GRI’s purpose and impact
Who we are

• GRI is an independent, international standard setter providing the global common language for transparency on sustainability impacts.

• We help organizations understand and communicate their sustainability impacts. In doing so we enable dialogue between organizations and their stakeholders.

• We deliver the GRI Standards, the world's most widely adopted sustainability reporting framework – which is freely provided as a public good and translated into 10 languages.

• GRI is a not-for-profit organization and activities are funded through services we deliver and by governmental and other funders that support our work.
Our impact

78% of the largest 250 companies in the world reporting on sustainability use GRI

970,000 unique downloads of the GRI Standards in 2021, a 45% rise on previous year

10,000+ organizations publish a GRI report

More than 80 training partners across 57 countries offer GRI Certified Training Courses and train 7000+ professionals per year
GRI Standards & policy

More than 160 policies in over 60 countries and regions reference or require GRI for reporting
Update on the sustainability reporting landscape

‘Information disclosed in accordance with GRI Standards is assured more often than any other reporting framework or standard’

Assessed are 1,350 companies in 21 countries, finding 74% report using the GRI Standards.

Source: https://www.ifac.org/knowledge-gateway/contributing-global-economy/discussion/state-play-sustainability-assurance
The GRI Standards
The GRI Standards are a modular system comprising three series of standards:

- revised **Universal Standards**
- new **Sector Standards**
- adapted **Topic Standards**
The GRI Standards

Universal Standards

- **GRI 1**: Requirements and principles for using the GRI Standards
- **GRI 2**: Disclosures about the reporting organization
- **GRI 3**: Disclosures and guidance about the organization’s material topics

Apply all three Universal Standards to your reporting

Sector Standards

- GRI 11
- GRI 12
- GRI 13
- GRI 14
- GRI 15
- GRI 16
- GRI 17
- GRI 18

Use the Sector Standards that apply to your sectors

Topic Standards

- GRI 201
- GRI 403
- GRI 305
- GRI 415
- GRI 303
- GRI 202
- GRI 304
- GRI 205

Select Topic Standards to report specific information on your material topics
The GRI Standards

Sector Standards

GRI Standards

Universal Standards
- Requirements and principles for using the GRI Standards (GRI 1)
- Disclosures about the reporting organization (GRI 2)
- Disclosures and guidance about the organization’s material topics (GRI 3)

Apply all three Universal Standards to your reporting

Use the Sector Standards that apply to your sectors

Sector Standards
- GRI 11
- GRI 12
- GRI 13
- GRI 14
- GRI 15
- GRI 16
- GRI 17
- GRI 18
- ...

Select specific information on your material topics

Topic Standards
- GRI 201
- GRI 403
- GRI 305
- GRI 415
- GRI 303
- GRI 202
- GRI 304
- GRI 205
- ...

The GRI Standards

Topic Standards

Universal Standards
- GRI 1
  - Requirements and principles for using the GRI Standards
- GRI 2
  - Disclosures about the reporting organization
- GRI 3
  - Disclosures and guidance about the organization’s material topics

Apply all three Universal Standards to your reporting

Sector Standards
- GRI 11
- GRI 12
- GRI 13
- GRI 14
- GRI 15
- GRI 16
- GRI 17
- GRI 18
- ... (indicating more sectors)

Use the Sector Standards that apply to your sectors

Topic Standards
- GRI 201
- GRI 403
- GRI 305
- GRI 415
- GRI 303
- GRI 202
- GRI 304
- GRI 205
- ... (indicating more topics)

Select Topic Standards to report specific information on your material topics
GRI 1: Foundation 2021
Overview of contents

1. Purpose and system of GRI Standards
2. Key concepts
3. Reporting in accordance with the GRI Standards
4. Reporting principles
5. Additional recommendations for reporting
Key concepts in the GRI Standards

**IMPACT**
the effect an organization has or could have on the economy, environment, or people, including on their human rights, as a result of its activities or business relationships

**MATERIAL TOPICS**
topics that reflect the organization’s most significant impacts on the economy, environment, and people, including impacts on their human rights
Key concepts in the GRI Standards

DUE DILIGENCE
process to identify, prevent, mitigate, and account for how the organization addresses its actual and potential negative impacts

STAKEHOLDER
individual or group that has an interest that is affected or could be affected by the organization’s activities
Reporting in accordance with the GRI Standards

Report in accordance with the GRI Standards
  • Replaces Core and Comprehensive options
  • Comprehensive picture of an organization’s most significant impacts on the economy, environment, and people, and how it manages these impacts

Report with reference to the GRI Standards
  • If the organization cannot comply with all the requirements for reporting in accordance with the GRI Standards
  • If the organization reports information about specific topics for specific purposes
# Reporting in accordance with the GRI Standards

## Requirements

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirement 1</td>
<td>Apply the reporting principles</td>
</tr>
<tr>
<td>Requirement 2</td>
<td>Report the disclosures in GRI 2: General Disclosures 2021</td>
</tr>
<tr>
<td>Requirement 3</td>
<td>Determine material topics</td>
</tr>
<tr>
<td>Requirement 4</td>
<td>Report the disclosures in GRI 3: Material Topics 2021</td>
</tr>
<tr>
<td>Requirement 5</td>
<td>Report disclosures from the GRI Topic Standards for each material topic</td>
</tr>
<tr>
<td>Requirement 6</td>
<td>Provide reasons for omission for disclosures and requirements that the organization cannot comply with</td>
</tr>
<tr>
<td>Requirement 7</td>
<td>Publish a GRI content index</td>
</tr>
<tr>
<td>Requirement 8</td>
<td>Provide a statement of use</td>
</tr>
<tr>
<td>Requirement 9</td>
<td>Notify GRI</td>
</tr>
</tbody>
</table>
Reporting principles

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability context
- Timeliness
- Verifiability
Aligning sustainability reporting with other reporting

- Recommends aligning sustainability reporting with other statutory and regulatory reporting, in particular financial reporting
- This includes reporting information for the:
  - same reporting period
  - same group of entities

See Disclosures 2-2 and 2-3 in GRI 2

Enhancing the credibility of sustainability reporting

- Describes the methods an organization can use to enhance the credibility of its sustainability reporting
- Incorporates guidance on external assurance, internal controls, and stakeholder or expert panels

See Disclosure 2-5 in GRI 2
GRI 2: General Disclosures 2021
Overview of contents

1. The organization and its reporting practices
2. Activities and workers
3. Governance
4. Strategy, policies, and practices
5. Stakeholder engagement
Disclosure 2-5 External assurance

The organization shall:

a. describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved;

b. if the organization’s sustainability reporting has been externally assured:

i. provide a link or reference to the external assurance report(s) or assurance statement(s);

ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;

iii. describe the relationship between the organization and the assurance provider.
GRI 3: Material Topics 2021
Material topics represent the organization’s most significant impacts on the economy, environment, and people.

⇒ The significance of an impact is determined by severity, and for a potential impact, likelihood
  - For negative impacts, severity is determined by scale, scope & irremediable character
  - For positive impacts, scale & scope are considered
  - Significance of an impact is assessed in relation to other impacts

⇒ Organizations can be involved with impacts through its activities or as a result of its business relationships
Guidance to determine material topics

Identify and assess impacts on an ongoing basis

1. Understand the organization’s context
2. Identify actual and potential impacts
3. Assess the significance of the impacts

Engage with relevant stakeholders and experts

Use the Sector Standards to understand the sectors’ context
Consider the topics and impacts described in the Sector Standards

Determine material topics for reporting

4. Prioritize the most significant impacts for reporting

Test the material topics against the topics in the Sector Standards

Material topics
Disclosures on material topics

• Disclosure 3-1 Process to determine material topics
• Disclosure 3-2 List of material topics
• Disclosure 3-3 Management of material topics
Glossary
The GRI Standards

Topic Standards

Universal Standards
- GRI 1: Requirements and principles for using the GRI Standards
- GRI 2: Disclosures about the reporting organization
- GRI 3: Disclosures and guidance about the organization's material topics

Apply all three Universal Standards to your reporting

Sector Standards
- GRI 11, GRI 12, GRI 13, GRI 14, GRI 15, GRI 16, GRI 17, GRI 18

Use the Sector Standards that apply to your sectors

Topic Standards
- GRI 201, GRI 403, GRI 305, GRI 415, GRI 303, GRI 202, GRI 304, GRI 205, ...

Select Topic Standards to report specific information on your material topics
**GRI Topic Standards**

Example

**GRI 305: Emissions 2016**

- **Disclosure 305-1** Direct (Scope 1) GHG emissions
- **Disclosure 305-2** Energy indirect (Scope 2) GHG emissions
- **Disclosure 305-3** Other indirect (Scope 3) GHG emissions
- **Disclosure 305-4** GHG emissions intensity
- **Disclosure 305-5** Reduction of GHG emissions
- **Disclosure 305-6** Emissions of ozone-depleting substances (ODS)
- **Disclosure 305-7** Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
The GRI Standards

Sector Standards

- **Universal Standards**
  - GRI 1: Requirements and principles for using the GRI Standards
  - GRI 2: Disclosures about the reporting organization
  - GRI 3: Disclosures and guidance about the organization's material topics

- **Sector Standards**
  - GRI 11
  - GRI 12
  - GRI 13
  - GRI 14
  - GRI 15
  - GRI 16
  - GRI 17
  - GRI 18
  - "...

- **Topic Standards**
  - GRI 201
  - GRI 202
  - GRI 203
  - GRI 304
  - GRI 305

Apply all three Universal Standards to your reporting

Use the Sector Standards that apply to your sectors

Select Topic Standards to report specific information on your material topics
Each Sector Standard:

- Describes the **context for the sector**
- Describes topics that are **likely material** for an organization in the sector based on the sector’s most significant impacts
- **Lists the disclosures** identified as relevant for reporting on those topics by the sector – leveraging primarily the GRI Topic Standards
<table>
<thead>
<tr>
<th>Topic 11.1</th>
<th>GHG emissions</th>
<th>Topic 11.12</th>
<th>Forced labor and modern slavery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topic 11.2</td>
<td>Climate adaptation, resilience and transition</td>
<td>Topic 11.13</td>
<td>Freedom of association and collective bargaining</td>
</tr>
<tr>
<td>Topic 11.3</td>
<td>Air emissions</td>
<td>Topic 11.14</td>
<td>Economic impacts</td>
</tr>
<tr>
<td>Topic 11.4</td>
<td>Biodiversity</td>
<td>Topic 11.15</td>
<td>Local communities</td>
</tr>
<tr>
<td>Topic 11.5</td>
<td>Waste</td>
<td>Topic 11.16</td>
<td>Land and resource rights</td>
</tr>
<tr>
<td>Topic 11.6</td>
<td>Water and effluents</td>
<td>Topic 11.17</td>
<td>Rights of indigenous peoples</td>
</tr>
<tr>
<td>Topic 11.7</td>
<td>Closure and rehabilitation</td>
<td>Topic 11.18</td>
<td>Conflict and security</td>
</tr>
<tr>
<td>Topic 11.8</td>
<td>Asset integrity and critical incident management</td>
<td>Topic 11.19</td>
<td>Anti-competitive behavior</td>
</tr>
<tr>
<td>Topic 11.9</td>
<td>Occupational health and safety</td>
<td>Topic 11.20</td>
<td>Anti-corruption</td>
</tr>
<tr>
<td>Topic 11.10</td>
<td>Employment practices</td>
<td>Topic 11.21</td>
<td>Payments to governments</td>
</tr>
<tr>
<td>Topic 11.11</td>
<td>Non-discrimination and equal opportunity</td>
<td>Topic 11.22</td>
<td>Public policy</td>
</tr>
</tbody>
</table>

**Oil and Gas Example:** Likely materials topics
Reporting on GHG emissions

If the organization has determined GHG emissions to be a **material topic**, this sub-section lists the disclosures identified as relevant for reporting on the topic by the oil and gas sector.

<table>
<thead>
<tr>
<th>STANDARD</th>
<th>DISCLOSURE</th>
<th>SECTOR STANDARD REF. NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Management of the topic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 3: Material Topics 2021</td>
<td>Disclosure 3-3 Management of material topics</td>
<td>11.1.1</td>
</tr>
<tr>
<td></td>
<td>Additional sector recommendations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Describe actions taken to manage flaring and venting and the effectiveness of actions taken.</td>
<td></td>
</tr>
<tr>
<td><strong>Topic Standard disclosures</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 302: Energy 2016</td>
<td>Disclosure 302-1 Energy consumption within the organization</td>
<td>11.1.2</td>
</tr>
<tr>
<td></td>
<td>Disclosure 302-2 Energy consumption outside of the organization</td>
<td>11.1.3</td>
</tr>
<tr>
<td></td>
<td>Disclosure 302-3 Energy intensity</td>
<td>11.1.4</td>
</tr>
<tr>
<td>GRI 305: Emissions 2016</td>
<td>Disclosure 305-1 Direct (Scope 1) GHG emissions</td>
<td>11.1.5</td>
</tr>
<tr>
<td></td>
<td>Additional sector recommendations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Report the percentage of gross direct (Scope 1) GHG emissions from CH₄.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Report the breakdown of gross direct (Scope 1) GHG emissions by type of source (stationary combustion, process, fugitive).²</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Disclosure 305-2 Energy indirect (Scope 2) GHG emissions</td>
<td>11.1.6</td>
</tr>
<tr>
<td></td>
<td>Disclosure 305-3 Other indirect (Scope 3) GHG emissions</td>
<td>11.1.7</td>
</tr>
<tr>
<td></td>
<td>Disclosure 305-4 GHG emissions intensity</td>
<td>11.1.8</td>
</tr>
</tbody>
</table>
Process for developing GRI Standards
Developing the GRI Standards

Governed by a transparent, due process process overseen by the Global Sustainability Standards Board, GRI’s independent Standard-setting body.

Multi-stakeholder expert working groups and technical committees, with representatives from business, civil society, labor, investors & mediating institutions.

Shaped by international authoritative instruments that underpin the expectations of the responsible business conduct.

Global stakeholder input and public exposure.
• The Global Sustainability Standards Board (GSSB) is responsible for setting globally accepted standards for sustainability reporting. The GSSB operates under a Terms of Reference to oversee the development of the GRI Standards according to a formally defined due process protocol.

• The GSSB members represent the best combination of technical expertise, diversity of experience, and multi-stakeholder perspective, and perform their work according to a formally defined due process, exclusively in the public interest.

• Final Standards may be issued by the GSSB only after the Due Process Oversight Committee (DPOC) is satisfied that due process has been followed in their development in the public interest.
Developing the GRI Standards

Example of technical committee composition: GRI 306 Biodiversity

**Business enterprises**
- ConocoPhilips
- L’Occitane
- DSM
- Rio Tinto

**Civil society**
- Bird Life International
- WWF
- IUCN
- Rainforest Alliance
- Marine Watch International

**Investment institutions**
- Partnership for biodiversity accountin financials (PBAF)
- World Bank

**Labor**
- Public Services International

**Mediating institutions**
- CDP
- Deloitte
- Global Balance
- Lancaster University
- Union for Ethical Biotrade
- UNEP – World Conservation Monitoring Centre
Developing the GRI Standards

Identification, prioritization

Project Commencement

Draft development

Public exposure

Consideration of comments

Publication

Review cycle

Draft project proposal

Exposure draft

Working group membership

Final Standard

Due process compliance

Public exposure period:
Comments from all constituencies
Public forum & workshops
Targeted geographic & sub-sector sessions
GSSB work program 2023-2025 – outlook
### Topic Standards projects

<table>
<thead>
<tr>
<th>Recently Published</th>
<th>Ongoing Revisions 2022</th>
<th>2023-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water and Effluents 2018</td>
<td>304 Biodiversity</td>
<td>203 Indirect Economic Impacts</td>
</tr>
<tr>
<td>OHS 2018</td>
<td>302 Energy</td>
<td>204 Procurement Practices</td>
</tr>
<tr>
<td>Tax 2019</td>
<td>305 Emissions</td>
<td>205 Anti-corruption</td>
</tr>
<tr>
<td>Waste 2020</td>
<td>XXX Climate change</td>
<td>206 Anti-competitive Behaviour</td>
</tr>
<tr>
<td>Universal Standards 2021</td>
<td>201 Economic Performance</td>
<td>301 Materials</td>
</tr>
<tr>
<td></td>
<td>202 Market Presence</td>
<td>308 Supplier Environmental Assessment</td>
</tr>
<tr>
<td></td>
<td>401 Employment</td>
<td>406 Non-discrimination</td>
</tr>
<tr>
<td></td>
<td>402 Labor/Management Relations</td>
<td>410 Security Practices</td>
</tr>
<tr>
<td></td>
<td>404 Training and Education</td>
<td>411 Rights of Indigenous Peoples</td>
</tr>
<tr>
<td></td>
<td>405 Diversity and Equal Opportunity</td>
<td>413 Local Communities</td>
</tr>
<tr>
<td></td>
<td>407 Freedom of Association and Collective Bargaining</td>
<td>415 Public Policy</td>
</tr>
<tr>
<td></td>
<td>408 Child Labor</td>
<td>416 Customer Health and Safety</td>
</tr>
<tr>
<td></td>
<td>409 Forced or Compulsory Labor</td>
<td>417 Marketing and Labeling</td>
</tr>
<tr>
<td></td>
<td>414 Supplier Social Assessment</td>
<td>418 Customer Privacy</td>
</tr>
</tbody>
</table>
Sector Standards projects

Pilot projects

- Oil & gas
- Coal
- Agriculture, aquaculture & fishing
- Mining
- Food & beverage
- Textiles & apparel
- Banking
- Insurance
- Asset management
- Utilities
- Renewable energy
- Forestry
- Metal processing
- Construction materials
- Aerospace & defense
- Automotive
- Construction
- Chemicals
- Machinery & equipment
- Pharmaceuticals
- Electronics
- Media & communication
- Software
- Real estate
- Transportation infrastructure
- Shipping
- Trucking
- Airlines
- Trading, distribution and logistics
- Packaging
- Educational services
- Household durable
- Managed health care
- Medical equipment & services
- Retail
- Security services & correctional facilities
- Restaurants
- Commercial services
- Non-profit organizations
Complementarity, alignment and interoperability
The future of corporate reporting - two pillars

**Pillar 1**
Strengthened financial reporting
*Focus:* sustainability-related risks and opportunities

**Pillar 2**
Impact reporting
*Focus:* impacts on the economy, environment and people.

Double Materiality

- Risks and opportunities
- Impact

**EFRAG**

**IFRS**

**GSSB**
THANK YOU

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