption risks associated with contract carrier safety.

Stufenkonzept

Statistik der Umsetzung (ED, A9)

200 Metriken, davon:

- mehr als die Hälfte durch Kombination von Approach 2 und 3 (37%) oder Approach 1 mit 2 oder 3 (17%) umgesetzt
- ein Drittel nur Approach 2 (21%) oder nur Approach 3 (12%)
- ein Drittel der Metriken in Healthcare (18%) Finance (14%) Sektoren
- 16 Metriken gestrichen (Approach 4, insbesondere Health Care Delivery)
- 5 neue Metriken (Approach 5) entwickelt

Internationalisierung der SASB Standards – Methodology



Appendix C SASB Standards industry revision examples

Electric Utilities & Power Generation

Greenhouse Gas Emissions & Energy Resource Planning

Air Quality

Water Management

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS				
Table C1—Sustainability Disclosure Topics & Accounting Metrics				
TOPIC	ACCOUNTING-METRIC	CATEGORY	UNIT OF MEASURE	CODE
Greenhouse Gas Emissions & Energy Resource Planning	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	IF-EU-110a.1
	Greenhouse gas (GHG) emissions associated with power deliveries	Quantitative	Metric tons (t) CO ₂ -e	IF-EU-110a.2
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	IF-EU-110a.3
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Quantitative	Metric tons (t), Percentage (%)	IF-EU-120a.1
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m ³), Percentage (%)	IF-EU-140a.1
	Number of incidents of non-compliance associated with water quantity or quality permits, standards, and regulations	Quantitative	Number	IF-EU-140a.2
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	IF-EU-140a.3

Internationalisierung der SASB Standards – Methodology



Appendix C SASB Standards industry revision examples

Electric Utilities & Power Generation

Coal Ash Management

Energy Affordability

Workforce Health & Safety

End-Use Efficiency & Demand

TOPIC	ACCOUNTING-METRIC	CATEGORY	UNIT OF MEASURE	CODE
Coal Ash Management	Amount of coal combustion products (CCPs) residuals (CCR)-generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	IF-EU-150a.1
	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	Quantitative	Number	IF-EU-160a.2
	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	Discussion and Analysis	n/a	IF-EU-150a.3
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Quantitative	Rate	IF-EU-240a.1
	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Quantitative	Reporting currency	IF-EU-240a.2
	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Quantitative	Number, Percentage (%)	IF-EU-240a.3
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	n/a	IF-EU-240a.4
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Quantitative	Rate	IF-EU-320a.1
End-Use Efficiency & Demand	Percentage of electric load served by smart grid technology	Quantitative	Percentage (%) by megawatt hours (MWh)	IF-EU-420a.2
	Customer electricity savings from efficiency measures, by market	Quantitative	Megawatt hours (MWh)	IF-EU-420a.3

Internationalisierung der SASB Standards – Methodology



Appendix C SASB Standards industry revision examples

Electric Utilities & Power Generation

Nuclear Safety & Emergency Management

Grid Resiliency

TOPIC	ACCOUNTING-METRIC	CATEGORY	UNIT OF MEASURE	CODE
Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by <u>results of most recent independent safety review</u> U.S. Nuclear Regulatory Commission (NRC) Action Matrix	Quantitative	Number	IF-EU-540a.1
	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	n/a	IF-EU-540a.2
Grid Resiliency	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	Quantitative	Number	IF-EU-550a.1
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Quantitative	Minutes, Number	IF-EU-550a.2

Internationalisierung der SASB Standards – Methodology



Appendix C SASB Standards industry revision examples

Road Transportation

Greenhouse Gas Emissions

Air Quality

Workforce

Accident & Safety Management

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Table C5—Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO ₂ -e	TR-RO-110a.1
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	TR-RO-110a.2
	(1) Total fuel consumed, (2) percentage natural gas (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TR-RO-110a.3
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , and (3) particulate matter (PM ₁₀)	Quantitative	Metric tons (t)	TR-RO-120a.1
Workforce Driver Working Conditions, Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	TR-RO-320a.1
	(1) Voluntary and (2) involuntary turnover rate for all employees	Quantitative	Rate	TR-RO-320a.2
	Description of approach to managing short-term and long-term driver health risks	Discussion and Analysis	n/a	TR-RO-320a.3
Accident & Safety Management	Number of road accidents and incidents	Quantitative	Number	TR-RO-540a.1
	Safety Measurement System-BASIC percentiles for: (1) Unsafe Driving, (2) Hours of Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	Quantitative	Percentile	TR-RO-540a.2
	(1) Number and (2) aggregate volume of spills and releases to the environment	Quantitative	Number, Cubic metres (m ³)	TR-RO-540a.3

Question 1—Methodology objective

This Exposure Draft describes the proposed methodology to amend non-climate-related SASB Standards metrics to enhance their international applicability when they contain a jurisdiction-specific reference.

- (a) Are the scope of the intended enhancements and the objective of the proposed methodology stated clearly in paragraph 9? If not, why not?
- (b) Are the constraints of the objective as listed in paragraph 9 (preserving structure and intent, decision-usefulness and cost-effectiveness) appropriate? Why or why not?
- (c) Should any other objective(s) or constraint(s) be included in the proposed methodology? If so, what alternative or additional objective(s) or constraint(s) would you suggest? How would these add value to the proposed methodology?

Question 2—Overall methodology

This Exposure Draft explains the proposed methodology to amend the SASB Standards metrics to enhance their international applicability when they contain jurisdiction-specific references.

- (a) Do you agree that the proposed methodology would enhance the international applicability of the SASB Standards metrics? If not, what alternative approach do you suggest and why?

Question 3—Revision approaches

This Exposure Draft explains five revision approaches to enhance the international applicability of non-climate-related SASB Standards metrics. Every disclosure topic, metric and technical protocol amended using the methodology will apply these five revision approaches, either individually or in combination. The methodology begins with Revision Approach 1, which uses internationally recognised frameworks and guidance to define relevant terms of reference.

- (a) Do you agree that replacing jurisdiction-specific references with internationally recognised frameworks and guidance – if identified – should be the first course of action? If not, why not?
- (b) If Revision Approach 1 is not feasible, do you agree that using the remaining four revision approaches would enhance the international applicability of the SASB Standards? Why or why not?

Question 3—Revision approaches

- (c) Could the revised metrics resulting from any specific revision approaches or combination of approaches pose problems for the preparers applying them? Why or why not?
- (d) Do you agree with the criteria for determining which of the proposed revision approaches applies in different circumstances? Why or why not? What changes to the criteria would you recommend and why?

Question 4—SASB Standards Taxonomy Update objective

This Exposure Draft describes the proposed approach to updating the SASB Standards Taxonomy to reflect amendments to the SASB Standards.

- (a) Do you agree with the proposed methodology to update the SASB Standards Taxonomy to reflect changes to the SASB Standards? Why or why not? If you do not agree, what alternative approach would you recommend and why?

Question 5—Future SASB Standards refinements

This Exposure Draft focuses specifically on the first phase of narrow-scope work to amend the SASB Standards metrics in accordance with the proposed methodology to enhance their international applicability when they contain jurisdiction-specific references. In subsequent phases, the ISSB will consider further enhancements to the SASB Standards to improve their decision-usefulness, balance their cost-effectiveness for preparers and ensure their international relevance.

- (a) What other methods, considerations or specific amendments would be useful to guide the ISSB's future work of refining the SASB Standards to support the application of IFRS S1? Why would they be useful?
- (b) Do you have any specific comments or suggestions for the ISSB to consider in planning future enhancements to the SASB Standards?