



July 6, 2016

Ms. Janine Guillot  
Director of Capital Markets Policy & Outreach  
Sustainability Accounting Standards Board  
1045 Sansome Street, Suite 450  
San Francisco CA 94111

Via Email: [comments@sasb.org](mailto:comments@sasb.org)

Dear Ms. Guillot,

**Re: SASB Conceptual Framework**

We welcome the opportunity to respond to the consultation regarding the Sustainable Accounting Standards Board (SASB) Conceptual Framework.

British Columbia Investment Management Corporation (bcIMC) is an asset manager with approximately CDN\$123 billion in assets under management, one of the largest institutional investors in Canada. Our investment activities help finance the pensions of approximately 500,000 people in our Canadian province, including university and college instructors, teachers, health care workers, firefighters, police officers, municipal and other public sector workers. On behalf of these pension beneficiaries, we provide long term capital to companies around the world that we believe will provide strong and stable financial returns.

As a large institutional investor with a long term perspective, bcIMC is supportive of enhanced reporting on environmental, social and governance (ESG) factors or sustainability factors. Our organization has a firm commitment to integrate ESG into our investment decision-making and the only way to fulfill this commitment is to have credible, reliable and comparable company data across relevant peer groups. Despite advancements in ESG reporting, our experience shows that companies are still providing inconsistent and incomplete ESG information to the investor community and the work of SASB can help bridge this gap.

Overall, we find the framework to be clear and focused on its primary audience, the investor. While we recognize that companies have many stakeholders to satisfy, bcIMC's primary concern is getting the information we require to make informed investment decisions. This is why we appreciate the SASB framework and approach, as the intended audience is very clearly identified, which in turn helps issuers focus on the material ESG issues relevant to their business.

One point of clarification that might be useful is the notion of third party assurance. At the outset of the document, one of the key revisions identified in the framework is the clarification of the SASB approach to third-party assurance; yet, we did not find this type of clarification within the text of the framework. The only reference to third party assurance appears within the principle of data being verifiable but additional clarification is required if this was one of the specific aims of updating the Conceptual Framework.

bclMC agrees with the criteria for evaluating potential accounting metrics that have been identified in the framework with the exception of:

**Distributive:** Metrics will yield a discernible range of data for companies within an industry allowing users to differentiate performance on the topic or an aspect of the topic.

We would argue that until the data is actually collected it is difficult to understand whether or not a metric is distributive. The range of data that results from measuring a certain metric is highly dependent on the actual performance of the industry players. For example, workplace fatalities would be a material indicator for some sectors but it is impossible to know whether the measure itself is going to yield a range of outcomes once collected and assessed. It is also our view, that while benchmarking peers is important and part of our process, some data is useful in absolute terms.

It is our impression that adhering to all other criteria listed in the framework will meet the objectives of producing material disclosure that is decision-useful for investors and cost effective for issuers. The principles and criteria outlined guide companies away from promotional disclosure that is overly qualitative to that which is focused on how the company measures the creation of value over the long term. This meets our needs as investors as we attempt to assess risk in our portfolio and is consistent with what bclMC communicates to issuers when we engage with them on ESG disclosure.

bclMC is appreciative of SASB's efforts to meet the needs of investors as the ESG reporting landscape continues to evolve. The Conceptual Framework is clear and is aligned with our own objectives of integrating material information into our analysis of companies when making investment decisions using a sector-based approach.

Thank you for the opportunity to contribute to the work of SASB.

Regards,

A handwritten signature in blue ink, appearing to read "Bryan Thomson". The signature is fluid and cursive, with the first name "Bryan" being more prominent than the last name "Thomson".

Bryan Thomson  
Senior Vice President, Public Equities