

What is the Scope of SASB?

The Sustainability Accounting Standards Board (SASB) sets industry-specific sustainability accounting standards for publicly traded companies in the United States. The scope of SASB includes:

Industries Covered

1. Agriculture: farming, livestock, and agricultural products
2. Automotive: vehicle manufacturing, parts, and services
3. Banking: commercial banking, investment banking, and asset management
4. Biotechnology: biopharmaceuticals, medical devices, and diagnostics
5. Chemicals: basic chemicals, specialty chemicals, and fertilizers
6. Consumer Goods: food, beverages, tobacco, and household products
7. Energy: oil and gas, renewable energy, and energy storage
8. Financials: insurance, real estate, and financial services
9. Food and Beverage: restaurants, food processing, and beverage manufacturing
10. Healthcare: pharmaceuticals, medical devices, and healthcare services
11. Industrials: manufacturing, logistics, and transportation
12. Materials: mining, metals, and construction materials
13. Media and Entertainment: broadcasting, publishing, and entertainment
14. Non-Renewable Energy: coal, oil, and gas
15. Renewable Energy: solar, wind, and geothermal energy
16. Retail: brick-and-mortar, e-commerce, and direct-to-consumer sales
17. Technology: software, hardware, and telecommunications

Sustainability Topics Covered

1. Climate Change: greenhouse gas emissions, climate risk, and climate resilience
2. Environmental Stewardship: water usage, waste management, and biodiversity

3. Human Capital: employee diversity, labor practices, and workforce development
4. Product Safety and Quality: product design, testing, and recall
5. Supply Chain Management: sourcing, procurement, and logistics
6. Business Ethics and Governance: corporate governance, ethics, and compliance

Reporting Requirements

1. Industry-specific metrics: companies must report on industry-specific metrics and topics
2. Materiality assessment: companies must conduct a materiality assessment to identify the most important sustainability topics
3. Disclosure: companies must disclose their sustainability performance and progress towards goals
4. Assurance: companies must provide assurance on their sustainability reporting

Benefits of SASB Scope

1. Improved sustainability performance: SASB scope helps companies identify areas for improvement and track progress
2. Enhanced transparency and accountability: SASB scope promotes transparency and accountability by requiring companies to disclose their sustainability performance
3. Increased comparability: SASB scope enables companies to compare their sustainability performance with industry peers
4. Better decision-making: SASB scope provides investors and stakeholders with consistent and comparable sustainability data, enabling them to make informed decisions