

Table 5

Materials and Buildings Group – Illustrative Examples

Materials and Buildings Group organizations should consider providing key metrics related to the implications of GHG emissions, energy, and water on the financial aspects related to revenue, costs, assets, and financing costs. [Appendix 2](#) includes definitions of the abbreviations used in “Unit of Measure.”

MATERIALS AND BUILDINGS GROUP METRICS - ILLUSTRATIVE EXAMPLES						
Financial Category	Climate-Related Category	Example Metric	Unit of Measure	Alignment	Rationale for Inclusion	
						Mining Metals Chemicals Construction Materials Capital Goods Real Estate
Revenues	Risk Adaptation & Mitigation	Revenues/savings from investments in low-carbon alternatives (e.g., R&D, equipment, products or services)	Local currency	CDP: CC3.2, 3.3, CC6.1 SASB: IF0403-1	New products and revenue streams from climate-related products and services and the return on investments of CapEx projects that create operational efficiencies.	
Expenditures	Risk Adaptation & Mitigation	Expenditures (OpEx) for low-carbon alternatives (e.g., R&D, technology, products, or services)	Local currency	GRI 302-5	Expenditures for new technologies are needed to manage transition risk. The level of expenditures provides an indication of the level to which the future earning capacity of the core business might be affected.	
Expenditures	Energy/Fuel	Total energy consumed, broken down by source (e.g., purchased electricity and renewable sources)	GJ	SASB: IF0402-02 GRI: 302-1	The metals and mining industries are energy- and emission-intensive industries. Buildings also account for a large portion of energy and fuel consumption, particularly in relation to heating. Understanding the levels of energy consumption by source provides an indication of the potential impact of regulatory measures in relation to the use of certain energy sources as well as the transition risks in a low-carbon economy scenario.	
Expenditures	Energy/Fuel	Total fuel consumed—percentage from coal, natural gas, oil, and renewable sources	GJ	SASB: NR0302-04	In the transition to a low-carbon economy, the energy-efficiency levels achieved in production provide investors with an indication of the vulnerability of the product portfolio to transition risk and thus earning capacity.	
Expenditures	Energy/Fuel	Total energy intensity—by tons of product, amount of sales, number of products depending on informational value	GJ	GRI 302-3	In the transition to a low-carbon economy, the energy-efficiency levels achieved in production provide investors with an indication of the vulnerability of the product portfolio to transition risk and thus earning capacity.	
Expenditures	Energy/Fuel	Building energy intensity (by occupants or square area)	GJ	SASB: IF0402-02; GRI: G4-CRE1; GRESB: Q25.2	In the transition to a low-carbon economy, the energy efficiency of properties provides investors with an indication of the vulnerability of the portfolio to transition risk and thus earning capacity of real estate portfolios.	
Expenditures	Water	Percent of fresh water withdrawn in regions with high or extremely high baseline water stress	Percentage	SASB: NR0401-05	Water stress can result in increased cost of supply, factual inability to produce, and/or legislation to regulate water withdrawal for production. The percent withdrawn in high water-stress areas informs the risk of significant costs or limitations to production capacity.	

Table 5

Materials and Buildings Group – Illustrative Examples (continued)

MATERIALS AND BUILDINGS GROUP METRICS - ILLUSTRATIVE EXAMPLES						Metals and Mining	Chemicals	Construction Materials	Capital Goods	Real Estate
Financial Category	Climate-Related Category	Example Metric	Unit of Measure	Alignment	Rationale for Inclusion					
Expenditures	Water	Building water intensity (by occupants or square area)	Cubic meters	GRI: G4-CRE2; GRESB: Q27.2	Water stress can result in increased cost of supply, factual inability to deliver water to real estate tenants, and/or legislation to regulate water withdrawal for consumption. The building water intensity informs the (transition) risk of significant costs or limitations to this service capacity.					
Expenditures	GHG Emissions	GHG emissions intensity from buildings (by occupants or square area) and from new construction and redevelopment	GJ	GRI: G4-CRE3/ CRE4	In the transition to a low-carbon economy, the carbon efficiency of the properties provides investors with an indication of the vulnerability of the product portfolio to transition risk and thus earning capacity of real estate portfolios.					
Assets	Location	Area of buildings, plants or properties located in designated flood hazard areas	Percentage probability, costs to insure in local currency	GRESB: Q15.1, 15.2 SASB: IF0401-13, 02-13	Flooding risks can result in physical damage to properties, affecting their serviceability. Understanding the potential impacts of flooding risks and the related financial implications informs investors about potential changes to the earning capacity of real estate					
Assets	GHG Emissions	A breakdown of reserves and an indication of associated emissions factors to provide insight into potential future emissions	Metric ton (MT) of carbon dioxide emissions (CO ₂ e)	SASB: NR0101-23	A transition to a low-carbon economy may affect the value of reserves. Providing insight into potential future emissions can help to inform investors about the potential impacts of regulatory measures and demand changes on earning capacity.					
Assets	Risk Adaptation & Mitigation	For each property type, the percentage certified as sustainable	Percentage	GRESB: NC5.2/ CA2/Q30.1/ Q30.2/Q31	Regulatory measures such as carbon pricing as well as transition to low-carbon properties may affect the financial viability of existing properties. Understanding the percentage certified as sustainable (against relevant indices) provides investors with an indication about the potential impact of regulatory measures and demand changes on earning capacity of real estate portfolios.					
Assets	Risk Adaptation & Mitigation	Investment (CapEx) in low-carbon alternatives (e.g., capital equipment or assets)	Local currency	GRI 302-5	Investments in new technologies are needed to manage transition risk. The level of investment provides an indication of the level to which the future earning capacity of the core business might be affected.					