



RESOURCE TRANSFORMATION SECTOR

BASIS FOR CONCLUSIONS

Industrial Machinery & Goods

Sustainable Industry Classification System® (SICS®) TR-IG

Prepared by the
Sustainability Accounting Standards Board

October 2018

sasb.org

About SASB

The SASB Foundation was founded in 2011 as a not-for-profit, independent standards-setting organization. The SASB Foundation's mission is to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors.

The SASB Foundation operates in a governance structure similar to the structure adopted by other internationally recognized bodies that set standards for disclosure to investors, including the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board (IASB). This structure includes a board of directors ("the Foundation Board") and a standards-setting board ("the Standards Board" or "the SASB"). The Standards Board develops, issues, and maintains the SASB standards. The Foundation Board oversees the strategy, finances and operations of the entire organization, and appoints the members of the Standards Board.

The Foundation Board is not involved in setting standards, but is responsible for overseeing the Standards Board's compliance with the organization's due process requirements. As set out in the SASB Rules of Procedure, the SASB's standards-setting activities are transparent and follow careful due process, including extensive consultation with companies, investors, and relevant experts.

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Table of Contents

Introduction	4
The Standards Board.....	4
Development of the Sustainability Accounting Standards	4
Approval of the Industry Standard.....	5
Future Updates to the Standards.....	6
Revision RT-IG:01 – Industry: Industrial Machinery & Goods; Topic Name: Fuel Economy & Emissions in Use-phase	7
Revision RT-IG:02 – Industry: Industrial Machinery & Goods; Topic Name: Materials Sourcing	10
Appendix A. Standards Board – Sector Committee Assignments	13
Appendix B. Redline Metric Tables	14

Introduction

The publication of the Sustainability Accounting Standard (“Standard”) for the [Industrial Machinery & Goods Industry](#) marks an important milestone for the industry and for global capital markets more generally. It is the first Standard designed to assist companies in the Industrial Machinery & Goods industry in disclosing financially material, decision-useful sustainability information to investors.

The Industrial Machinery & Goods Industry Standard was first released in a provisional form in June 2015 after an extensive standard-setting process. Following the release of the Provisional Standard, the SASB staff, under the guidance of the SASB standard-setting board (“the Standards Board” or “the SASB”), engaged in further due process to revise the Standard. In October 2018, the Standards Board approved revisions to the Standard. The Standards Board subsequently voted to approve the Industrial Machinery & Goods Industry Standard, thereby including it in as one of the 77 industries for which the SASB has developed and published an industry standard.

The *Basis for Conclusions* describes the rationale for revisions made to the provisional industry standard. Additionally, the document outlines the standard-setting process the Standards Board used to codify the standard. All standard-setting documentation, including prior drafts of the standard, summary reports, and comment letters, which informed the development of the standard, are publicly available at the [Standard Setting Archive](#) of the SASB website.

The Standards Board

The Standards Board is charged with developing, issuing, and maintaining SASB standards. The Standards Board operates in accordance with its primary governance documents, including the SASB’s [Conceptual Framework](#) and [Rules of Procedure](#). The [Conceptual Framework](#) sets out the basic concepts, principles, definitions, and objectives that guide the Standards Board in its approach to setting standards. The [Rules of Procedure](#) establishes the due process followed by the Standards Board and staff in their standard-setting activities. The standard-setting process is designed to ensure each industry standard reflects the core objectives established in the [Conceptual Framework](#) to facilitate companies’ cost-effective reporting of financially material and decision-useful sustainability information to investors.

In its standard-setting role, the Standards Board operates in a transparent manner, including holding public board meetings. The Standards Board currently uses a sector-based committee structure, with three Standards Board members assigned primary responsibility for each given sector. In addition to sector committee reviews, the full Standards Board evaluates revisions to the standards. Information on Standards Board meetings, including minutes, agendas, and a schedule of upcoming meetings is available on the SASB website. A list of Standards Board members and their respective sector committee assignments is included in **Appendix A**.

Development of the Sustainability Accounting Standards

SASB staff initiated its standard-setting activities in 2012 under the oversight of the Standards Council.¹ From August 2012 to March 2016, the SASB staff developed provisional standards for each of the industries identified in the [Sustainable Industry Classification System® \(SICS®\)](#).² The provisional standards were developed through an iterative

¹ The Standards Council served in a process oversight role, distinct from the standard-setting role the Standards Board serves in. Upon completion of the provisional phase in 2016, the Standards Council was disbanded.

² At the time of the development of the provisional standards, SICS® contained 79 industries. SICS® was subsequently revised to 77 industries as a result of the combining of industries that contained similar sustainability-related risk and opportunity characteristics.

and transparent process centered on independent research, market input, and oversight from the Standards Council. Each provisional industry standard was developed based on staff research, industry working group (“IWG”) feedback, public comments, and individual consultations with companies, investors, and other relevant experts. Throughout the development of the provisional standards, more than 2,800 individuals participated in IWGs, 172 public comment letters were received, and hundreds of individual consultations were conducted with market participants by the SASB staff.

In 2016, following the issuance of the provisional standards across all industries, the SASB staff initiated a dedicated market consultation period to gain further insight into market views on the provisional standards. Subsequently, the Standards Board was seated and initiated a due process phase that culminated in the codification of 77 industry standards in October 2018. This standard-setting phase that began with the provisional standards and concluded with the codified standards is described more fully below. All standard-setting documentation discussed below are publicly available at the [Standard Setting Archive](#) of the SASB website.

- **Consultation:** In the six-month period from Q4 2016 – Q1 2017, the SASB staff conducted consultations to gather additional input from companies, investors, and relevant experts on the provisional standards. Throughout this phase, the SASB staff received input on the complete set of industry standards from individual consultations conducted with 141 companies, 19 industry associations, and 271 investor consultations via 38 institutional investors. The *Consultation Summary* comprises the findings from the consultations.
- **Technical Agenda:** In July 2017, after a period of review to evaluate market input from consultations on the provisional standards, the Standards Board worked with the SASB staff to publish the *Technical Agenda*. The *Technical Agenda* formally lists the areas of focus to address in preparing the standards for codification, emphasizing those issues for which strong evidence surfaced and/or those which received significant market feedback during the consultation period.
- **Public Comment Period:** In October 2017, the Standards Board published exposure drafts of the standards, which incorporated proposed changes guided by the *Technical Agenda* to the provisional standards. This opened a 90-day period, subsequently extended to a 120-day period, from October 2017 to January 2018, for public comment and review of proposed changes to provisional standards. Market participants provided 120 comment letters during the comment period. All letters received and a *Summary of Public Comments* are available at the [Standard Setting Archive](#).

The Standards Board and the SASB staff evaluated the public comments received in conjunction with previous market input and research to determine the revisions to be made to the provisional standard.

Approval of the Industry Standard

On October 13, 2018, the Standards Board voted unanimously to revise the Provisional Standard for the Industrial Machinery & Goods industry. In light of these revisions, on October 16, 2018, the Standards Board voted unanimously in favor of removing this Standard’s provisional status. In doing so, the Standards Board considered all phases of the standard-setting process, including those detailed in the above documents, to assess their underlying rationale, their adherence to due process, and their faithfulness to the essential concepts of sustainability accounting, as described in the [Conceptual Framework](#).

The following section of this document describes the rationale for the revisions. **Appendix B** contains a redline table that summarizes these revisions. Revisions relative to the provisional standard that have not altered the scope or content of disclosure topics or metrics, such as those that are intended to improve the consistency, clarity, and accuracy of the standard, are not specifically addressed in the *Basis for Conclusions*.

Future Updates to the Standards

As social, economic, regulatory, and other developments alter an industry's competitive landscape, the SASB standards may need to evolve to reflect new market dynamics. The Standards Board will follow a regular standards review cycle to address emerging and evolving issues that may result in updates to the SASB standards.

The Standards Board intends to direct the SASB staff to compile and publish a *Research Agenda*, which outlines items that have been identified as requiring further analysis. Evidence-based research and market input, including feedback from outreach and consultation, will inform reviews of issues on the *Research Agenda*. Items from the *Research Agenda* may later be added to the Standards Board's *Technical Agenda* for additional due process and formal deliberation. All updates are subject to the standard-setting process described in the [Rules of Procedure](#).

Revision RT-IG:01 – **Industry:** Industrial Machinery & Goods; **Topic Name:** Fuel Economy & Emissions in Use-phase

2017 Technical Agenda Item #7-19 Description

SASB is evaluating the revision of metric RT0203-06³ to improve its decision-usefulness.

Summary of Change – Revise Metrics

The SASB revised provisional metric RT0203-06, “Sales-weighted emissions of (a) NO_x and (b) PM for: (1) marine diesel engines, (2) locomotive diesel engines, and (3) other non-road diesel engines,” by adding a fourth product category, “on-road medium- and heavy-duty engines,” and including the following note to the metric requiring the disclosure of qualitative information of a company’s strategy and approach to address fuel economy and greenhouse gas (GHG) emissions of products: “The entity shall discuss its strategies and approach to managing fleet fuel economy and emissions risks and opportunities.”

Adherence to Criteria for Accounting Metrics

The Industrial Machinery & Goods Industry Standard includes a topic, Fuel Economy & Emissions in Use-phase, with associated metrics to describe a company’s regulatory and product development risks and opportunities in the context of a growing market for fuel-efficient technologies. The set of metrics associated with the topic captures the sales-weighted emissions and fuel efficiency-performance of a company’s products. Specifically, disclosure on emissions of nitrogen oxides (NO_x) and particulate matter (PM) is likely to constitute material information for a company’s major product categories because of regulatory drivers. The provisional metrics, however, did not address emissions and efficiency from on-road heavy-duty vehicles, an important product category for the industry in terms of its market size and its exposure to increasing regulatory risks related to product emission performance. The inclusion of an additional product category in the scope of the metric improves the usefulness, completeness, and fair representation of the metric.

While the metric provided a useful quantitative indicator, it is important for investors to understand additional context associated with the disclosure, including actions a company is taking to develop more fuel-efficient engines or reduce the air emissions intensity of products in order to address regulatory risks and customer demand. Such actions include internal research and development for new technologies, modification of existing products, and strategic partnerships with other firms and regulatory agencies. This additional element of disclosure associated with the metric aids the overall understanding of performance on the topic, improving the decision-usefulness, completeness, and representation of the metrics associated with the topic. By adding a note to the metric describing specific elements making up such a qualitative discussion, resulting disclosures are made more comparable and, as a result, more useful for investors.

Supporting Analysis

The provisional accounting metric RT0203-06 associated with the topic captures product performance on emissions of key regulated air pollutants, which is an indicator of exposure to regulatory risk and product demand for several product categories. The medium- and heavy-duty on-road engine category of industrial machinery products was not

³ RT0203-06 - Sales-weighted emissions of (a) NO_x and (b) PM for: (1) marine diesel engines, (2) locomotive diesel engines, and (3) other non-road diesel engines

originally included in the scope of the provisional metric because emissions performance was not identified as a primary financial driver within this product category.

However, additional research related to regulatory and demand drivers that affect on-road engines suggested that the metric should include this product category. Regulations promulgated by the U.S. Environmental Protection Agency (EPA)⁴, European Commission⁵, and regulators in Asia⁶ include on-road, heavy-duty vehicles in emissions-limiting (targeting NO_x and PM) rules put forth in the past decade. Additionally, an analysis of disclosure practices in SEC filings by the top ten companies in the industry by market capitalization shows that the majority of companies provide disclosure on the topic, mostly in the form of metrics and qualitative narrative. This inclusion underscores the importance of the topic to the companies. The analysis also shows that for top companies that manufacture on-road engines, regulations targeting product emissions are key drivers of competitive advantage for their products. Therefore, the change improves the fair representation, completeness, and usefulness of the metric.

The Industrial Machinery industry manufactures a wide variety of products including generators, on-road engines, heavy construction equipment, and mining machinery. Each of these product categories has specific regulations for emissions and in some cases fuel efficiency that affect product costs and design. Customer interest in more efficient machinery is an important competitive factor related to demand for products and is therefore an important financial driver.

Furthermore, stakeholder comments indicated that additional contextual disclosure was required to enable complete investor understanding of company performance due to the highly granular, product-specific nature of the provisional metric. Such feedback suggested that a qualitative disclosure capturing company-specific efforts to address emissions and fuel economy regulations would enhance the extent to which the metric fairly represented company performance. Specifically, a complete and accurate understanding of the quantitative metrics requires ample contextual information because product types may vary within and between companies, affecting the comparability of disclosure.

While the introduction to the standard recommends that companies include qualitative information wherever it will aid understanding of quantitative disclosures, the need for clarifying qualitative disclosure to the quantitative metrics in the topic makes the addition of a qualitative discussion an important addition to the standard. Investors also benefit from being able to compare companies' strategies to meet regulatory requirements and efforts to capitalize on customer trends. Importantly, the suggested note to the metric has been utilized in other industries previously, including in the Aerospace & Defense industry, and has received positive feedback for its relevance and usefulness.

Market Input

Investors: Comments from a limited number of investors suggested that the revision improves the decision-usefulness of disclosure because the provisional metric omitted a relevant product category.

Companies: Limited company feedback suggested that air emissions are an important driver of value for the on-road product category, and that a qualitative description of company efforts to improve fuel efficiency and lower emissions

⁴ U.S. Environmental Protection Agency, "Heavy-Duty Highway Engine: Clean Fuel Fleet Exhaust Emission Standards," March 2016, accessed July 17, 2018, <https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P10009ZY.pdf>.

⁵ "EU Heavy-duty Bus and Truck Engines," Dieselnet, accessed August 13, 2017, <https://www.dieselnet.com/standards/eu/hd.php>.

⁶ "China Heavy-duty Bus and Truck Engines," Dieselnet, accessed August 13, 2017, <https://www.dieselnet.com/standards/cn/hd.php>.

intensity of products is an important factor in analyzing performance on the topic. Therefore, the revision improves the usefulness of the standard.

Benefits

Improves the SASB standard: The addition of the fourth product category in the scope of the metric and a note requesting qualitative disclosure improves the completeness, representation, and usefulness of disclosure to investors, thereby enhancing its decision-usefulness.

Revision RT-IG:02 – **Industry:** Industrial Machinery & Goods; **Topic Name:** Materials Sourcing

2017 Technical Agenda Item #7-20 Description

SASB is evaluating the revision and/or removal of metrics RT0203-09⁷ and RT0203-10⁸ to improve the cost-effectiveness and decision-usefulness of the metrics associated with the topic.

Summary of Change – Revise Topic: Materials Sourcing

The SASB revised the scope of the Materials Sourcing disclosure topic to improve the representation of potential financial impacts stemming from risks and opportunities related to resource scarcity. As a result of the topic revision, the SASB removed two provisional metrics:

- RT0203-09, “Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free”
- RT0203-08, “Percentage of materials costs for products containing critical materials”

Additionally, the SASB removed the term “conflict minerals” from the provisional metric RT0203-10, “Discussion of the management of risks associated with the use of critical materials and conflict minerals” and revised the technical protocol to require companies to identify which primary critical materials present risk to their operations.

Adherence to Criteria for Topic Selection and Accounting Metrics

The Industrial Machinery & Goods Industry Provisional Standard includes a disclosure topic, Materials Sourcing, which addresses risks related to the sourcing of scarce or constrained materials. The provisional standard included three metrics that address costs associated with critical materials (RT0203-08), sourcing risks due to procurement of conflict minerals (RT0203-09), and a company’s processes and strategies related to sourcing of critical materials and conflict minerals (RT0203-10).

Resource scarcity and supply constraints can result in significant financial risks and opportunities that are relevant across the industry. Resource scarcity can arise from a low substitution ratio of inputs, the concentration of deposits in only a few regions, the environmental or social implications of extraction, and geopolitical considerations such as the existence of conflict in certain regions. These factors can lead to supply disruptions and/or to price increases of key materials.

To ensure that the topic addresses the factors most likely to affect corporate value and operating performance, the SASB revised scope of the topic to directly focus on exposure to resource scarcity and supply constraints. Removing the angle on sourcing materials from areas of conflict (unless such materials fall within the revised scope of the topic, as opposed to including such materials by default) ensures that the topic addresses the factors most likely to affect corporate value and operating performance. The topic revision also improves the relevance of the topic across the industry.

⁷ RT0203-09 - Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free

⁸ RT0203-10 - Discussion of the management of risks associated with the use of critical materials and conflict minerals

The provisional metrics were not well-suited to measure performance in this area. The SASB removed quantitative metric RT0203-08 and eliminated the required disclosure of information pertaining to conflict minerals within the discussion and analysis metric RT0203-10. These revisions removed disclosures that were not representative of performance on the topic. Additionally, metric RT0203-09 was removed as it was unlikely to provide useful, representative information about performance on the topic.

The SASB also included a new disclosure requirement within RT0203-10 to include disclosure of the types of critical materials identified as relevant by the company. This metric revision improves the representation of the metric and provides investors with useful information to identify the specific materials procured that the company views as presenting significant risks.

The revised topic scope, removal of two metrics (RT0203-08 and RT0203-09), and revision of a third metric (RT0203-10) improves the representation, completeness, cost-effectiveness, and decision-usefulness of the standard.

Supporting Analysis

Companies in the industry may face risks related to sourcing critical materials due to the supply constraint factors mentioned above. For example, according to a 2013 RAND National Defense Research Institute study, a high percentage of material resources critical to U.S. manufacturing is imported from nations with shortfalls in quality of governance. Recycling rates of these substances are typically not high enough to meet global demand; therefore, extraction and processing of new deposits is required. According to the RAND report, approximately 97 percent of rare earth metals, which include materials such as tungsten and antimony that are used in a variety of industrial machinery products, particularly in electronic components, are mined in China.⁹ Some countries impose production controls and export restrictions such as quotas and tariffs, which, in light of increasing demand for these materials, have, in some instances, had a significant impact on price and availability. For example, between 2010 and 2011 the price of some rare earth metals doubled due to fears of Chinese export quotas.¹⁰

Companies also face increasing competition for these materials due to growing global demand from other sectors, including transportation, renewable resources, and technology and communications, which can exacerbate supply constraints.¹¹ Furthermore, there is potential for reputational harm from indirectly funding social unrest or for environmental damage by purchasing materials extracted in certain regions of the world.

Although company management of critical materials is an important topic, the associated metric relating to the percentage of material costs for products containing such materials presents challenges to companies with respect to reporting associated information. Specifically, the variable nature of the use of such materials by companies in the industry, as well as the highly granular nature of the metric with respect to identifying costs associated with such inputs to a company's mix of manufactured products, may make the reporting of the metric burdensome for companies while not providing representative data to investors regarding a company's risk management process with respect to critical materials. A search of company SEC filings of the major listed companies in the industry found no quantitative disclosures related to the use of critical materials as defined in the provisional metric.

⁹ Richard Silbergliitt, James T. Bartis, Brian G. Chow, David L. An, and Kyle Brady, "Critical Materials Present Danger to U.S. Manufacturing," RAND National Defense Research Institute, 2013, http://www.rand.org/content/dam/rand/pubs/research_reports/RR100/RR133/RAND_RR133.pdf.

¹⁰ Ibid.

¹¹ Ibid.

As demonstrated above, existing disclosure often identifies risks associated with access to specific critical materials, and thus the qualitative metric is aligned with existing industry disclosures. Risk factors associated with access to supply also vary by the material type, emphasizing the importance to investors of identification of such materials in order to evaluate the risk profile of the company. The technical protocol already requires the disclosure of company management practices to reduce materials sourcing risks, including management of sourcing, recycling or take-back programs, or other strategies, to complement the identification of a company's critical materials. In summary, the metric removals and revision provide investors with a complete understanding of company exposure to risks associated with the topic through the disclosure of the materials the company considers to be "critical" as well as its management strategies to identify, manage, and mitigate such risks.

Market Input

Investors: A review of prior input on the metric during SASB's industry working group phase for the industries where this metric appears did not find historical evidence of investor support for the metric. In particular, the working group scoring of the relevance, cost-effectiveness, auditability, and comparability of the metric were all generally below 50 percent for the ten industries where the metric appeared in the provisional standards, suggesting a broad set of stakeholders did not support the usefulness of the metric. Public comments received during initial standards development phase similarly did not support the metric based on concerns over comparability, cost-effectiveness, or the sensitivity of information. These sentiments were echoed in several comments from companies and industry associations during the 2017-2018 public comment period.

Companies: A limited number of companies that participated in the 2016-2017 consultation period commented that conflict minerals disclosure was not relevant and not likely to result in material financial or reputational impacts. Companies further indicated that the sourcing of certain materials could be financially impactful. Companies also expressed concerns regarding the difficulty—and therefore cost—of tracking all instances of the use of critical materials in a company's product portfolio, citing that in many cases such products use trace amounts of such materials. Companies also identified concerns related to the potential for disclosure of sensitive business information with respect to reporting the portion of costs associated with specific input materials. Further, many companies argued that the metric was very costly to report, as it would require them to track small quantities of "critical" compounds that do not materially contribute to a company's cost of goods sold and therefore are unlikely to already be monitored and reported by the company.

Benefits

Improves the SASB standard: The revision to the scope of the topic improves its relevance in measuring corporate performance on the Materials Sourcing topic. Additionally, the removal of two metrics improves the cost-effectiveness and representation of the standard by emphasizing company exposure to and management of material sourcing risk for critical materials while at the same time better aligning with existing industry disclosure practices. Finally, the revision to the qualitative metric improves the completeness of the set of information provided to investors regarding company exposure to and management of materials sourcing risk, and therefore enhances the decision-usefulness of the information generated by the standard.

Appendix A. Standards Board – Sector Committee Assignments

STANDARDS BOARD MEMBER	SECTOR CHAIR	OTHER COMMITTEES
Jeffrey Hales, PhD (Chair) Professor, Georgia Institute of Technology – Ernest Scheller Jr. College of Business	Financials, Renewable Resources & Alternative Energy	Transportation, Services, Resource Transformation
Verity Chagar (Vice Chair) Vice President, BlackRock	Extractives & Minerals Processing	Financials, Technology & Communications, Infrastructure
Robert B. Hirth Jr. (Vice Chair) Senior Managing Director, Protiviti; Chairman Emeritus, COSO	Technology & Communications	Health Care, Extractives & Minerals Processing, Services
Daniel L. Goelzer, JD Senior Counsel, Baker & McKenzie LLP	Services	Financials, Resource Transformation, Infrastructure
Kurt Kuehn Former CFO, United Parcel Service	Transportation, Infrastructure	Consumer Goods, Renewable Resources & Alternative Energy
Lloyd Kurtz, CFA Senior Portfolio Manager, Head of Social Impact Investing, Wells Fargo Private Bank	Health Care, Resource Transformation	Technology & Communications, Food & Beverage
Elizabeth Seeger Head of Sustainable Investing, KKR	Consumer Goods	Health Care, Extractives & Minerals Processing, Food & Beverage
Stephanie Tang, JD Director of Legal, Corporate Securities, Stitch Fix	Food & Beverage	Transportation, Consumer Goods, Renewable Resources & Alternative Energy

Appendix B. Redline Metric Tables

Redline tables are provided below for all sustainability accounting metrics (Table 1) and activity metrics (Table 2). All significant revisions to topics and metrics between the provisional standard and the codified standard are shown in redline; however, such redlines are not intended to communicate the full scope of such revisions, for which readers should refer to the codified Standard and accompanying content elsewhere in the *Basis for Conclusions*.

All redlines presented in these tables are associated with a revision number in the Revision Number column. Significant revisions to the technical protocol associated with a given metric will not necessarily be apparent in redline in the tables; however, the associated revision number will be noted in the Revision Number column of each table.

Any redlines that depict revisions to metrics but that are not accompanied by a revision number (i.e., “n/a”) are not addressed in the *Basis for Conclusions* as these revisions have not altered the scope or content of metrics, such as those that are intended to improve the consistency, clarity, and accuracy of the standard. Similarly, if a metric is not accompanied by a revision number, the technical protocol may have been revised to improve the consistency, clarity, and accuracy of the standard.

Industrial Machinery & Goods Industry

Table 1.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	PROVISIONAL METRIC CODE	CODIFIED METRIC CODE ¹²	REVISION NUMBER
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT0203-01	RT-IG-130a.1	n/a
Employee Health & Safety	(1) Total r Recordable injury-incident r Rate (TRIR), (2) F atality r Rate, and (3) n Near m Miss f Frequency r Rate (NNMFR)	Quantitative	Rate	RT0203-02	RT-IG-320a.1	n/a
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 T on-miles	RT0203-03	RT-IG-410a.1	n/a
	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour	RT0203-04	RT-IG-410a.2	n/a
	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon	RT0203-05	RT-IG-410a.3	n/a
	Sales-weighted emissions of: (1 a) nitrogen oxides (NO _x) and (2 b) particulate matter (PM) for: (a 4) marine diesel engines, (b 2) locomotive diesel engines, (c) on-road medium- and heavy-duty engines , and (d 3) other non-road diesel engines	Quantitative	Grams per kilowatt-hour	RT0203-06	RT-IG-410a.4	RT-IG:01
Materials Sourcing	Percentage of materials costs for products containing critical materials	Quantitative	Percentage (%)	RT0203-08	n/a	n/a
	Percentage of tungsten, tin, tantalum, and gold smelters within the supply chain that are verified conflict-free	Quantitative	Percentage (%)	RT0203-09	n/a	n/a

¹² The Provisional Metric Code column provides the metric code that appeared in the Provisional Standard. The Codified Metric Code column provides the revised metric code that appears in the Codified Standard. The revised metric code is structured as follows: [Sector Code]-[Industry Code]-[Topic Code].[Metric Number].

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	PROVISIONAL METRIC CODE	CODIFIED METRIC CODE ¹²	REVISION NUMBER
	Discussion-Description of the management of risks associated with the use of critical materials and conflict minerals	Discussion and Analysis	n/a	RT0203-10	RT-IG-440a.1	RT-IG:01
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency U.S. Dollars (\$)	RT0203-07	RT-IG-440b.1	n/a

Table 2.

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	PROVISIONAL METRIC CODE	CODIFIED METRIC CODE ¹³	REVISION NUMBER
Number of units produced by product category	Quantitative	Number	RT0203-A	RT-IG-000.A	n/a
Number of employees	Quantitative	Number, Percentage (%)	RT0203-B	RT-IG-000.B	n/a

¹³ The Provisional Metric Code column provides the metric code that appeared in the Provisional Standard. The Codified Metric Code column provides the revised metric code that appears in the Codified Standard. The revised metric code is structured as follows: [Sector Code]-[Industry Code]-[Topic Code].[Metric Number].

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