

Case Study: Unlocking Value of the SASB Standards



Bloomberg L.P. (“Bloomberg”) was the first company to disclose sustainability data using the provisional SASB standards. As a private company, Bloomberg has no public shareholders but chose to report SASB standards as a means to increase transparency and encourage other companies to do the same. As part of its 2014 Impact Report, Bloomberg reported SASB metrics for the Technology & Communications and Services sectors it considered material to its business.

Using the SICSTM look-up tool available on the [Standards Navigator](#), Bloomberg looked up the sector and industries of three public company competitors. After reviewing the guidance at the beginning of each of the standards and the indicators for each of the sectors, Bloomberg identified the industries (Internet Media & Services, Media Production & Distribution, and Professional Services) most applicable to its business given the company’s hybrid nature.

After laying out all indicators from the three identified industries into a matrix, Bloomberg analyzed each metric and determined what data or information was being requested, currently available, and obtainable.

Bloomberg also considered the following regarding which metrics within the three industries it would report:

- As a private company, there is certain data and information that Bloomberg does not disclose. Bloomberg addressed the omissions of certain metrics in a narrative section at the end of its SASB disclosure.
- As part of its materiality assessment, Bloomberg scrutinized its historical disclosures to reassess what is material to its business, operations, and sustainability efforts.



Even though some of the data needed to report the SASB metrics had already been obtained for use in the Impact Report, Bloomberg needed input from other functions across the business including Legal, Risk, Marketing, Philanthropy & Engagement, Professional Development, Facilities/Research & Development, and multiple Media departments. While many of these functions had been engaged as part of prior sustainability reporting, many of them required engagement to a new degree, especially, Legal, Media, and Risk. For example, Risk and Legal in the past primarily signed off on the disclosures, but were now involved in developing report content from their own departments. Once the relevant SASB data was obtained, the reported metric was subject to various iterations resulting from cross-functional and management reviews before it was finalized.

Bloomberg’s publishing of SASB metrics is part of its overall commitment as a company to its positioning as a provider of sustainable finance solutions, which continues to be important part of the company’s efforts to recruit and retain top talent. Bloomberg’s participation clearly contributes to the fact that, among peer institutions, it ranks highest in sustainability leadership (research conducted by Edelman Berland). And it is an important part of the company’s culture, as nearly 80 percent of global employees believe sustainability is critical to Bloomberg’s identity as a company.

In addition to these benefits, Bloomberg also recognized benefits material to its current business issues:

- Evaluating the SASB metrics gave Bloomberg an opportunity to consider challenges facing the business, which informed and validated its risk management process. In some cases, the SASB data necessitated that Bloomberg consider different metrics, focused on different areas of the company that had not been previously considered or engaged. For example, Bloomberg was able to enhance its analysis of exposure to intellectual property, copyright, and other regulatory matters.
- Bloomberg enjoyed increasing efficiencies as it focused solely on material business issues. Bloomberg had always reported on total energy usage and how it was identifying reduction opportunities at data centers, but SASB required the company to connect the two with a level of specificity that it had not reported on in the past.
- Reporting the SASB metrics also offered Bloomberg a competitive advantage by informing product enhancements to its environmental, social, and governance (ESG) portfolio.

After taking the process from start to finish, Bloomberg has some key takeaways for other companies undertaking the SASB disclosure process:

START EARLY.

Assess the parties that need to be involved and get them on board at the outset. More collaboration from the beginning will likely help the process to run more efficiently. Bloomberg learned early on that the process of reporting SASB metrics required functions that had not previously worked together to collaborate. A key to getting these internal parties on board is assuring them that they will have opportunities to review the disclosures and that they will be involved in the discussions that take place at the highest levels of the organization.

YOU MAY HAVE MORE OF THE DATA THAN YOU THINK.

Bloomberg has been externally reporting sustainability information for more than five years. As a result, it was well positioned to incorporate the SASB disclosure into its report due to the information accumulated for each year’s sustainability report.

IT IS BUSINESS AS USUAL.

While the disclosure of SASB metrics was applauded by many in the industry familiar with SASB and experienced in sustainability reporting, what Bloomberg thought would garner a lot of attention was generally business as usual—which helps quell fears about the new disclosures with internal stakeholders, particularly regarding potential increased legal exposure due to enhanced disclosure.