**2016**
**Bloomberg**
**Impact Report**

# 2016 SASB Disclosure

SASB's mission is to develop sustainability metrics for public corporations to disclose material, decision-useful information to investors via the annual Form 10-K. We support SASB (the Sustainability Accounting Standards Board) because its work contributes directly to generating comparable and consistent data, which is deeply aligned with our mission to provide transparency to financial markets.

Bloomberg is the first company, public or private, to disclose against provisional SASB standards. The nature of our business directs us to consult three industries: Internet Media & Services, Media Production & Distribution and Professional Services. Following the Activity Metrics, we provide a combined table drawing from all three industry standards, which contains those topics we have identified as material and against which we are able to report as a private company. Quantitative data is followed by narrative information that contextualizes the data table and is also responsive to any qualitative metrics.

## SASB Activity Metrics

| Standard | Activity Metric | Measurement | 2016 | 2015 | 2014 | 2013 | 2012 | SASB Code |
|---|---|---|---|---|---|---|---|---|
| Internet Media & Services | Registrant-defined measure of customer activity | Bloomberg Terminals | 325,217 | 327,515 | 324,352 | 318,718 | 315,394 | TC–0401–A |
| | | Unique average monthly web traffic | 55,741,807 | 55,263,147 | 50,709,227 | 45,718,108 | 39,944,798 | TC–0401–A |
| Media Production & Distribution | Recipients of Media by type and number | | | | | | | |
| | Subscribers to | cable networks | 437,000,000 | 360,000,000 | 340,000,000 | 295,000,000 | 245,000,000 | SV0302–A |
| | Circulation for magazines and newspapers | Markets / Pursuits Magazine Subscriptions | 325,377 | 327,042 | 345,759 | 333,136 | 345,212 | SV0302–A |
| | | Markets / Pursuits Digital Subscriptions | 51,502 | 48,950 | 43,704 | 41,893 | 30,000 | SV0302–A |
| | | Bloomberg Businessweek Magazine Subscriptions | 892,100 | 892,845 | 926,751 | 944,570 | 953,392 | SV0302–A |
| | | Bloomberg Businessweek Digital Subscriptions | 103,904 | 85,025 | 52,526 | 35,919 | 35,374 | SV0302–A |
| | Total number of media productions and publications | Radio | 12 original programs | 12 original programs | 12 original programs | ~12 original programs | ~10 original programs | SV0302–B |
| | | TV | 10–12 programs depending on day | 10–12 programs depending on day | 10–12 programs depending on day | 10–12 programs depending on day | 10–12 programs depending on day | SV0302–B |
| | | Magazines | 3 | 3 | 3 | 3 | 3 | SV0302–B |
| Professional Services | Number of Employees by | Full Time Employees | 18,794 | 18,310 | 17,276 | 15,653 | 15,617 | SV0102–A |
| | | Non-FT Employees | 1,017 | 1,824 | 1,693 | 1,521 | 1,622 | SV0102–A |

## Environmental Footprint of Hardware Infrastructure

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| TC0401-01 | Total energy consumed in kWh | 300,537,460 | 299,335,919 | 286,644,356 | 267,396,199 | 265,930,842 |
| | Percentage grid energy | 98% | 99% | 99% | 99% | 99% |
| | Percentage renewable energy | 2% | 1% | 1% | 1% | 1% |
| TC0401-02 | Total Water Withdrawn (gallons) | 121,600,980 | 119,650,020 | 108,666,000 | 104,977,980 | 102,916,980 |
| | Percentage Recycled | 0% | 0% | 0% | 0% | 0% |
| | Percentage in regions with high or extremely high baseline water stress | 0% | 0% | 0% | 0% | 0% |
| TC0401-03 | **Description of the integration of environmental considerations to strategic planning of data center needs. Bloomberg operates multiple data centers to provide the data and analytics our customers rely on to make decisions.**<br>In 2016, data centers accounted for 46% of total electricity consumed, or or 137,624,615 kWh. Data center efficiency is a priority for Bloomberg and has been a focus of our sustainability efforts. We aggressively pursue creative solutions and employ best practices to save energy at our data centers, such as actively monitoring and measuring energy consumption, implementing control schemes to reduce energy, air containment strategies, free cooling and replacement of old inefficient hardware with newer, more efficient models.<br>At our newest data center, efficient design was one of our core principles. The data center was awarded LEED Gold New Construction Data Centers certification, only the second data center to be certified under this new, rigorous standard. The data center is 25% more energy efficient and is projected to save over 25 million kWh annually when fully loaded with IT equipment.<br>In addition to energy efficiency, we have implemented a rainwater capture system that enables us to save water. The captured rainwater will be used in our HVAC system to cool our building. During a year with typical rainfall this will save ~5 million gallons, a ~19% saving.<br>For more information on our efforts to reduce energy consumption, improve the efficiency of our data centers, and our water reduction efforts, reference the Planet section of the Impact website at www.bloomberg.com/bcause. | | | | | |

## Professional Integrity

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| SV0102-02 | Amount of legal and regulatory fines and settlements associated with professional integrity or duty of care | $0 | $0 | $0 | $0 | $0 |
| SV0102-04 | **Discussion of policies and practices relating to collection, usage, and retention of customer information**<br>Bloomberg respects the privacy rights of our users and is committed to protecting their information. Bloomberg allows access by employees on a least privilege basis, allowing access only to the information required for job function. The Privacy Notice for the Bloomberg Professional service explains that we collect and process personal information that a user provides through the Service, which may include the user's name and address and that we may use this information to communicate with and provide our users with a requested service or product. The Privacy Notice provides the user with the ability to indicate the user's preferences with regard to receiving special offers and promotions from us. | | | | | |
| SV0102-01 | **Description of management approach to assuring professional integrity and duty of care**<br>Bloomberg's employees are informed of the confidential and valuable nature of client information. Bloomberg performs mandatory security awareness trainings to educate all employees, including contractors and vendors. This security training occurs at least annually and all employees are actively required to acknowledge completion of the training. Moreover, all relevant policies are accessible to all employees. | | | | | |

## Intellectual Property Protection & Media Piracy

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| SV0302-7 | Number of new copyright infringement cases | 0 copyright litigations | 0 copyright litigations | 0 copyright litigations | 0 copyright litigations | 0 copyright litigations |
| | Number successful / Number still pending | 0 pending | 0 pending | 1 which was successful; 0 pending at year end | 0 were successful; 1 pending at year end | 0 were successful; 1 pending at year end |
| | Number as copyright owner | 0 initiated by the company | 0 initiated by the company | 0 initiated by the company | 0 initiated by the company | 0 initiated by the company |
| SV0302-8 | **Discussion of management approach to assuring IP protection**<br>Bloomberg protects its intellectual property by filing trademark applications and registering domain names for its brands and businesses. It also files patent applications on its novel inventions. Bloomberg affixes copyright notices to its published works and insists upon appropriate confidentiality obligations in connection with the disclosure of any proprietary information or trade secrets. Bloomberg engages in a variety of methods to police unauthorized use of its intellectual property, including through a third-party domain name service provider and through trademark monitoring by a vendor. | | | | | |

## Intellectual Property Protection & Competitive Behavior

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| TC0401-15 | Number of new patent litigation cases | 2 new patent litigations | 0 patent litigations | 1 patent litigations | 0 patent litigations | 1 patent litigations |
| | Number of successful / number still pending | 2 pending at year end | 1 pending at year end | 3 were successful; 1 pending at year end | 3 pending at year end | 1 which was successful; 2 pending at year end |
| | Number as patent holder | 0 initated by the company | 0 initiated by the company | 0 were initiated by the company | | |
| TC0401-16 | Amount of legal and regulatory fines and settlements associated with anticompetitive practices. | $0 | $0 | $0 | $0 | $0 |

## Data Security

| SASB Code | Metric |
|---|---|
| TC0401-11; SV0102-03 | **Discussion of management approach to identifying and addressing data security risks**<br>Data security is overseen by our Chief Information Security Officer who reports to our Chief Risk and Compliance Officer. We are committed to protecting sensitive information resources through an Information Security Management Program (ISMP). Underlying tenets of the ISMP include: centralized oversight and coordination; risk assessment and management; administrative, technical, and procedural requirements and safeguards; periodic monitoring, testing and reporting; incident response and reporting; training and awareness – including clarity on user roles and responsibilities; and acceptable residual risk. |

## Data Privacy, Advertising Standards & Freedom of Expression

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| TC0401-06 | Amount of legal and regulatory fines and settlements associated with customer privacy | **$0** | **$0** | **$0** | **$0** | **$0** |
| TC0401-07 | Number of government & law enforcement requests for customer information | **~20** | **~25** | **~15** | **~10** | **~10** |
| TC0401-05 | Percentage of users whose demographic data is collected for secondary purposes | **100%** | **100%** | **100%** | **100%** | **100%** |
| | Percentage who have opted in | **100%** | **100%** | **100%** | **100%** | **100%** |
| TC0401-04 | **Discussion of policies and practices relating to behavioral advertising and customer privacy**<br>The Privacy Policy for Bloomberg.com explains that we collect and process personal information that a user provides, which may include the user's name and address and that we may use this information to communicate with and provide our users with a requested service or product. The Privacy Policy provides the user with the ability to indicate the user's preferences with regard to receiving special offers and promotions from us. We provide choice around our use of demographic data for secondary purposes.<br>The privacy policy for Bloomberg.com is posted at http://www.bloomberg.com/privacy | | | | | |

## Journalistic Integrity & Sponsorship Identification

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| SV0302-1 | Amount of legal and regulatory fines and settlements associated with libel or slander | $0 | $350,000 | $0 | $0 | $0 |
| SV0302-2 | Fact-checking expenses as a percentage of news production costs | 10% | 10% | 10% | 10% | 10% |

**Discussion on fact-checking expenses**

We correct any errors promptly and completely. All corrections must be brought to the attention of a team leader and managing editor, and elevated to the standards team. If the complainant is dissatisfied with the team's actions, it can also be elevated further to the newsroom attorney. We leave it to the editor-in-chief to say, "We stand by our story," when that response is appropriate.

Bloomberg has outlined steps to ensure accuracy in reporting:

- Reporters are encouraged to be transparent and explain how we know what we know. Attribution should be precise, detailed and ubiquitous.
- Confirm the name and title of anyone we interview.
- Check facts pulled from earlier stories. Make sure what is asserted as history is consistent with our reporting to date.
- Reporters are responsible for the integrity of their reporting, and editors must validate what is published and broadcast.
- Print the story. Review the printout and check off each fact, spelling and calculation.
- Reporters need to sign off on the final version of their stories before publication. Editors should flag any material changes.

| | |
|---|---|
| SV0302-04 | **Discussion of management approach to assuring journalistic integrity of news programming related to: (a) truthfulness, accuracy, objectivity, fairness, and accountability, (b) independence of content and/or transparency of potential bias, and (c) protection of privacy and limitation of harm**<br>A foundational document called "The Bloomberg Way" spells out our guiding principles of transparency, accuracy and integrity. A new edition of Bloomberg Way is slated for release in 2017. Everyone across the organization involved in news gathering (more than 2,600 employees) received our code of conduct in September 2016. As they did last year, all such employees will again be required to sign an acknowledgment attesting that they have read the code.<br>We include a Q&A section in the code of conduct employee review to supplement our existing message to employees to show how seriously Bloomberg takes integrity in news. All Editorial staff also must participate in a 90 minute training session on "best practices for journalists" covering ethics, conflicts of interest and fairness issues. Over 2,140 employees completed the course. Our legal team requires libel, privacy and fairness training for all journalists.<br>To learn more about our News efforts and for more information on "The Bloomberg Way," please visit www.bloomberg.com/bcause and consult the Product section and the appendix. |
| SV0302-06 | **Description of management approach to delivering plurality of news media content**<br>Bloomberg holds regular independent board meetings around the world with business and government leaders. The meetings are generally limited to Bloomberg journalists and editors. They are designed to increase the influence and independence of Bloomberg content, reinforcing our commitment to giving full, fair and unbiased coverage to newsworthy events.<br>Led by our then Editor-in-Chief, Matt Winkler, we introduced an initiative in 2010 to address the economic and societal consequences of the gender gap in business and finance.<br>We have made it a priority to add more female talent and leadership to our staff, more diverse voices to Bloomberg stories, and to identify and profile current and future female leaders in all areas of business, finance and politics.<br>We write accurately and fairly, without bias or agenda of any kind, other than to provide news our readers need and want. We correct any errors promptly and completely. While we are often in the difficult position of covering our customers of Bloomberg LP and sometimes the company itself, we do not allow commercial considerations to shade our news judgment to protect our integrity and reputation. |

## Employee Recruitment, Inclusion & Performance

| SASB Code | Metric | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|
| TC0401-12 | Percentage of employees that are foreign nationals | | | | | |
| | US Only | 12.4 | 12.6% | 11.8% | – | – |
| | Global | 15.7 | 16.8% | 17.2% | – | – |
| TC0401-13; SV0102-08 | Employee Engagement as a percentage | | | | | |
| | HR Performance | 100% | 100% | 100% | 100% | 100% |
| | 1 Social Impact Group | 90% | 81% | 87% | – | – |
| | 2 or more Social Impact Groups | 49% | 52% | 27% | – | – |
| TC0401-14; SV0102-06; SV0302-05 | Women | 31.7% | 32% | 32.4% | 32.9% | 33.6% |
| | Women in Mgmt | 28.0% | 28% | 27.4% | 26.9% | 26.8% |
| | Black/African Americans (US Only) | 3.8% | 3.9% | 4.0% | 4.1% | 3.1% |
| | Black/African Americans in Mgmt (US Only) | 2.8% | 2.8% | 2.9% | 2.9% | 2.6% |
| | Hispanics/Latinos (US Only) | 5.8% | 5.6% | 5.8% | 5.5% | 5.3% |
| | Hispanics/Latinos in Mgmt (US Only) | 4.9% | 4.2% | 3.9% | 3.6% | 3.0% |
| | Asians (US Only) | 29.5% | 29.1% | 27.4% | 26.3% | 25.2% |
| | Asians in Mgmt (US Only) | 21.8% | 20.3% | 19.2% | 19.6% | 19.0% |

**Discussion on Employee Recruitment, Inclusion & Performance**

We recognize that diversity is good for business and that diverse opinions result in better business results. This includes broadly advertising our positions, partnering with organizations and recruiting agencies that specialize in sourcing diverse talent globally and driving diversity recruiting initiatives with target institutions/universities to build diverse pipelines.

We measure our employee engagement in several ways, including surveys, feedback from performance reviews, and engagement in programs. In 2016, we conducted a global employee engagement survey. Additionally, 100% of our employees receive feedback from Human Resources and Managers in the form of Performance Reviews. We calculate the percentage of employees that are engaged in our employee engagement and social impact groups—Sustainable Business & Finance, Diversity & Inclusion, Philanthropy & Engagement and Wellness. In 2016, 90% of our employees engaged with at least one of our Social Impact Groups and 49% engaged with 2 or more. We set ambitious targets for engagement, which can be found on the homepage of the Bloomberg Impact website at www.bloomberg.com/bcause. More details on our social impact efforts, including our Diversity & Inclusion initiatives can be found in the People section of the Bloomberg Impact website www.bloomberg.com/bcause.