Corporate Sustainability Assessment 2022

Introduction

As part of the **methodology development process** for the 2022 Corporate Sustainability Assessment (CSA), we have created new questions and updated existing ones to ensure we are capturing the most material sustainability topics.

This document contains the new and updated questions for effected criteria in 2022. Please note that some criteria are industry-specific and may not be applied to your industry.
# CSA Methodology Updates 2022

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Industries Impacted</th>
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<tbody>
<tr>
<td>Codes of Business Conduct</td>
<td>All industries (except TOB Tobacco)</td>
<td>• The criterion has been updated to include a new question: &quot;UN Global Compact Membership&quot;.</td>
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<tr>
<td></td>
<td></td>
<td>• This question assesses whether companies are part of one of the most relevant international standards on sustainability and corporate social responsibility.</td>
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</tbody>
</table>
| Sustainable Marketing & Brand Perception | AIR Airlines  
AUT Automobiles  
BVG Beverages  
CNO Casinos & Gaming  
COS Personal Products  
CSV Diversified Consumer Services  
DHP Household Durables  
HOU Household Products  
LEG Leisure Equipment & Products and Consumer Electronics  
PUB Media, Movies & Entertainment  
REX Restaurants & Leisure Facilities  
RTS Retailing  
TEX Textiles, Apparel & Lux | • The criterion has been reviewed to better assess companies’ approach in including sustainability within their branding and marketing strategy. |
|                                   |                                                                           | • The criterion was renamed as well as the first question: "Brand Management" became "Sustainable Marketing & Brand Perception" and "Brand Strategy & Sustainability Strategy" became "Ethical Marketing & Advertising". |
|                                   |                                                                           | • The first question is now a public question enquiring the company's commitment to ethical marketing and advertising practices.                   |
|                                   |                                                                           | • The second question aims now at evaluating whether the company’s brand perception includes sustainability topics and how this is factored in to assess the overall business performance. This question remains private. |
|                                   |                                                                           | • The layout of both questions have thus changed to capture the expected data and information.                                                        |
|                                   |                                                                           | • The criteria has been moved from the Economic and Governance Dimension to the Social dimension.                                                     |
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| Biodiversity    | AIR Airlines  
ARQ Aerospace & Defense  
ATX Auto Components  
AUT Automobiles  
BLD Building Products  
BTC Biotechnology  
CHM Chemicals  
CMT Communications Equipment  
CNO Casinos & Gaming  
CON Construction & Engineering  
CPS Personal Products  
CTR Containers & Packaging  
DHP Household Durables  
DRG Pharmaceuticals  
ELQ Electrical Components & Equipment  
HOU Household Products  
ICS Commercial Services & Supplies  
IDD Industrial Conglomerates  
IEQ Machinery and Electrical Equipment  
ITC Electronic Equipment & Products and Consumer Electronics  
MTC Health Care Equipment & Supplies  
OGR Oil & Gas Refining & Marketing  
OIE Energy Equipment & Services  
PIP Oil & Gas Storage & Transportation  
REX Restaurants & Leisure Facilities  
RTS Retailing  
SEM Semiconductors & Semiconductor Equipment  
TEX Textiles, Apparel & Luxury Goods  
THQ Computer & Peripherals and Office Electronics  
TLS Telecommunication Services  
TRA Transportation and Transportation Infrastructure  
TRT Hotels, Resorts & Cruise Lines | • The criterion has been added to the questionnaire of 32 industries.  
• The industries have been selected due to the direct impact of their own operational activities and/or their supply chain, as well as industries which have an indirect impact and/or dependency on ecosystem/abiotic services. |
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| Circular Fashion         | TEX Textiles, Apparel & Luxury Goods | • A new criterion has been created on the topic of Circular Fashion, comprising of three new questions: "Circular Fashion Commitment", "Circular Fashion Programs" and "Circular Fashion Indicators".  
• The aim of this new criterion is to guide companies in their transition towards circular business models and to assess their performance in terms of circularity.  
• The first question will focus on the companies’ commitments to implementing design strategies for cyclability, increasing the volume of used items collected and resold, as well as increasing the share of items made from recycled post-consumer textile fibers.  
• The second question will assess the companies’ programs regarding the temporality of collections, unsold goods, plastic microfibers, repair, the use phase of products and R&D resources allocated to circularity.  
• The third question will capture the weights of items collected, repaired and resold in relation to the weights of items produced and sold. |
| Climate Strategy         | All industries                       | • A new question named "Net-Zero Commitment" has been added to the criterion. It applies to all industries except BNK, FBN, INS  
• In this question, companies can provide details on their net-zero targets and related programs or activities.  
• The question is aligned with the Science-Based Targets initiative.  
• Additionally, the question "Climate Risk Management" has been renamed "TCFD Disclosure".  
• The layout of the question changed in order to go in further details upon the integration of the TCFD Framework in management of climate-related risk and opportunities. |
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<td>Decarbonization Strategy</td>
<td>BNK Banks</td>
<td>• The new criterion &quot;Decarbonization Strategy&quot; aims to capture the actions Financial Institutions have taken to manage the impact of their lending on climate and drive the decarbonization of the real economy needed to stabilize temperatures at 1.5°C above pre-industrial levels.</td>
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<td></td>
<td>FBN Diversified Financial Services and Capital Markets</td>
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<tr>
<td>Electricity Generation</td>
<td>ELC Electric Utilities</td>
<td>• The question &quot;Electricity Generation Mix&quot; has been split into two questions: &quot;Electricity Generation Mix&quot; and &quot;Electricity Capacity Mix&quot;</td>
</tr>
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<td></td>
<td>MUW Multi and Water Utilities</td>
<td>• This update allows for closer alignment with other reporting standards, awarding public reporting of key data, and further differentiating generation, capacity and revenue by generation sources.</td>
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| **Energy Mix**                    | OGX Oil & Gas Upstream & Integrated | • In the question "Oil & Gas Production", fields have been included to report production data from ultra-deep waterdrilling and offshore Arctic drilling. Fields to report revenue from those activities, from oil sands, and from tight/shale oil/gas production have also been included. The depth-threshold for ultra-deep water drilling has been moved from 1,000m to 1,500m. Finally, it is now possible to indicate the availability of public evidence separately for each line of the second table of the question.  
• Questions "Oil & Gas Reserves" and "Finding & Development Costs & Production Costs" no longer require publicly available information. However additional points will be granted for availability of public data.  
• The question "Oil Sands & Fossil Fuel Exposure" has been removed from the criterion.  
• Additional types of sources were added in the "Renewable Energy Production" question to disclose production for third parties, now reported in GWh instead of MWh. Current and target capacity (in MW) columns have been added to the first table, which is now dedicated to production of electricity, heat and steam. Biofuel production has been moved outside of the table. Companies can now indicate if there is any data inconsistency between what is disclosed in the CSA and what is available in the public domain.  
• The criterion has moved from the Economic and Governance Dimension to the Environmental dimension. |
| **Environmental Policy & Management Systems** | All industries except BNK, FBN, INS | • The criterion has been updated to include a new question: "Environmental Policy & Commitments".  
• This question aims to capture essential elements of Environmental Management Systems (EMS) and related public commitments.  
• The question is aligned with ISO 14001 and complements the existing question “Coverage of Environmental Management Policy”. |
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| Operational Eco- Efficiency   | All industries      | • The "Indirect Greenhouse Gas Emissions (Scope 2)" question now allows companies to report both location-based and market-based emissions. Through the addition of a checkbox, companies can indicate if they only have operations in regions that do not allow reporting of market-based data.  
• The “Energy Consumption” question has been updated in order to simplify reporting for companies. The updated question now asks for total renewable and total non-renewable energy consumption. This question is now aligned with CDP question C8.2a.  
• The question “Energy Use” has been deleted and all companies now answer the updated “Energy Consumption” question.  
• The question on "Waste Disposal" has been updated by deleting total wastegenerated, revising the definition of waste recycled in line with other reporting standards and adding specific waste disposal methods used to the metrics  
• The "Hazardous Waste" question has been updated in line with the "Waste Disposal" question.  
• The "Ash & Gypsum Waste" question has been updated by collecting waste-related data in the form of metric tons and focusing the metrics on both total waste recycled, and total waste disposed, in line with other waste-related questions in the criterion.  
• The "Mineral Waste" question has been updated by adding the categories 'Mineral waste repurposed/reused' and 'Total mineral waste disposed' in line with other waste-related questions in the criterion. |
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| Occupational Health & Safety | All industries except AIR, CMT, IMS, SEM, SOF, THQ, TSV                           | • Two new questions have been introduced in the criterion: “OHS Policy & Commitment”, as well as “OHS Programs”  
• These additions allow further alignment with the expectations of OHS most relevant standards (ILO and ISO 45001).  
• Also, in order to further align with the changes introduced with these two new question, the already existing question on “OHS Governance Oversight” has been reviewed to consistently cover the governance aspects of Occupational Health & Safety systems. The question has not been extended to any additional industries. Therefore, only industries which already had this question are affected by this change (ATX, AUT, BLD, BNK, COM, CON, FBN, HOM, INS, REA, REX, RTS, TEX, TRA, TRT). |
| Access to Healthcare       | BTC Biotechnology  
DRG Pharmaceuticals  
HEA Health Care Providers & Services  
MTC Health Care Equipment & Supplies | • The criterion has been updated to focus on programs and performance indicators of access to healthcare. Thus, the criterion was renamed.  
• The “Access to Medicine Strategy Reporting” question has been removed as the key topics are covered in the new questions.  
• For BTC and DRG two questions have been added: "Access to Healthcare Programs (Products & Drugs)" and "Impact on Access to Healthcare". The latter allows for alignment with GISD (Global Investors for Sustainable Development) metrics.  
• The criterion has been added for HEA. It contains two questions: "Access to Healthcare Programs" and "Partnerships for Accessibility to Healthcare"  
• MTC's two questions have been updated and renamed to better focus on relevant programs and partnerships. |
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| Talent Attraction & Retention| All Industries     | • The question "Health & Well-Being" will be renamed "Employee Support Programs". The question used to be in the criterion Occupational Health and Safety and has now moved to the Talent Attraction & Retention criterion.  
• This question has become applicable to all industries and requires public evidence.  
• Beyond the aspects already captured in the question such as work from home, flexible work arrangements, parental leave and childcare contributions, the updated question will integrate the topics of part-time work, breast-feeding facilities and care leave beyond parental leave. |
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<td>Energy Mix</td>
<td>OGX</td>
<td>These 3 criteria have been moved from the Economic and Governance Dimension to the Environmental dimension without any additional change in the question since they pertain to reducing the environmental impact of products &amp; services and to reducing the use of fossil fuels</td>
</tr>
<tr>
<td>Fleet Management</td>
<td>AIR</td>
<td></td>
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<tr>
<td>Sustainable Construction</td>
<td>COM</td>
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<td>Health &amp; Nutrition</td>
<td>FDR, BVG, FOA</td>
<td>These 4 criteria have been moved from the Economic and Governance Dimension to the Social dimension without any additional change in the questions since they pertain to the social impact of the companies.</td>
</tr>
<tr>
<td>Privacy Protection</td>
<td>All 32 industries with this criterion in their questionnaire</td>
<td></td>
</tr>
<tr>
<td>Customer Relationship Management</td>
<td>All 52 industries with this criterion in their questionnaire</td>
<td></td>
</tr>
<tr>
<td>Marketing Practices</td>
<td>BTC, DRG, HEA, LIF, MTC</td>
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