

METHODOLOGY FEEDBACK REQUEST CSA 2026

Product Quality & Recall Management

DEADLINE FOR FEEDBACK:

22nd December 2025

As part of the methodology development process for the 2026 CSA, we kindly invite you to review a draft proposal for new and updated questions impacting your industry.

Please review this document and provide your feedback by completing the [online survey](#).

The question texts and methodology presented may be subject to change at any time before the end of March 2026. In addition, questions may look different in the S&P Global Sustainability Reporting Portal in terms of question structure and layout



Introduction

Criterion Rationale

Quality management represents a challenge to any company, as it necessitates effectively addressing a range of environmental, social and governance risks and opportunities. Effective quality management systems help companies to ensure the safety and quality of their products, protecting consumers and preventing harm. This is particularly important in industries such as healthcare, food and manufacturing, where product defects or failures can have severe consequences. A sound management system can also contribute to mitigating a company's environmental impact by helping to minimize waste, reduce energy consumption and improve resource efficiency. Furthermore, from a business perspective, a robust quality management system can enhance operational efficiency and reduce costs, putting companies in a better position to deliver products and services that meet or exceed customer expectations. On the other hand, ineffective or poorly implemented systems can lead to product defects, recalls, and customer complaints, all of which can damage a company's reputation and result in financial losses. Additionally, companies that do not prioritize quality management may face legal and regulatory risks if they fail to comply with industry standards and regulations.

Reason for update and summary of changes

This document contains proposals under the Product Quality & Recall Management criterion.

The question "Product Quality Programs" has undergone a major update to provide more specific insights into company practices. It now includes five new aspects that assess whether companies are integrating emerging technologies to enhance product quality, setting quantitative targets to improve product quality performance and requiring supplier adherence to their product and service quality standards. Additionally, we seek to understand whether companies disclose descriptions and root causes of product quality incidents, aligning with SASB standards applicable to the relevant industries. Detailed guidance on each aspect is available in the dedicated question guidance section.

Updated Question

Question: Product Quality Programs

INDUSTRIES IMPACTED:

ARO Aerospace & Defence
ATX Auto Components
AUT Automobiles
BLD Building Products
BTC Biotechnology
COS Personal Products
DHP Household Durables
DRG Pharmaceuticals
ELQ Electrical Components & Equipment
FDR Food & Staples Retailing
FOA Food Products
HOU Household Products
IEQ Machinery & Electrical Equipment
LEG Leisure Equipment & Products and Consumer Electronics
LIF Life Science Tools & Services
MTC Health Care Equipment & Suppliers
RTS Retailing
SEM Semiconductor & Semiconductor Equipment

QUESTION RATIONALE

Companies with robust quality management practices demonstrate a stronger foundation for long-term sustainable growth and business resilience. Developing and deploying sound quality management system programs are important for companies to ensure product quality, minimize risks, enhance operational efficiency and meet stakeholder expectations.

The purpose of this question is to evaluate whether companies have programs in place to effectively manage quality-related risks and opportunities, while providing insights into their ability to meet customer expectations and maintain a strong reputation. to determine whether companies have initiatives to proactively identify and address potential issues before they occur, and to correct any product deviations prior to customer delivery. Additionally, we evaluate the adoption of advanced tools to enhance product quality, the establishment of quantitative targets for quality performance and the alignment of quality management systems with expected standards. The question also considers whether companies invest in developing internal stakeholder skills to achieve quality objectives, engage with external stakeholders to improve overall quality, and disclose descriptions and root causes of product quality incidents.

KEY DEFINITIONS

Quality Management System: A Quality Management System (QMS) is a collection of business processes focused on achieving quality policy and quality objectives. It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management. The most common QMS is the ISO 9000 family of standards.

Preventive actions to reduce defective products: This refers to the proactive measures taken by organizations to identify and address potential issues before they occur. The measures should aim to prevent defects and non-conformities in products or processes and improve overall product quality. This approach involves conducting risk assessments, analyzing risks and implementing preventive measures to mitigate or eliminate the identified QMS risks. This preventive approach helps organizations to anticipate and address potential issues, rather than solely relying on reactive measures after problems have already occurred.

Initiatives to address defective products before delivering to customers: Includes inspections, tests, quality checks and other processes that the company deploys to identify and resolve any deviations or discrepancies in product quality or performance before products are delivered to customers. By implementing actions to address nonconformities before delivery, companies can prevent the distribution of faulty products, enhance customer satisfaction and maintain their reputation for delivering high-quality goods.

Integration of emerging technologies to enhance product quality: refers to the adoption and application of advanced tools by companies to ensure higher efficiency, consistency, and reliability in product quality. These tools can be implemented across the entire product lifecycle—from design and development to production and post-market performance, and include technologies such as:

- **Artificial intelligence & machine learning:** enabling predictive defect detection, automated root cause analysis or adaptive process control.
- **Internet of Things:** providing sensor-based real-time monitoring across production and supply chains.
- **Digitalization & cloud computing:** Streamlining quality data collection, reporting and decision-making through centralized data platforms.
- **Predictive & Big data analytics:** facilitating the forecast of failures and optimization of preventive actions using large-scale data.
- **Blockchain:** securing traceability and transparency in quality assurance.
- **Robotics & automation:** delivering automated inspections and precision manufacturing.

Set quantitative targets to improve product quality performance: establishing specific, measurable and quantifiable goals to improve company's product quality performance. These targets should be time-bound and include a target year. Companies can set targets on a variety of aspects such as:

- **Defect reduction:** e.g., achieve a 20% reduction in product defect rate by the end of the current financial year compared to the previous year.
- **Standards:** e.g., ensure ISO 9001 certification for at least 90% of all operational sites by 2028.
- **Process efficiency:** e.g., ensure automated quality checks cover 80% of production steps on an annual basis.
- **Supplier quality targets:** e.g., increase supplier audit compliance to 98% year-on-year.
- **Product reliability:** e.g., achieve zero warranty failures within the first six months of product use annually.
- **Continuous improvement:** e.g., implementing 10 Six Sigma projects focused on defect reduction by this year.

Targets related to customer satisfaction (e.g., increasing product quality ratings from 4.2 to 4.5 stars on customer surveys), regulatory compliance (e.g., maintaining 100% compliance with applicable requirements year-on-year), or product durability (e.g., improving product lifespan by 15% through material enhancements) will not be accepted for this question.

Internal audit: Also referred to as a first-party audit, is a systematic, independent and documented process to obtain audit evidence and evaluate it objectively to determine the extent to which the audit criteria are met. It is performed by the organization itself to confirm the effectiveness of the management system and to obtain information for the improvement of the management system or other internal purposes.

External verification of QMS: Involves engaging third-party organizations to systematically assess and verify whether the organization's set of policies, processes and procedures conform with the expected quality management practices. This verification process ensures that the company's quality management system is robust, reliable and aligned with international standards such as ISO 9001.

Training for internal stakeholders on their roles related to the quality management system: It is essential for companies to enhance their internal stakeholders' understanding, skills and knowledge of their roles and how their day-to-day actions and decisions contribute to achieving the company's quality goals. Training for low/middle/top management on the quality management system is not acceptable for this option.

Mechanisms in place for external stakeholders to submit their complaints about defective products: This refers to the processes or systems that a company has in place to provide external stakeholders, such as clients or end-users, with a means to communicate their concerns or problems about defective products and seek resolution. Examples of mechanisms through which external stakeholders can submit complaints include customer service hotlines, dedicated email addresses, online forms, social media channels, or third-party platforms, among others.

Requirements for supplier adherence to the company's product and service quality standards: quality standards established by a company that suppliers must comply with when delivering goods or services. These requirements are designed to ensure suppliers consistently meet the company's expectations for performance, reliability, safety, and consistency. They are typically formalized in a Supplier code of conduct and may also be embedded in procurement policies or contractual agreements through specific quality criteria.

Disclosure of product quality’s incident description: providing detailed information about product quality incidents that occurred during the reporting period, including the type of issue (e.g., defect, contamination, safety hazard), the specific product or product line affected, and a concise explanation of the underlying cause that triggered the incident or recall. This disclosure should provide stakeholders with a clear understanding of what happened, why it happened, and the potential implications for product integrity, consumer safety, and operational performance.

Disclosure of product quality’s incident corrective actions: reporting the actions and strategies implemented by a company to resolve identified product quality issues and prevent their recurrence. This includes outlining the remediation plan and specific measures taken—such as repairs, replacements, design modifications, process improvements, or enhanced quality controls—along with any significant outcomes like cost implications or regulatory compliance steps. Providing this information demonstrates the organization’s capability to effectively manage product safety risks, reduce financial and reputational exposure, and maintain stakeholder confidence in its commitment to quality and consumer protection.

DATA REQUIREMENTS

If a company selects that they have programs in place, but does not select any of the subsequent options, the response will not be accepted.

REFERENCES

[ISO 9001](#)

[ISO 190011](#)

QUESTION LAYOUT

Notice: *The question requires publicly available information.

Does the company have programs in place to ensure the quality of its products?

- Yes, the company has programs in place to ensure product quality. Please indicate where this information is available in **public reporting or corporate website**:

No references attached



max. 3 allowed, public URLs only

- Processes to prevent or address defective products before delivering them to customers to avoid product recalls

- Integration of emerging technologies to enhance product quality
- Set quantitative targets to improve product quality performance

- Internal audits of the quality management system

- Independent external verification of the quality management system: please provide the names and standards used (such as ISO 9001):

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max. 1000 chars

- Training for internal stakeholders on their roles related to the quality management system
- Mechanisms in place for external stakeholders to submit complaints about defective products

- Requirements for supplier adherence to the company's product and service quality standards
- Disclosure of product quality's incidents description
- Disclosure of product quality's incidents corrective actions

- No, the company does not publicly report on programs for product quality.
- The question is not applicable for the company.

Contact Us

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