

Thank you for joining.

The webinar will begin momentarily.

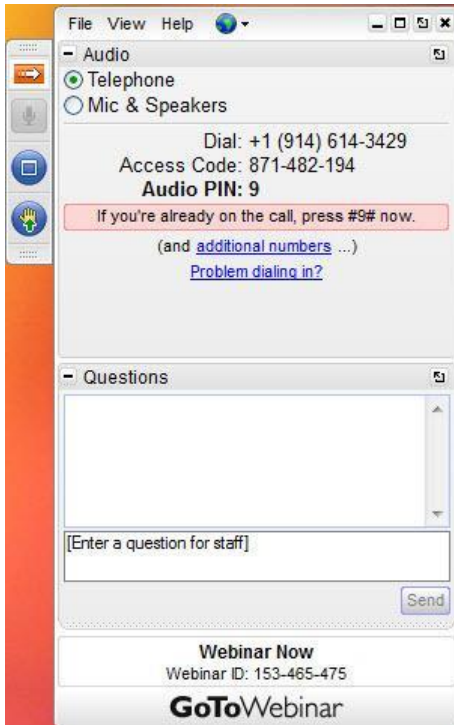
The Value Reporting Foundation



Strengthen your reporting: **International <IR> Framework and SASB Standards**

Webinar on April 27, 2021

Housekeeping



- We encourage questions!
- Please use the chatbox in the GoToWebinar browser to ask your question.
- The moderator will ask speakers to address as many questions as possible during the webinar. Staff will attempt to respond to all relevant questions during or after the webinar.
- We are recording this presentation and we will share the recording and presentation with you after the meeting.

Today's Speakers

INTEGRATED
REPORTING <IR>



Janine Guillot
CEO
SASB



Charles Tilley
CEO
IIRC



Alessandro Broedel Lopes
Group CFO
Itaú Unibanco



Leon Kamhi
Executive Director: Head of Responsibility
Federated Hermes – International

Agenda



- Introducing the Value Reporting Foundation
- Mapping the SASB Standards and the <IR> Framework
- The business perspective on the SASB Standards and the <IR> Framework
- The investor perspective on the SASB Standards and the <IR> Framework
- Questions from the audience

The Value Reporting Foundation will



- **Simplify** the field
- **Globalize** both organizations
- **Focus on reporting** as a means to improving decision-making by companies and investors
- **Advance the adoption** of integrated thinking, integrated reporting, and SASB Standards
- **Accelerate progress** towards a comprehensive corporate reporting system.

Introducing the Value Reporting Foundation

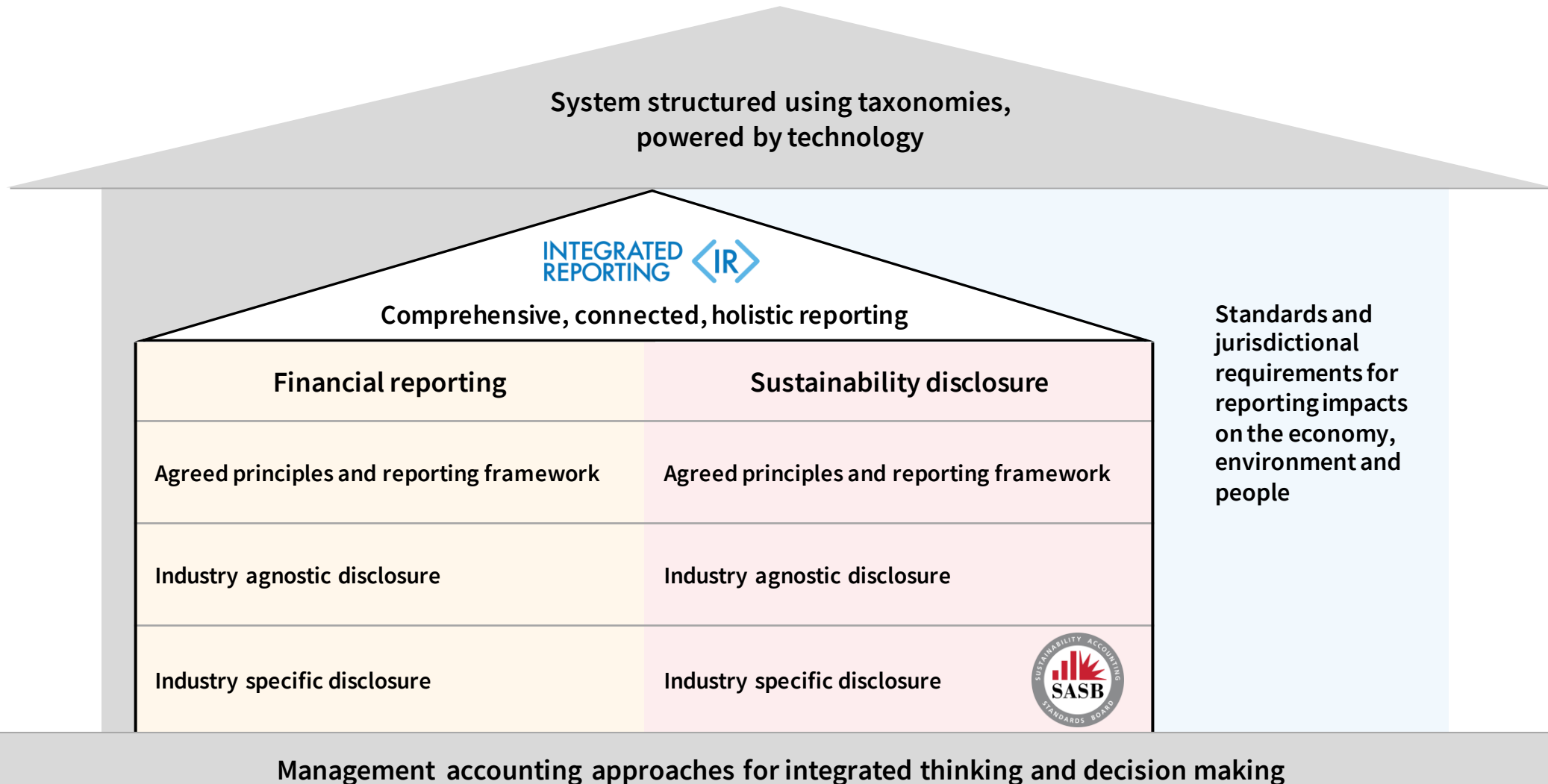


- We will be one global organization with a unified strategy and three principal products:
 - Integrated Thinking Principles
 - International <IR> Framework
 - SASB Standards
- We will advance a simplified corporate reporting landscape, bringing together our existing framework and standards
- We will provide active support to achieve the ambition of a global Sustainability Standards Board under the IFRS Foundation's governance

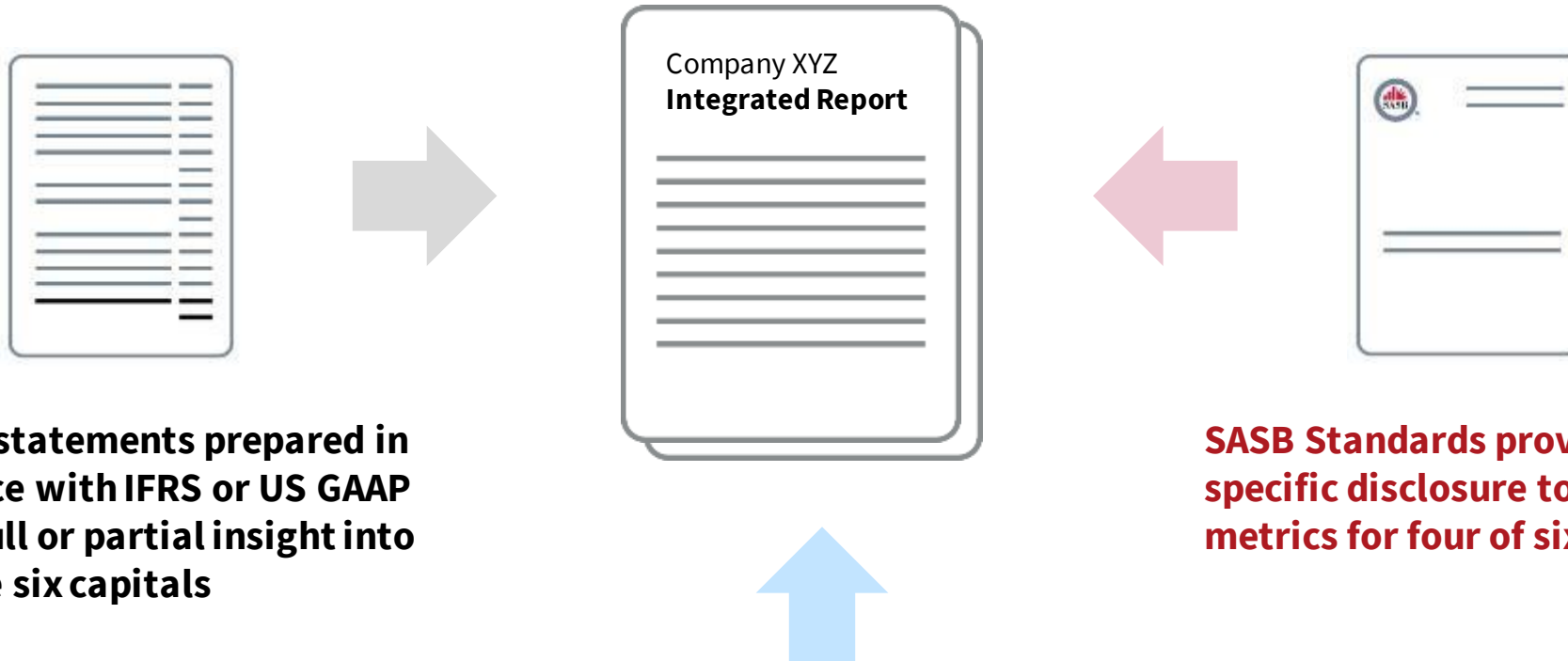
The system needs frameworks and standards

<IR> Framework	SASB Standards
Industry-agnostic	Industry-specific
Principles-based	Metrics-based
Preparation and presentation	Standards Application Guidance
High-level content elements	Disclosure topics and metrics
Drives connectivity of information	Enables comparability of information

Our role in the reporting system



Complementary tools for disclosure

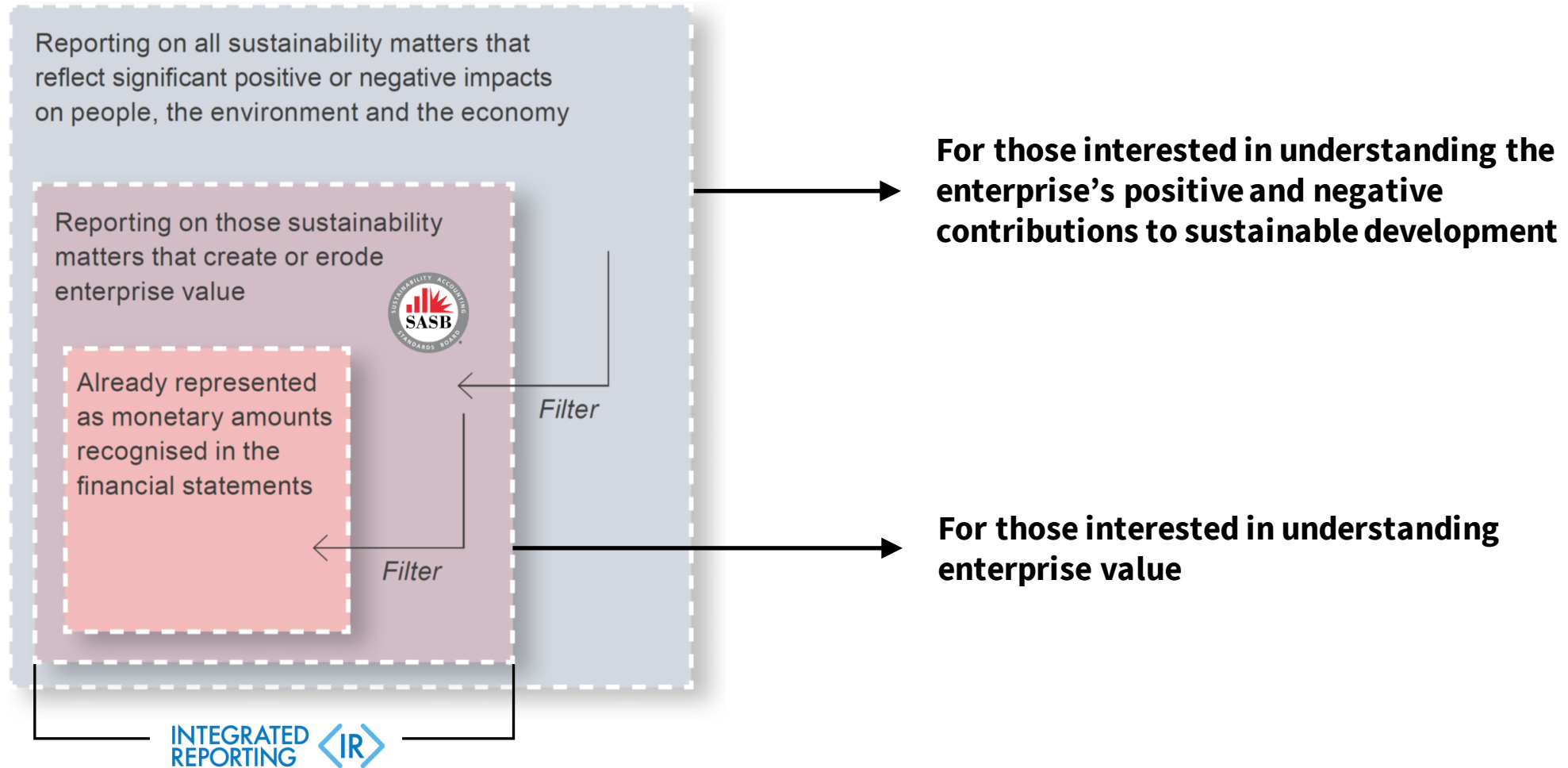


Financial statements prepared in accordance with IFRS or US GAAP provide full or partial insight into two of the six capitals

SASB Standards provide industry-specific disclosure topics and metrics for four of six capitals

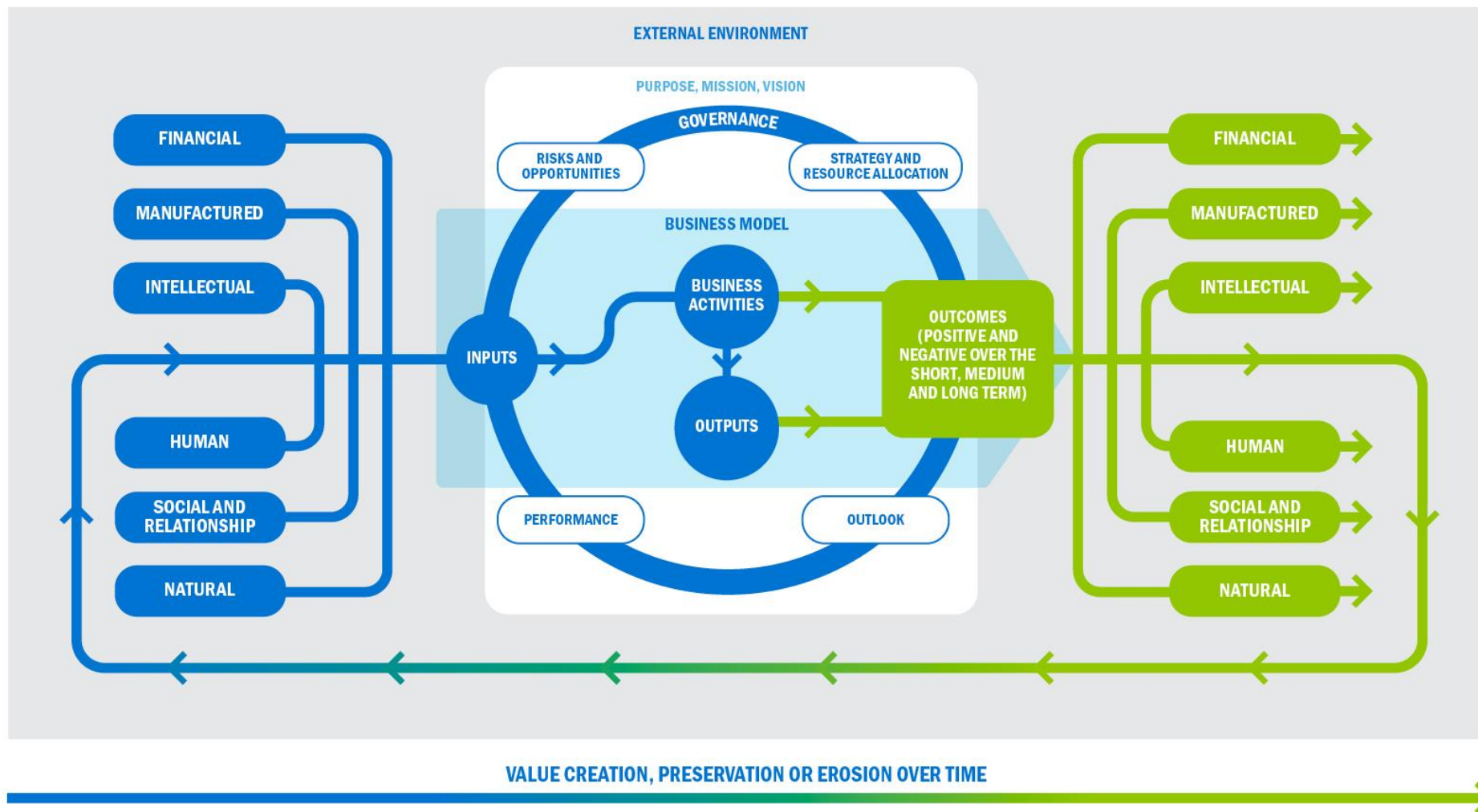
The International <IR> Framework prompts thinking across the capitals, reinforcing the need for connectivity and explicit links between governance and value creation, and driving management analysis of risks, opportunities and resource allocation.

Nested materiality

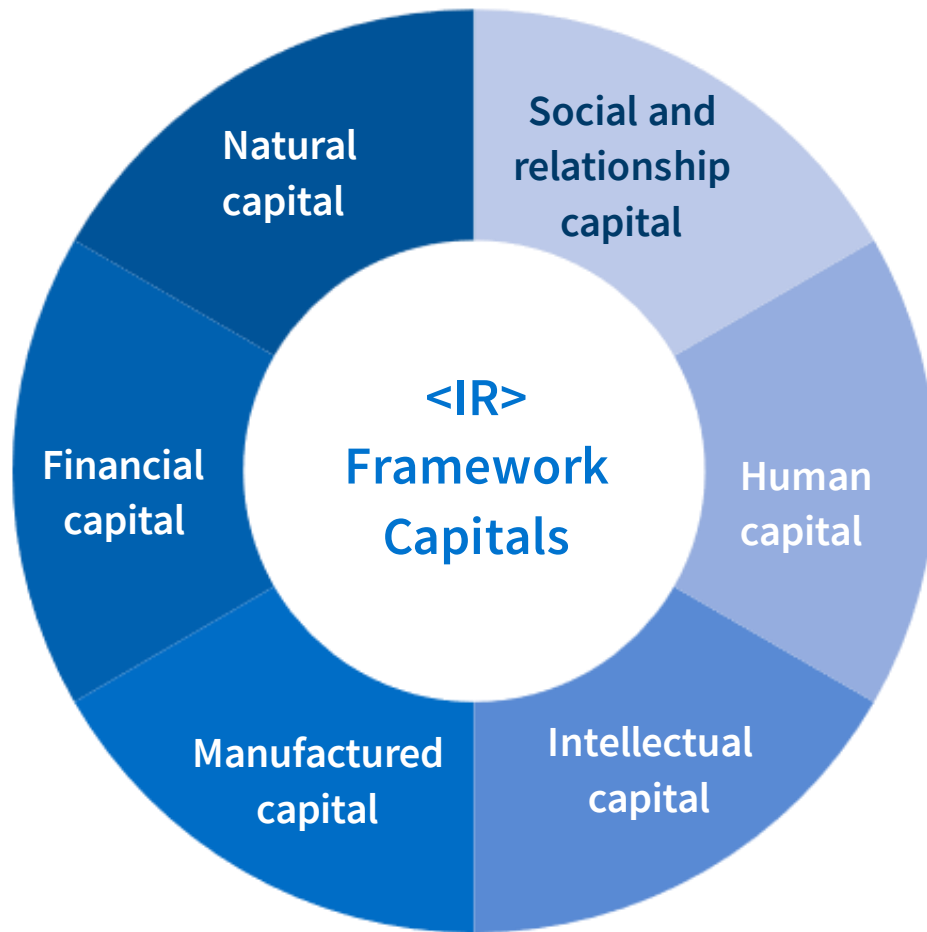


Integrated Thinking: the value creation process

Figure 2. Process through which value is created, preserved or eroded



Close alignment already exists

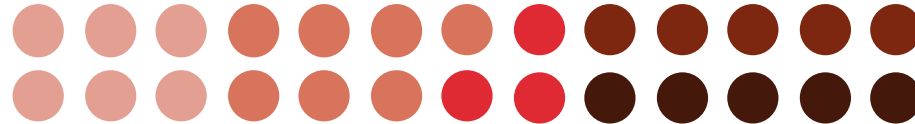


SASB enables robust integrated reporting by providing KPIs at the industry level, helping provide investors with comparability

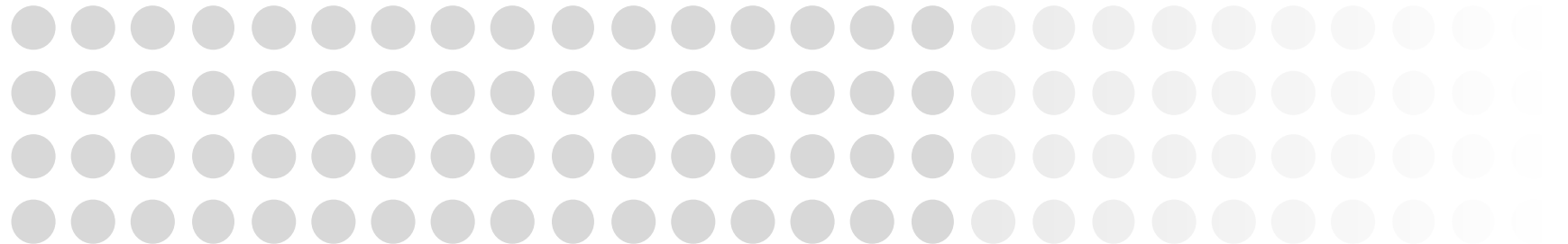
SIX <IR> FRAMEWORK CAPITALS



FIVE SASB SUSTAINABILITY DIMENSIONS 26 GENERAL SUSTAINABILITY ISSUES



Containing 400+ Industry-Specific Disclosure Topics and related metrics



Example: Oil & Gas – Exploration and Production



Sample Metrics:

Management of the Legal & Regulatory Environment

Metric EM-EP-530a.1: Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry, Discussion and Analysis

Community Relations

Metric EM-EP-210b.2: Number and duration of non-technical delays, Quantitative Number, Days

<IR> Capital

Relevant SASB Disclosure Topics

Intellectual

Reserves Valuation and Capital Expenditures

Social and Relationship

Community Relations*

Human Rights and Rights of Indigenous*

Business Ethics and Transparency*

Critical Incident Management*

Management of the Legal and Regulatory Environment*

Human

Workforce Health and Safety

Natural

GHG Emissions

Air Quality

Energy management

Biodiversity Impacts

*SASB disclosure topics for this industry that influence brand, reputation, trust and license to operate.

Example: Automobiles



Sample Metrics:

Product Safety

Metric TR-AU-250a.1: Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region
Quantitative Percentage (%)

Fuel Economy & Use-phase

Emissions Metric TR-AU-410a.2: Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold
Quantitative Number

<IR> Capital

Relevant SASB Disclosure Topics

Intellectual

Fuel economy & use-phase emissions
Materials sourcing
Materials efficiency & recycling

Social and Relationship

Product safety*
Fuel economy & use-phase emissions*
Materials sourcing*
Materials efficiency & recycling*

Human

Labor practices

Natural

Fuel economy & use-phase emissions
Materials sourcing
Materials efficiency & recycling

*SASB disclosure topics for this industry that influence brand, reputation, trust and license to operate

Example: Chemicals



Sample Metrics:

Genetically Modified Organisms:

Metric RT-CH-410c.1: Percentage of products by revenue that contain genetically modified organisms (GMOs).

Quantitative. Percentage (%) by revenue

Operational Safety, Emergency Preparedness & Response

Metric RT-CH-540a.1: Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)⁴

Quantitative Number, Rate

<IR> Capital	Relevant SASB Disclosure Topics
Intellectual	Packaging lifecycle management Ingredient sourcing Product design for use-phase efficiency Safety & environmental stewardship of chemicals Genetically modified organisms
Social and Relationship	Community relations* Product design for use-phase efficiency* Safety & environmental stewardship of chemicals* Genetically modified organisms* Management of the legal and regulatory environment* Operational safety, emergency preparedness and response*
Human	Workforce health and safety Management of the legal and regulatory environment
Natural	GHG emissions Air quality Energy management Water management Hazardous waste management Product design for use-phase efficiency Safety & environmental stewardship of chemicals Genetically modified organisms

*SASB disclosure topics for this industry that influence brand, reputation, trust and license to operate

What to expect next



Working to officially launch the Value Reporting Foundation in Q2-3 2021

- We will provide ongoing guidance on how to use the <IR> Framework and SASB Standards together
- We will work to more closely align the concepts in the <IR> Framework and SASB Standards
- We will continue to support global efforts to create a comprehensive corporate reporting system

The Business Perspective on the SASB Standards and the <IR> Framework

Alexsandro Broedel Lopes

The Investor Perspective on the SASB Standards and the <IR> Framework

Leon Kamhi

Audience Q&A

We are hiring!



More information at www.sasb.org/about/careers

- Analyst, Financials Sector Lead
- Analyst, Technology and Communications Sector Lead
- Education & Membership Operations Associate
- Global HR Director
- Head of Climate Research
- Summer Research Associate
- Web Content and Production Manager

The Value Reporting Foundation



Thank you!