FSA Credential Level II
What You Need to Know

Tessie Petion
VP, Responsible Investment Research
Domini Social Investments

Tom Raymond
Director of Environmental Sustainability
Hormel Foods

Moderator:
Nicolai Lundy
Director of Education

July 27, 2016
Housekeeping Matters for Today’s Webinar

- The deck and a recording will be sent out
- Short survey will be presented at end of webinar
- Submit questions with the chat feature – we will answer as many as we can
FSA Level II Experts

Tessie Petion
VP, Responsible Investment Research
Domini Social Investments

Tom Raymond
Director of Environmental Sustainability
Hormel Foods
Agenda

- FSA Credential Overview
- Comparing Level I and Level II
- Level II Curriculum and Other Details
- First Cohort Benefits
- Q&A (and throughout)
FSA Credential Overview

Fundamentals of Sustainability Accounting (FSA) Credential

Principles and essential concepts

Application and analysis

LEVEL I

LEVEL II

FSA CREDENTIAL
Level I vs Level II

How do the two exams compare?

**Level I: Principles**
- Foundational knowledge
- Context, facts, overarching themes
- Exam with mix-and-match questions

**Level II: Practices**
- Advanced skills
- Methodology for analysis
- Exam with multiple case studies, each with a set of associated questions

Same audience for both
Level II – What Do You Learn?
The overarching theme and 3 key skills

Gain an enhanced analysis of a company’s performance and value

1. Identifying how a company’s operations or operating context influence the materiality of sustainability

2. Comparing peer companies’ sustainability performance with normalization and additional contextual information

3. Evaluating the connection between performance on SASB topics and financial value
Curriculum Informed By Subject Matter Experts

Deliberate process for determining the scope of Level II

Ideation

Informed by 20+ reviewers

Clear scope

Executed by Sector Analysts & 14 SMEs

Reviewers and SMEs

- Portfolio Managers/Analysts
- Corporate Sustainability Professionals

- Consultants
- Corporate Finance Professionals
Level II Study Guide

- 140 pages
- 3 key parts
  - Identifying factors
  - Comparing peers
  - Determining value impacts
- Lots of simulated cases

Section of the study guide

**Hardware industry**
Technology & Communication sector

<table>
<thead>
<tr>
<th>Disclosure topic</th>
<th>Product Lifecycle Management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustainability</strong></td>
<td><strong>TC0103-06:</strong></td>
</tr>
<tr>
<td>accounting</td>
<td>Weight of products and e-waste recovered through take-back programs (tons); percentage of recovered materials that are recycled (%)</td>
</tr>
</tbody>
</table>

On an international scale, say two electronics hardware manufacturers report the following results:

<table>
<thead>
<tr>
<th></th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight of products and e-waste recovered through take-back programs (tons)</td>
<td>150,000</td>
<td>130,000</td>
</tr>
<tr>
<td>Percentage of recovered materials that are recycled (%)</td>
<td>40%</td>
<td>20%</td>
</tr>
</tbody>
</table>

A user might conclude that Company A has better performance for recovery and
Level II Exam Details

75 questions associated with 10-15 case studies

- Multiple choice single answer
- Multiple choice multiple answer (Choose two; Choose three; etc)

2-hour time limit

Proctored to validate your accomplishment
Preparation Tips

Candidate Handbook

- Mostly the same as Level I

Sample Questions – Coming Soon

- At least 3 sample case studies with corresponding items

Study Group

- RCampus online discussion boards (voluntary, not moderated)

Exam Day Reminders

- So everything goes smoothly, particularly remote proctoring
## Early-Bird Timeline

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>This week</td>
<td>Study period for early-bird (starts Thurs 7/28)</td>
</tr>
<tr>
<td>July 31 – Aug 6</td>
<td></td>
</tr>
<tr>
<td>Aug 7 – 13</td>
<td>Sample questions available</td>
</tr>
<tr>
<td>Aug 14 – 20</td>
<td></td>
</tr>
<tr>
<td>Aug 21 – 27</td>
<td>First day exam is offered</td>
</tr>
<tr>
<td>Aug 28 – Sept 3</td>
<td>“Exam Cram” webinar</td>
</tr>
<tr>
<td>Sept 4 – 10</td>
<td></td>
</tr>
<tr>
<td>Sept 11 – 17</td>
<td></td>
</tr>
<tr>
<td>Sept 18 – 24</td>
<td></td>
</tr>
<tr>
<td>Sept 25 – 30</td>
<td>Deadline to complete early-bird</td>
</tr>
</tbody>
</table>
Pricing

**Early-Bird** - $450

- Limited number of spots (~1/2 of test takers)
- Complete by October 1
- *First cohort*

**Existing Candidates** - $550

- Register before 2017

**Normal Price** - $650

- Starting in 2017
First Cohort of FSA Credential Holders

A growing community of professionals with exclusive benefits

- $200 discount
- Profiled on FSA website
- Special study group
- Public recognition at the SASB conference Dec. 1
- Exclusive “Exam Cram” webinar in late August
Q&A

Registration opens tomorrow:
FSA.sasb.org/level 2
Login to Webassessor
Select test date (before 10/1)
Pay $450 fee, receive study guide

- For questions, visit FSA.sasb.org or email us at FSA@sasb.org.
Accounting for a Sustainable Future