



Item 09 – GRI Universal Standards Project – Public comment feedback on GRI 103: Material Topics

For GSSB information

Date	8 February 2021
Meeting	25 February 2021
Project	GRI Universal Standards Project
Description	<p>This document contains an extract of public comments related to <i>GRI 103: Material Topics</i> in the Universal Standards exposure draft, which was made available for public comment between 11 June and 9 September 2020.</p> <p>The document presents the comments received via the online survey and via letters, for GSSB reference.</p> <p>Note to reading the comments:</p> <p>Comments have been included verbatim. Where a respondent has raised several distinct points in one comment, each point has been numbered and presented in a separate row. The point number is indicated in brackets before the verbatim comment. In addition to this, comment numbers have been included in the first column to help facilitate the discussion during the meeting on 25 February.</p>

This document has been prepared by the GRI Standards Division and is made available to observers at meetings of the Global Sustainability Standards Board (GSSB). It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard setting body of GRI. For more information visit www.globalreporting.org.

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6 Public comments

7 1. General comments on GRI 103: Material Topics

8 Please refer to pages 77-98 in the [Universal Standards exposure draft](#).

9 Table 1. General comments on GRI 103: Material Topics

No.	Comment	Name of organization or individual	Country	Stakeholder group	Submission type
1	(1) In my opinion, this is the most breakthrough change that has been introduced by this revision together with the new structure of the standards. The provision of a stand-alone standard concerning the management approach that should be adopted together with a topic-specific standard sounded more complex than it really was. In this way new GRI adopters can easily understand that management approach is an integrated part of the material topic reporting process and that reporting on a specific topic means also describing how this topic is recognized and tackled by the entity.	Alessandro Mantini	Italy	Business	As an individual
2	(1) This is an improvement on the previous Man. App. Disclosures and clarifies materiality as impacts of not impacts on the business, and emphasizes process in determining materiality.	Beyond Business Ltd	Israel	No response	On behalf of an organization, group or institution
3	(4) It seems that there is an over emphasis on identifying material impacts and risks whilst not enough on detailing how they will be addressed and remediated and, in the case of future potential harmful impacts, prevented.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
4	(1) 1. We believe GRI 103 should reinforce the message that it is mandatory to report the list of material topics.	PwC	United Kingdom	Assurance provider	On behalf of an organization,

					group or institution
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10 **2. Comments on Section 2. Identifying material topics**

11 Please refer to pages 82-89 in the [Universal Standards exposure draft](#).

12 Table 2. Comments on Section 2. Identifying material topics

No.	Comment	Name of organization or individual	Country	Stakeholder group	Submission type
1	(3) In second step should include the concept of risk analysis to identify the negative impacts. Many companies are working with risk management policies o procedures or departments and is like this aspect is out of GRI Standards	AG Sustentable	Argentina	Consultant	On behalf of an organization, group or institution
2	(1) Very clear the steps procedure.	AG Sustentable	Argentina	Consultant	On behalf of an organization, group or institution
3	(2) In some how there should be more visual difference between the description of the first three steps, and the description of the fourth step that is (or should be) a requirement itself.	AG Sustentable	Argentina	Consultant	On behalf of an organization, group or institution
4	Are there any concerns that other companies may self-censor material topics that their stakeholders may wish to be reported on. In our company, there is already a robust system of stakeholder engagement across various platforms. This may not be the case for other companies.	Aldo Joson	Singapore	Business	As an individual
5	I very much support the move from stakeholder-led materiality assessments to using a broader, richer evidence base. I think this change reflects current best practice which combines stakeholder input with market and operation context, national and international trends, expert views etc and removes the risk of skewing the materiality assessment by choosing a narrow set of external stakeholders. Providing a methodology for ranking these topics also removes some of	Alexandra McKay	United Kingdom	Consultant	As an individual

	the guess work from meeting the standard although flexibility should be built in to allow for the evolution of best practice in the market place				
6	I would recommend including as an Annex tools and guidance already developed by think tanks, Human Rights Institutions or consulting firms on how undertake impact assessment (human rights impact assessments) for further consultation.	Ana María González Ruiz	Colombia	Consultant	As an individual
7	The responsibility of the reporting organization is extended on its real or possible impacts that it may cause on the main stakeholders in the entire value chain, however a limit or methodology should be defined to facilitate the scope of action on the negative aspects that the organization can manage.	Angel Castillo	Ecuador	Consultant	As an individual
8	We support the revisions re: identifying material topics; in particular lines 2347-2351 on workers who are not employees, lines 2370-2375 on compliance with international human rights standards including workplace human rights, lines 2394-2420 (Box 1) on engaging with stakeholders and respecting their rights, and lines 2500-2545 on assessing the significance of negative impacts are important.	Australian Council of Trade Unions	Australia	Labor representative	On behalf of an organization, group or institution
9	ref. lines 2466-2473 for the financial sector, and even though the intentions are always good, this is very challenging !	Bank Audi sal	Lebanon	No response	No response
10	(2) The thing that is missing is more detailed guidance (audit-worthy) on how to actually define material. This remains vague - scale and scope and likelihood may be useful guidance, but these will be interpreted in millions of ways by companies. Perhaps GRI should consider providing a more detailed guide for materiality and what constitutes scale at the high and low levels etc. For example, for some, climate change is a material topic, for others, renewable energy is a material topic, for others, it's energy efficiency. The definition of the material topic may be so broad that it could apply to any company, or so narrow that the significance is understated in reporting. There needs to be better guidance on the underlying approach to what's a material topic versus a generic sustainable development priority.	Beyond Business Ltd	Israel	No response	On behalf of an organization, group or institution
11	Sensible revisions.	Bondt Communicatie	Netherlands	No response	No response
12	(2) It is difficult for company to draw the degree/relationship of the negative impacts in a clear manner (especially when it comes to Macro issues such as pollution or environmental-related issues). The company may end up downplaying the impacts. From a reader's perspective, the distinction between these 3 concepts may not be straight forward and	Bursa Malaysia	Malaysia	Stock exchange	On behalf of an organization, group or institution

	<p>have little meaning.</p> <p>Sustainability impacts are often the product of qualitative, subjective judgements. It would be challenging to differentiate the impacts as such given the interdependencies.</p>				
13	<p>(1) It is unclear as to why the process for identifying impacts needs to be so rigid, i.e. in identifying the negative first before the positive impacts. Should more flexibility be granted.</p> <p>Suggest to provide guiding principles or prescriptions to provide guidance to report on material and substantial issues that can have demonstrable impacts to people and society. This can include precise differentiation between positive and negative impacts from company's operations.</p>	Bursa Malaysia	Malaysia	Stock exchange	On behalf of an organization, group or institution
14	<p>As a reporter: To clarify the definition of "material topic" and practical way of prioritisation, following the proposal to take out the "influence on the assessments and decisions of stakeholders" as a standalone factor that determines whether a topic is material. Although it provides more flexibility for the organisation to determine what is material, it might leave too much room for interpretation.</p> <p>Suggest to provide guiding principles or prescriptions to provide guidance to report on material and substantial issues that can have demonstrable impacts to people and society. This can include precise differentiation between positive and negative impacts from company's operations. As an exchange: Agreed. More specifically, assessment of overall significance of impact based on severity (scale, scope & irremediable character) and likelihood is highly subjective, especially for 'potential' ones. Should provide added guidance or 'tools' to guide the approach.</p>	Bursa Malaysia	Malaysia	Stock exchange	On behalf of an organization, group or institution
15	<p>In order to support connectedness between financial and non-financial disclosure, we would recommend that, within the process to identify and prioritise material topics on the basis of negative impacts on the economy, environment and people, further consideration is given to the connectedness of sustainability and financial disclosure. Whilst it is acknowledged that the intended stakeholder audience for disclosure under the GRI Standards is broader stakeholder groups beyond just</p>	CDSB	United Kingdom	Standard setter	On behalf of an organization, group or institution

	<p>investors, it is important that consistency is achieved between the disclosure topics presented to investors in the mainstream report and additional disclosures, such as sustainability reports intended for a wider stakeholder audience.</p> <p>As the proposed approach to identifying material topics for sustainability reporting considers only actual and potential impacts on the economy, environment and people, and does not consider impact on enterprise value creation, potential disclosure topics may be omitted from sustainability reporting, which may impact enterprise value creation and therefore be relevant for disclosure to investors within the organisation's mainstream report. Accordingly, it is recommended that a clearer means of linking the proposed process to identify material topics to enterprise value creation is considered, in order to support consistency in disclosure topics between the annual report and wider sustainability reporting. This will enable organisations to use information prepared in accordance with the GRI Standards, concerning impacts on the economy, environment and people, to disclose upon a sub-set of sustainability topics which are considered to be material for enterprise value creation, within the mainstream report.</p>				
16	<p>(2) On the same principle, the specification of a threshold to determine material topics to report (line 2563-2567) could be difficult if determined based on a company's outward influence only. There is currently no universal standard on how to measure and quantify impact. To reiterate the recommendations made under Q1, considering the impacts that external factors have on the company could make determination of the threshold more objective.</p>	CLP Holdings Ltd.	Hong kong	Business	On behalf of an organization, group or institution
17	<p>GRI 103 2 Identifying material topics This section is deeply flawed. In practice what is material is not solely determined by the size of impact but by the values, tradition, history and aspirations of the organisation concerned. This needs to be thought about and reflected in the process proposed for identifying what is material. The process described is at odds with what actually goes on when an organisation thinks about what is material. GRI has spent well over two decades acknowledging (and indeed promoting) this truth. It cannot be wished away. The process should be amended to include the values, tradition, history and aspirations of the reporting organisations.</p>	Corporate Citizenship	United Kingdom	No response	No response

18	The proposed revisions and the guidance are useful for the reporting organisation.	CSRWorks International	Singapore	No response	No response
19	(1) The difference between contributes and impact of a business relationship is not clearly explain neither on GRI nor on OECD guidelines. GRI should make their own definition setting a clear boundary on different types of impact (e.g: internal vs external).	Daniela Winicki	Chile	Consultant	As an individual
20	(2) I suggest adding a list of proposed activities for each step: E.g: Analysing community surveys, + press analysis, + environmental impact analysis. (in terms of the companies project, specific tasks)	Daniela Winicki	Chile	Consultant	As an individual
21	(4) DIHR finally recommends that national human rights institutions are added to the list of experts the organisation can consults to test its material topics in line 2593.	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
22	(2) Re GRI 103 section 2, step 4, Line 2559-2599 The DIHR recommends that Step 4 makes clear that in all cases severe human rights impacts should be prioritised for reporting, to prevent that severe human rights impacts for whatever reason are excluded from the organisation's own prioritisation of material topics for reporting incl. through their determination of a given threshold.	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
23	(1) Regarding line 2366-2367: The DIHR recommends specifying consideration of human rights as part of the context parameters listed e.g. ' economic, social, including human rights, and environmental challenges...	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
24	(3) DIHR also recommends that box 3 (line 2581 onwards, makes clear that GRI Topic and Sector Standards do not constitute an exhaustive list of topic names for material topics.	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
25	(1) GRI SRS is well known like the reporting standards that promote the engagement of the organization's stakeholders not only into the communication during the reporting period, but especially in the reporting process itself. If the organization wants the report to be focused on the interests and requests of stakeholders, they should be asked directly. The engagement of stakeholders only into the determination of impacts seems to be vague procedure. Especially in Russia. The engagement of stakeholders into the reporting process is the biggest the advantage of materiality assessment and GRI SRS. If the	Da-Strategy	Russian Federation	Consultant	On behalf of an organization, group or institution

	organization attracts into the materially consultation process only experts, it reduces the assessment. The experts are the people of the knowledge, not of the interest. Contrariwise stakeholders have their particular interests. Experts could be biased by the organization itself, and it could happened that organization would manipulate the experts and would get what it want instead of getting a fresh look at the reporting and request for transparency.				
26	(1) As it was already mentioned that we support the engagement of stakeholders into the materiality assessments, not the experts due to the possible manipulation.	Da-Strategy	Russian Federation	Consultant	On behalf of an organization, group or institution
27	(3) More clarity instead would be needed in the section concerning identifying impacts (line 2384-2420). The main limitation: identification of actual and potential impacts appears to be de facto equated to stakeholder consultation. Is consultation the only means (and the best one) to understand the concerns of stakeholders? It doesn't seem so, as in the subparagraph on identification of negative impacts (lines 2429-2435), the exposure draft provide a richer description of what kind of evidence can be used to identify actual and potential impacts. The exposure draft doesn't help to clarify the difference between consultation and information gathering. The ambiguity is not a small one: it concerns the difference between conducting a materiality assessment exclusively based on surveys vis-à-vis collecting a broader corpus of evidence. It would be beneficial to harmonize the explanation and make a clear distinction between consultation vs information gathering, and explain how the two activities can reinforce each other.	Datamaran	United States	Digital platform	On behalf of an organization, group or institution
28	(4) Finally, concerning the approval of the highest governance body (lines 2594-2595), it would key that the exposure draft explains in more detail how this body is expected to perform the task: are boards supposed to ask questions? Which questions? What kind of documentation do they need to approve the identified material topics?	Datamaran	United States	Digital platform	On behalf of an organization, group or institution
29	(2) The exposure also indicates that the organization "should use a systematic, replicable, and documented approach to identify its material topics". These indications are a helpful clarification of what the materiality assessment process entails, ensuring that it is evidence based. In order to make that clearer, it would be beneficial that the point explaining what "documented" means (line 2316) includes also the	Datamaran	United States	Digital platform	On behalf of an organization, group or institution

	"sources analyzed and evidence gathered", along with the "approach, assumptions, and decisions taken".				
30	(1) The revision clarifies that the steps involved in identifying material topics include an "organization's ongoing identification and assessment of impacts as part of its regular activities in order to manage its impacts", and only at the end "the identification of material topics for reporting". This is an important distinction to highlight how materiality assessments are useful for reporting purposes, but should be embedded in companies existing risk and opportunities identification and monitoring processes.	Datamaran	United States	Digital platform	On behalf of an organization, group or institution
31	(3) Materiality While we think the first phase of the newly developed guidance for undertaking a materiality assessment will be useful for longstanding reporters, we think determining significance of impacts will remain a challenge for all reporters because they can be hard to evaluate accurately (particularly in terms of quantification and measurement, timing, and access to data). We also wish to encourage greater consistency in approaches to evaluating material topics to increase the robustness of the exercise and user confidence in reporters' assessment of materiality.	Deloitte	United States	Consultant	On behalf of an organization, group or institution
32	(1) Lines 2311 – 2322 Identifying Material Topics: GRI should change "be transparent about" (Line 2321) to "document". There are three bullets in this section. Two say "document", and the third says "transparent". "Document" implies that the organization would do this for internal purposes, for its own clarity and records, and to have information available for internal or external audit. "Be transparent about" implies public disclosures, as in a GRI report. These two terms conflict, and are confusing.	Douglas Hileman	United States	Consultant	As an individual
33	(2) Line 2320 Identifying Material Topics: The Standards state that, an organization should ... apply the steps to identify material topics consistently over time, and document any changes to the approach along with their implications (Line 2320). GRI should add "and the rationale for those changes" to the statement at Line 2320. The broad objective of sustainability reporting is to encourage more transparency on (especially) non-financial topics. However, organizational management does not always trend in this direction. New management or financial pressures can cause organizations use many mechanisms –	Douglas Hileman	United States	Consultant	As an individual

	such as reducing the number of material topics or eliminating some that are embarrassing – that reduce transparency.				
34	Identification of material topics and related impacts. GRI should specify that shareholder filings that achieve more than a specified positive vote (say, 10%) should be considered as a material topic, and subject to reporting during the reporting period and for a reasonable number of future reporting periods. GRI should require the organization to at least report on their programs, procedures, performance and commitment to the underlying topic for these shareholder filings. Publicly-traded companies are owned by shareholders; the Highest Governing Body (HGB) serves at the pleasure of the shareholders. There are provisions in many jurisdictions for shareholders to submit initiatives that would require the organization to address sustainability topics. It is altogether too common for the HGB to recommend against these initiatives, organizational management to campaign against them. These initiatives are rarely binding, even if they achieve the majority of the shareholder vote. There is likely no other indicator of a material topic, or one that should demand the attention and response of the HGB than those that achieve a positive response from a reasonable share of owners of the organization. This commenter realizes that shareholder proxy filings can be poorly written, overly broad, or infeasible. Still, they are a valid indication of concerns of the stakeholder group that can hire and fire the HGB.	Douglas Hileman	United States	Consultant	As an individual
35	(2) In addition, the guidance introduces 'severity' and 'likelihood' which are vague measures; which could lead to a less transparent process in determining material topics.	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual
36	(4) The likelihood calculation is vague and potentially confusing.	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual
37	(3) The second comment relates to lines 2385-2386; the sentence on consulting internal and external expertise signify that it is optional when it is a crucial part of the process.	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual
38	(2) The first and most significant current shortcoming is identifying the material topics based on the ownership structure. The GRI attempted to define the business relationship and business partners, yet the revisions do not address the downside of using ownership control in determining companies that are included and excluded in the reports. GRI REP-2 (-a, -b, and -c) attempt to vaguely touch on the subject and define	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual

	'consolidated group' and 'minority interest' (1021-1024); while GRI 103 list ownership structure as one of the factors to consider in the process of identifying the material topics; yet no concrete remedy is proposed. This limitation is substantial, particularly in regions and industries that depend on JVs as the main business relationship with MNCs. For example, partnerships in the Arabian Gulf is built on JV agreements, in many instances, the ownership of international companies will be less than 50%; which has permeated the exclusion of ventures that are owned by 40% in the parent company reports. This impacts the materiality topics and the accuracy of the reported data, as well as our understanding of the actual progress towards global sustainability.				
39	(1) It is not clear how the new guidance will overcome the transparency and quality issues seen in the current materiality approach. The definition of material topics has many limitations and skew the fundamental part of sustainability reports to the hands of the organisations away from stakeholders.	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual
40	Need to focus more UN Guiding Principles on Business and Human Rights and how companies work with UN GLOBAL COMPACT on this.	Duopharma Biotech Berhad	Malaysia	Business	On behalf of an organization, group or institution
41	I agree with the revisions given.	Eko Sukoharsono	Indonesia	Academic	As an individual
42	(1) Focus on impact and explanation of material topic evaluation is welcomed.	ELEVATE	Hong kong	No response	On behalf of an organization, group or institution
43	(3) 2425-2428: Again, it should be stressed that the due diligence process can itself be a source of negative impacts and direct harm to stakeholders by drawing marginalized people and groups and Human Rights Defenders into conflict with powerful interests.	Enact Sustainable Strategies	Sweden	Consultant	On behalf of an organization, group or institution
44	(2) 2394 - Box 1. Engaging with at-risk or marginalized people or Human Rights Defenders could put them at risk of violent reprisals by powerful local actors or elites with a vested interest in a given project going forward. This should be mentioned somehow to ensure that a "do no harm" approach is taken.	Enact Sustainable Strategies	Sweden	Consultant	On behalf of an organization, group or institution
45	(2) We have some concerns on the revised materiality process. First of all, it seems that the proposed process would not be aligned with	Eni SpA	Italy	Business	On behalf of an organization,

	the "double materiality" definition envisaged by the European Directive on Non Financial Reporting. Secondly, such complex process would not create value either for expert sustainability reporting companies as they already have a solid materiality process in place, or for new reporters to which the proposed process could be too complicated to put in place.				group or institution
46	(3) Thirdly, if GRI's aim is to ensure comparability and process standardization we still believe that such an aim will be not achieved, as there are still too many subjective aspects, such as the threshold which is to be set by every company. Moreover, in order to increase the non financial performances comparability, we believe it would be more effective to focus on the outcome of the materiality process rather than the process itself. With this regard, we appreciate the development of Sector Standards, in which the list of likely material topics are already provided. As such we believe that the listed themes, included in the Sector Standard could be the starting point for all the reporters, allowing them to review the list, and only eventually adding or eliminating topics due to company unique specific peculiarities. These additions could be made through already existing processes such as risk management process or/and external stakeholder consultations. To ensure comparability and simplify the reporting process, we believe that some disclosures must become compulsory for the companies in the same sector, instead the others should remain voluntary at the companies' discretion.	Eni SpA	Italy	Business	On behalf of an organization, group or institution
47	(3) Line 2593 – Relevance – We ask GRI to clarify the selection of groups it deems experts for the purpose of testing the material topics.	ERM	United States	Consultant	On behalf of an organization, group or institution
48	We believe that taking a different approach to negative human rights impacts from all other impacts is inconsistent. Also, to focus on the potential severity of an impact and give less precedence to the likelihood could risk including irrelevant information in reporting.	ERM	United States	Consultant	On behalf of an organization, group or institution
49	(1) For the definition of material topic, we generally agree with the direction, as it is less subjective, but we ask that GRI explain the following components about how companies should determine "impact": Do companies need to use lifecycle or other formal impact assessments?	ERM	United States	Consultant	On behalf of an organization, group or institution

50	(1) Lines 2582-2588 – Clarity – We ask GRI to clarify or explain in stronger detail the relationship between “topic” and “impact”.	ERM	United States	Consultant	On behalf of an organization, group or institution
51	(2) Lines 2589-2593 – Clarity – GRI should clarify the difference between prioritization of material topics based on impact (largely the focus of the revised standards) and prioritizing the material topics for reporting purposes. The latter seems to be the only place where potential report information users are taken into account, since influence on stakeholder decision making is no longer a factor in determining material topics.	ERM	United States	Consultant	On behalf of an organization, group or institution
52	(4) [Box 3 of GRI Universal standards exposure draft and above] More clarity on how GRI expects the mapping between impacts and topics would be beneficial.	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
53	ERM CVS has included some comments on materiality and definitions in Section 2 Key Concepts but, overall, this is a great improvement in the guidance and steps, as well as the link to engagement of stakeholder and the prioritization process. The revision focuses on impact-based reporting which we support. It also avoids the tick box approach of identifying material topics starting with the list of GRI Standards.	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
54	(9) 2569 – we support the inclusion of clause that difficulty in measuring an impact is not a valid reason for not reporting.	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
55	(3) While we do see some efforts for assessing context in this section, it remains broad and general. When discussing the impacts (2491 and beyond), there is no more reference to context.	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
56	(8) 2500 – we support the new clarity on assessing significance of negative impacts	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution

57	(6) we understand and appreciate the focus on reporting negative impacts (support the link with due diligence guidance) but it does restrict 'material impacts' to doing less bad, which does not allow for businesses seeking transformative change, positive remediation in order to protect / ensure their future. This is a potential problematic restriction to reducing negative impacts and may inadvertently legitimate the absence of more transformative / adaptive business behaviour. There needs to find a way for businesses to report any such positive actions	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
58	(7) 2485 – we support the improved clarity on guidance on offsetting impacts, but feel there is need for more comprehensive framework for evaluating offset – e.g. with reference to SDGs	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
59	(5) 2381-2490 – we support the restrictions to recognising 'positive' impacts, but we feel the guidance in this is underspecified. These could be more explicit with reference to evaluation criteria (e.g. link to UN Sustainable Development Goals) and could link with specific geographic priorities reported on in country SDG report (link with SDG deficits).	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
60	(4) 2353 – 2379 – we support the introduction of clearer geographic granularity and extension of impacts beyond legal boundaries to include actions / transactions/ relationships.	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
61	(4) Moreover, I suggest to provide more guidance and some examples about the threshold to separate material and not material impacts.	EY S.p.A.	Italy	Consultant	On behalf of an organization, group or institution
62	(18) • Paragraph 1 of Step 4 (2562-2567): - (2594) Approval of material topics – when it comes to company operations, investments or supply chains that may impacts on indigenous peoples and communities, the company should ask the rights holders if the material topics or “salient issues” identified are approved from their point of view (have any been missed?) Such verification and consultation should be a fundamental part of independent verification and oversight of the decisions made by the company.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution

63	(16) • Paragraph 1 of Step 4 (2562-2567): - The approach of using cut-off points or thresholds when it comes to human rights is problematic for several reasons. FPP therefore recommends that this section is redrafted.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
64	(14) • Paragraph 1 of Step 4 (2562-2567): - GRI makes the following statement in line 2562: "The significance of an impact is assessed relative to the other impacts the organization has identified." It would be useful to understand where this has originated from? FPP does not consider that this approach could have been interpreted or derived from the UNGPs and would like to understand the thought process behind this proposed formulation.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
65	(17) • Paragraph 1 of Step 4 (2562-2567): - There is a need to clarify the "testing" paragraph and concept (2589): is this being put forwards as a credible approach for independent verification of information?	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
66	(12) • (2543-2545): a slight change in wording suggested here: "For example, interfering with, damaging, or destroying a sacred space without consultation or agreement with the people who use the space can have a severe impact on people's cultural rights." change to " For example, interfering with, damaging, or destroying sacred spaces within customary lands and territories - whether formally titled or not - can have severe impact on people's cultural rights."	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
67	(11) • (2512) "non-compliance with the laws and regulations or with the international standards and agreements with which the organization is expected to comply." - the difference between these can be large. It is therefore recommended that the results of an applicable law assessment be provided and discussed with indigenous peoples so that agreements can be made between the parties establishing which standards the company is expected to follow (as per AFI).	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
68	(7) • Saliency (lines 2380- 2490): The very concept of "scale" that makes up the definition of "severity" (along with Remediability and Scope) is not an absolute concept. For one person what is deemed as most salient will be different to another who is looking at the same picture or situation from a different vantage point.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution

69	(10) • (2506) Severity: under the "scope" aspect of severity, we would argue that the rights-holders themselves or their freely chosen representatives need to feed in how grave they feel the impact to be to them. Indeed, this point is made in relation to (2626) - that severity is not an absolute concept. Again, the scale and significance of an existing or past impact, or a potential future impact, may be determined differently depending on the group or person(s) assessing what the material impact is and its severity.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
70	(13) • (2546 - 2558) A note should be made to say that positive impacts are deemed as such when rights-holders determine that they are positive impacts, not just when a company considers that benefits are being delivered. For instance, a benefit-sharing scheme with indigenous peoples is set up during the FPIC process - this can be viewed as a positive impact by the company and reported as such. However, the community dynamics may change over time due to increased wealth in a small fraction of the community and it may cause negative social impacts and even conflicts. There is thus a need to check in with the community through independent assessors to check that they feel that they believe positive impacts are occurring from their point of view.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
71	(9) • Prioritisation (2491 – 2599): it therefore follows from the two above points made, that prioritisation should not be left in the hands of the reporting company alone. The notion that that the commercial organisation alone can decide the significance of an impact relative to other types of impacts it has identified (and then rank, prioritise and act on these alone) is contrary to the spirit and intent of the UNGPs and their emphasis on stakeholder (rights-holder) inclusion and impacts on people. Furthermore, where company operations, investments and supply chains may affect indigenous peoples' rights, this methodology would not be adequate in respecting free, prior and informed consent (FPIC), which safeguards indigenous peoples' self-determination and rights to land and resources.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
72	(8) • lines (2485 - 2490) This is a useful element - please add to line 2485: "...positive contribution to sustainable development or environmental initiatives such as reforestation" and line 2489 - replace "historical and cultural lands" with "customary lands and territories"; line 249 add word remedied: "needs to be addressed, remedied and cannot be offset".	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution

73	(6) Ø Rethought is required around the idea that where the organisation is unable to “identify actual and potential negative impacts across all its activities and business relationships, for example, because it has diverse or multiple global operations or because its value chain comprises a large number of entities.” that "scoping" (2436 - 2442) alone is a credible way to prioritise. Due to high-level nature of scoping itself, and the various forms this could take, it is necessary that scoping alone should not be viewed as enough to determine identification of potential and actual impacts, contrary to sentence 2442, which outlines that "The organization can then identify and assess specific actual and potential negative impacts for these areas". External parties and the use of independent information sources and evidence should be drawn upon and feed-in to this determination.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
74	(4) Ø Under "Assessing context" (2363 - 2379): there should be an additional bullet that states that they should be assessing other stakeholders who are affected by their activities and those of suppliers' (e.g. via a stakeholder mapping process to identify which indigenous communities, local communities and smallholders are affected)	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
75	(15) • Paragraph 1 of Step 4 (2562-2567): - (2567) There is this risk when things are grouped in the way suggested, particularly when a human rights related issue gets "grouped" under an environmental one. Each topic specific standard would need to ensure it contained the relevant human rights aspects in this case.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
76	(5) Ø Box 1 (2394): Engaging with relevant stakeholders and experts: add reference to Indigenous peoples considerations as per other comments made in this feedback	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
77	(3) Ø Under the bullets (2316 - 2322) insert a bullet that says: consult with stakeholders, rights-holders and independent experts to inform what material impacts it is involved with (this must be underscored)	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
78	(2) Ø Clarification needed (line 2302) "This section describes the steps that the organization should go through in order to identify its material topics; following these steps is not a requirement."	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution

79	(1) GRI 103 (lines 2206 – 2890) Section 2: Identifying material topics: • In the guidance a note needs to be added to highlight that although the company may identify its material topics to report on, it must also consider and take seriously any material impacts identified by rightsholders themselves, as well as by CSOs, NGOs and local organisations with information on human rights, tenure and environmental matters. In short, a material topic should not only be deemed as such by a company alone – it is not acceptable that a company is the sole decision-maker in identifying potential and actual impacts. Where a company does not feel it is contributing to a particular material topic, yet it is a material impact well-known by other stakeholders, a company should be required to report on why they do not believe this impact is related to their business and supply chains. Useful overview.	Forest Peoples Programme	United Kingdom	Non-government organization	On behalf of an organization, group or institution
80	DELETE: In the case of potential negative human rights impacts, the severity of the impact takes precedence over its likelihood.	Hong Kong University of Science and Technology	Hong Kong	No response	No response
81	Agreed	Hui Xu	China	Non-government organization	As an individual
82	It is very usefull to identify content within impacts, but this section does not clarify how to identify the material topics with integration of GRI 101 and Principles for defining the report content.	ICR Systems & Management SRL	Bolivia	No response	No response
83	(1) The text around identifying material topics is broadly supported From a Labor perspective, lines 2347-2351 on workers who are not employees, lines 2370-2375 on compliance with international human rights standards including workplace human rights, lines 2394-2420 (Box 1) on engaging with stakeholders and respecting their rights, and lines 2500-2545 on assessing the significance of negative impacts are especially valuable.	IndustriALL Global Union	Switzerland	Labor representative	On behalf of an organization, group or institution

84	(3) We also offer the following comments for consideration: • Line 152: "In the case of potential negative human rights impacts, the severity of the impact takes precedence over its likelihood." We suggest this should also apply to negative health and safety impacts.	Institution of Occupational Safety and Health (IOSH)	United Kingdom	Chartered body for OSH Professionals	On behalf of an organization, group or institution
85	IOSH welcomes the proposed involvement of professional adviser / experts in assessing the significance of impacts and testing material topics.	Institution of Occupational Safety and Health (IOSH)	United Kingdom	Chartered body for OSH Professionals	On behalf of an organization, group or institution
86	(1) This section is now more materiality and impact focused instead of report content and topic boundary focused, which aligns more closely with how material matters are identified in practice.	International Council on Mining and Metals (ICMM)	United Kingdom	Trade or industry association	On behalf of an organization, group or institution
87	(1) The ITUC broadly supports the text around identifying material topics. From a Labor perspective, lines 2347-2351 on workers who are not employees, lines 2370-2375 on compliance with international human rights standards including workplace human rights, lines 2394-2420 (Box 1) on engaging with stakeholders and respecting their rights, and lines 2500-2545 on assessing the significance of negative impacts are especially valuable. With respect to the definition of "material topic", our view is that genuine assessment of "impacts" will always identify employment and workforce issues as a material topic. Which includes employment in the organisation's value chain as well as within the organisation.	International Trade Union Confederation	Belgium	Labor representative	On behalf of an organization, group or institution
88	On materiality. I suggest a certain percentage of outward benefit.	Justina Callangan	Philippines	Business	As an individual
89	(1) It is great to see increased emphasis put on the identification of material topics. Current reporting tends to lack information on the decision-making processes leading to the identification of the report's content.	Laurence Vigneau	United Kingdom	Academic	As an individual
90	(2) In order the increase reporting transparency, it would be useful to better connect the material topic identification exercise with the reporting guidelines, particularly the verifiability requirement. There could be clearer expectations set out. For example, how should firms document the decision-making processes related to the identification and evaluation of material topics? A greater emphasis on documenting	Laurence Vigneau	United Kingdom	Academic	As an individual

	processes rather than just reporting on the outcomes would help increase transparency.				
91	(4) It would be great if there was a link to additional resources like case studies on how an organisation applied the 4 steps and showed that it actually was a valuable exercise...	Liberty Holdings Limited	South Africa	No response	No response
92	(5) Line 2488 - positive impacts... I'm not sure it's fully explained in that example a positive impact would be job creation/ community development	Liberty Holdings Limited	South Africa	No response	No response
93	(3) Line 2392/3: Needs more explanation for why the co. must focus on negatives...	Liberty Holdings Limited	South Africa	No response	No response
94	(2) Line 2391: I understand what is meant by on an ongoing process but is there a minimum. For example, a company might assess what they have but not fully engage in an full assessment often and 5 years down the line they haven't changed much...	Liberty Holdings Limited	South Africa	No response	No response
95	(1) Agreed with the revised suggestions.	MSC Mediterranean Shipping Company S.A.	Switzerland	Business	On behalf of an organization, group or institution
96	(10) (2574) "While some topics can cover both negative and positive impacts, the organization may prioritize negative impacts separately from positive impacts, as negative impacts need to be discussed independently and cannot be offset by positive impacts." Discussing them together does not automatically mean offsetting them. It could just be contextual, e.g. negative and positives around climate change.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
97	(7a) Step 2: Identify Actual and potential Impacts Look into these re materiality: (2422) "The guidance in this section on identifying negative impacts is based on the UN Guiding Principles on 2423 Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the OECD Due Diligence Guidance for Responsible Business Conduct." This is Basically an (statistical) expectancy value: likelihood x potential outcome. Positive aspects are underexplained and the link to strategy missing	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution

98	(6) Step 2: Identify Actual and potential Impacts Positive vs. negative: (2392) "In situations where an organization has limited resources available for identifying its impacts, it should start by identifying its negative impacts, before moving onto identifying positive impacts." This is a decision which is not explained. One could also use a different approach to limit the scope, e.g. by turnover, region, etc.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
99	(7b) Step 2: Identify Actual and potential Impacts Look into these re materiality: (2422) "The guidance in this section on identifying negative impacts is based on the UN Guiding Principles on 2423 Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the OECD Due Diligence Guidance for Responsible Business Conduct." This is Basically an (statistical) expectancy value: likelihood x potential outcome. Positive aspects are underexplained and the link to strategy missing	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
100	(3) Step 1 seems very vague. It could be unrealistically time consuming if taken seriously and at the same time green washing if sticking to the letter of the guidelines.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
101	(2) Step 1: Assess the organisation's context Assess the organisation's context: (2327 – 2329) Mix between internal and external context, i.e. 'business activities' seem to be core rather than context.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
102	(4) Step 1: Assess the organisation's context Generally straight forward, but again a strong negative human rights violation angle, not a business strategic lens on materiality.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
103	(5) Step 1: Assess the organisation's context Good to include 'business relationships', i.e. it can include supply chain as well as customers.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
104	(1) (2609) 'Report HOW it has identified its material topics, including: HOW it has identified actual and potential, negative and positive impacts on the EEP, including impacts on human rights, across own business activities and business relationships.' Here the positive and negative aspect both feature.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution

	<p>'HOW it prioritized impacts for reporting based on their significance'</p> <p>It is not clear if this can be avoided, but in this statement alone we have an aggregation of judgements: (1) what is material, (2) what is significant, (3) what is prioritized to be reported on. The more judgements, the more ambiguity. Due to this the aforementioned guidelines, which do not have to be followed, are very important. Otherwise comparability between companies does not exist – if everyone has slightly different judgements at each decision point. Reporting how these judgements are made is an important first step, but will stakeholders, including investors, have the time to read through all of this in order to be able to understand what the reports mean? Even if we assume this, companies can still not be compared to each other.</p>				
105	<p>(1) Materiality and Materiality Decisions Identifying the material topics through the suggested steps is exactly that: a suggestion but not a requirement (2302). Why is that? (assumption: different legal frameworks in different countries). Identification process is non-binding, but no comply or explain rule in the current suggested revisions. (2310)</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
106	<p>(2) Add after line #2351: • The number of GRI Certified Sustainability Professionals undertaking work on GRI Standards sustainability reporting for the organization.</p> <p>Add into Box 1 line #2394+ GRI Certified Training Partners ie "Engaging with relevant stakeholders and Experts including GRI Certified Training Partners" and insert in line #2419 "consulting GRI Certified Training Partners, credible independent experts etc..." NOTE that Experts should reference GRI Certified Training Partners who not mentioned anywhere in the Universal Standards but who provide critical training and support services in report design, implementation etc.) Line #2589 is about "Testing the material topics with information users and experts". • The GRI Certified Training Partners (CTPs) as well as GRI Certified Sustainability Professionals (CTPs) will have a higher degree of expertise in this testing than others in the current list of experts and should be. Revise lines #2592 & 2593 as follows:</p>	Next Level Sustainability	Australia	GRI Certified Training Partner in Australia	On behalf of an organization, group or institution

	o Examples of experts the organization can consult include GRI Certified Training Partners (CTPs), GRI Certified Sustainability Professionals (CSPs), non-governmental organizations, academics, consultants, lawyers, and investors.				
107	"The significance of a negative impact is assessed based on its severity (scale, scope, and irremediable character) and likelihood. In the case of potential negative human rights impacts, the severity of the impact takes precedence over its likelihood." This is the case for climate change as well. We recommend GRI to add climate change into the guidance here.	Paia Consulting	Singapore	Consultant	On behalf of an organization, group or institution
108	Line 138/139/140 are of concern because the organisation is now deciding on the significant impacts. This approach is different to ISO and their approach to engagement with stakeholders so it will make it hard for users to use GRI and ISO standards together.	Positive Impact Events	United Kingdom	Non-government organization	On behalf of an organization, group or institution
109	(5) 2. We also believe that you should: - Provide additional guidance on how to determine the specific threshold from which the topic generates a significant impact.	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution
110	(4a) 2. We also believe that you should: - Clarify the time horizon that should be taken into account for the impact analysis to determine material topics (short-medium-long term) and required disclosure of the actual time horizon considered.	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution
111	(2) How to identify a (significant) material topic remains quite complex and open to interpretation (reference 149-154; 2300-2599). In this sense, the more "freedom" companies have, the worse is the comparability of the information reported. Considering the increasing call from stakeholders to create relevant and comparable non-financial information, and the key role of defining materiality for the effective adoption of the standards, we would suggest some amendments to enhance relevance, comparability and verifiability: -To provide more guidance on how stakeholder involvement is considered when identifying the impacts. It is clear that stakeholder feedback (based on a balanced identification of relevant stakeholders) plays an important role when determining whether a topic is material. However, it is not entirely clear how stakeholder perspectives should be considered in this new definition of materiality when identifying the	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution

	impacts. It would be advisable to establish specific and clear phases/activities for stakeholder engagement.				
112	(3) 2. We also believe that you should: - Provide additional guidance on how to take into account emerging issues that may encompass relevant impacts. e.g. consider the guidelines of international organizations such as the OECD, etc.	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution
113	(3) How to identify a (significant) material topic remains quite complex and open to interpretation (reference 149-154; 2300-2599). In this sense, the more "freedom" companies have, the worse is the comparability of the information reported. Considering the increasing call from stakeholders to create relevant and comparable non-financial information, and the key role of defining materiality for the effective adoption of the standards, we would suggest some amendments to enhance relevance, comparability and verifiability: - To emphasise that companies need to develop robust models for identification and evaluation of impacts and material topics that are well documented and explained in the reports and set out in a way that would be amenable to providing necessary evidence to an assurance provider.	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution
114	(1) How to identify a (significant) material topic remains quite complex and open to interpretation (reference 149-154; 2300-2599). In this sense, the more "freedom" companies have, the worse is the comparability of the information reported. Considering the increasing call from stakeholders to create relevant and comparable non-financial information, and the key role of defining materiality for the effective adoption of the standards, we would suggest some amendments to enhance relevance, comparability and verifiability: - To provide more specific guidance on the methodology to evaluate the impact of material topics. This methodology may be flexible, and implementation details may depend on the size and nature of the company, but further high level methodology guidance would be needed to ensure similar interpretation by various preparers (where in a similar fact pattern preparers should generally come to the same conclusions on material topics) . This guidance is also important for and will aid in the objective of GRI to represent 'suitable criteria' for	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution

	<p>providing assurance on the non-financial information.</p> <p>For example, we do not find it sufficiently clear how companies should consider impacts to identify material topics where there are multiple areas of impact, and there may be competing impacts with stakeholders on different sides of the materiality equation (e.g. shutting down a plant may have a positive effect on the environment, but a negative impact on choice of employment or the local community). It is important to understand how such impacts should be weighed in determining the overall 'impact'. There may also be competing interests within a topic. For example, Article 23 of the Universal Declaration of Human Rights indicates that 'everyone has the right to free choice of employment...'. However, Article 25 indicates right to health and wellbeing is also a fundamental human right. In considering impacts, it is unclear from the guidance how different impacts within a topic should be weighed. For example, the proposed standard indicates that the most acute impacts an organization can have on people are those that negatively affect their human rights (reference 135-136). Accordingly, where there are both positive and negative impacts, guidance is needed on how to evaluate such situations. For example, it is unclear whether the evaluation is made with respect to each article of human rights separately or on an overall basis.</p> <p>Additionally, more guidance should be provided on balancing the quantitative but also the qualitative nuances of the impacts and therefore the materiality of the topics. For example, assume a company has 10 plants where 9 are modern and efficient and the remaining plant is older, less environmentally friendly, and the biggest source of pollution in the small town where it is located. From a purely quantitative perspective the plant may not be very material considering it is only 1 of 10 plants. However, from the perspective of the town's residents, it would be considered the most material plant to them.</p>				
115	I agree with the proposals made here	R&A Strategic Communications	South Africa	No response	No response
116	Even if the "influence on the assessments and decisions of stakeholders" can no longer be considered a standalone factor that determines whether a topic is material, the identification of relevant	REPSOL	Spain	Private Company	On behalf of an organization,

	stakeholders should still be a step of the process to effectively inform the materiality assessment: this would help to determine the significance of the impacts				group or institution
117	(4) How would thresholds be determined? Or if samples may be provided. This is key as this is the sole criterion whether a topic is material or not. Granted the threshold can be determined by the organization (exposure draft line 2562 – 2573).	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution
118	(2) There should be further clarity or guidance on assessing the significance of impacts – severity and likelihood. This is especially so since there are different expectation for assessing the significance of negative impact vs potential negative human rights impact vs positive impact (exposure draft line 2500 - 2558). In risk management for instance, these are outlined clearly for avoidance of doubt or to ensure some form of consistency.	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution
119	(3) For negative human rights impacts (exposure draft line 2537 – 2539), severity takes precedence over likelihood. Human rights is very wide – from right to live to freedom of speech. This section is challenging to conduct.	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution
120	(1) • On “Causing, contributing or being directly linked to negative impacts” - further clarity, explanation or samples should be included as part of the Sector Standards for better clarity. In the case of financial institutions, the distinction between caused, contributed to and directly linked to may be have different interpretation especially for contributed to and directly linked to (exposure draft line 2452 – 2476). For instance, one way to interpret is that for the same activity - when there are no controls in place or lack thereof, the organization has contributed to the negative impact. But when there are controls in place and there is still negative impact, then the organization is directly linked to the negative impact.	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution
121	(3) There should be further clarity or guidance on assessing the significance of impacts – severity and likelihood. This is especially so since there are different expectation for assessment for negative impact vs potential negative human rights impact vs positive impact (exposure draft line 149 – 154). In risk management for instance, these are outlined clearly for avoidance of doubt or to ensure some form of consistency.	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution

122	to identify material topics, it is better referee to rules, regulations and expectations too	RPMRG	Hungary	Consultant	On behalf of an organization, group or institution
123	I agree with the revisions	SAI Global Italia s.r.l.	Italy	No response	No response
124	Happy with the detail provided and like figure 2 as it includes the potential role of stakeholders and experts along the process, which emphasises that an organisation cannot undertake the process or evaluate in isolation or only consider stakeholder issues at the start of the process.	SAICA	South Africa	Non-government organization	On behalf of an organization, group or institution
125	(1) The reporter should also demonstrate they have undertaken their assessment in accordance with GRI 103 and the organisation's processes and have not just relied upon the sector standard (as per lines 271-274 in the universal exposure draft and 68-71 in the og exposure draft). I think this guidance should be highlighted because there might be a tendency to rely on the sector standard only (thereby omitting organisation-specific material topics).	Shelley Anderson	Australia	Consultant	As an individual
126	I find the revisions on materiality quite useful and agree with the proposed content.	Simeon Cheng	Hong kong	Business	As an individual
127	There is an over-stress on the type of workers such as full-time, part-time. What GRI should focus is say the population and geographical size of the community, the demographics and the key ecosystem service within the area. The categorization of employees other than gender or age may not be relevant.	Society of Certified Risk Professionals	Malaysia	Non-government organization	On behalf of an organization, group or institution
128	On stakeholders. The extent of industrial activities' causality chain on economic and the environment that ultimately impact people can be very long. The current standards are putting the responsibility on the reporting organization to determine the materiality to the stakeholders. There is a risk of understating of materiality of the outward impact to stakeholders. It would be good for GRI to create another set of standard to help government, municipalities and local authorities to develop criteria to measure materiality based on say political boundaries or river basin for example. This is important for developing countries, especially tropical and biodiversity-rich countries, that are facing a lot of issues with sustainability, who would not have adequate expertise and would be greatly inclined to follow standards if there is one.	Society of Certified Risk Professionals	Malaysia	Non-government organization	On behalf of an organization, group or institution

	<p>The aggregation of say effluent from a single factory that may fall within regulatory limits could in totality be material to the community spread along a river basin, for example. Hence it would be good if GRI could produce a standard that guides the government, who represents people, the real and large-majority stakeholders of sustainability.</p> <p>If an organization is left to decide what is material to the external environment, which party can provide check and balance against that? This is when statutory auditors can play a role by reviewing a statement being disclosed by the reporting party. However, the auditor will also need enough expertise or statistics to know what is material and if a material impact of a topic has been under-stated.</p> <p>Therefore, it would be good if GRI could create a new standard or include additional sections to guide regulators.</p> <p>At its current status, the GRI may risk high level of green-washing by reporting organization.</p>				
129	It is difficult and challenging for companies to identify impacts, and especially negative ones. It must be understood that this will be a medium-term process to move to the identification of material topics as it is proposed in the new Standards. It involves many resources that many companies may not have at the moment.	Sustenia	Argentina	Consultant	On behalf of an organization, group or institution
130	The revisions make the identification of material topics clearer and more succinct.	Tang Lien	Malaysia	Consultant	As an individual
131	(3) I also think the links between material topics and impacts need to be clearer. The Impact Management Project has been doing work in this area (5 dimensions of impact) that may be a useful reference.	Think Impact Pty Ltd	Australia	Consultant	On behalf of an organization, group or institution
132	(1) This is a significant step change from previous GRI guidance on identifying material topics. Whilst the changes are welcome and will enable better reporting of impact, the change will create challenge and confusion.	Think Impact Pty Ltd	Australia	Consultant	On behalf of an organization, group or institution
133	This was an area organizations needed assistance with so this provides additional clarity around how to identify material topics	Toronto Pearson Airport	Canada	Business	On behalf of an organization, group or institution

134	(1) Line 2452 - Box2 description and examples of categories "cause, contribute, linked to" still not absolutely clear. Maybe examples could be clarified.	triple innova	Germany	Consultant	On behalf of an organization, group or institution
135	(2) e.g. Line 2459: we would see this as an example for "linked through business relationship", not "contribute" as it occurs with a supplier. In which category would fall the following: a washing machine uses water intensively, or a car has high emissions. This would be "contribute", as there is no business relationship?	triple innova	Germany	Consultant	On behalf of an organization, group or institution
136	(1) How to determine scale of severity and likelihood of impact(s)?	Trisakti Sustainability Center	Indonesia	Consultant	On behalf of an organization, group or institution
137	In the selection related to the identification of positive or negative impacts I would include express references to the Sustainable Development Objectives so that they are taken into account in the process and are linked to or reflected in the material aspects of the organization.	UN Global Compact Network Spain	Spain	Non-government organization	On behalf of an organization, group or institution
138	<p>(2) When explaining the identification of positive aspects, the concept of contribution is already introduced:</p> <p>To identify its actual and potential positive impacts, the organization should assess the manner in which it contributes or could contribute to sustainable development through its own activities, for example, through its products, services, investments, procurement practices, as an employer, or as a taxpayer.</p> <p>On the other hand, when explaining the identification of material aspects in the "Assessing context" section I would allude to initiatives such as the United Nations Global Compact within the possible commitments acquired by companies. Here you'll find the text referred to:</p> <p>Assessing context The organization's responsibility in relation to the international standards and agreements 2371 with which it is expected to comply; for example, the International Bill of Human Rights; the 2372 International Labour Organization (ILO), Tripartite Declaration of Principles concerning 2373</p>	UN Global Compact Network Spain	Spain	Non-government organization	On behalf of an organization, group or institution

	Multinational Enterprises and Social Policy; the Organisation for Economic Co-operation and 2374 Development (OECD), OECD Guidelines for Multinational Enterprises; or the United Nations 2375 (UN), Guiding Principles on Business and Human Rights.				
139	(1) We welcome the clarified requirement for organizations to consider their actual and potential negative impacts and the scope to which that requirement is applied	UNDP - SDG Impact Team	United States	UN body	On behalf of an organization, group or institution
140	(2) although we suggest explicitly referring to the organization's supply chain. Such consideration (and subsequent action) by organizations is essential to achievement of the SDGs.	UNDP - SDG Impact Team	United States	UN body	On behalf of an organization, group or institution
141	This optional step-by-step Identifying material topics is reader/user friendly. It provides clarity to guide the user to achieve what are intended of this section and the overall reporting.	Universiti Malaya Sustainability & Living Labs Secretariat (UMSLLS)	Malaysia	No response	No response
142	2344 -2351 is not relevant in identifying whether a topic is material or not, rather it may be transferred under 2352 (Assessing business relationships) as "the relationship of the company with its employees and workers".	University of Asia and the Pacific - Center for Social Responsibility	Philippines	Assurance provider	On behalf of an organization, group or institution
143	(4) Suggestion to instruct reporting organizations to focus on negative impacts first and positive impacts as a second priority.	University of Denver	United States	No response	No response
144	(1) This change rectifies the bad habit of companies simply focusing on material issues that affect external sources AND business sources	University of Denver	United States	No response	No response
145	(2) With respect to material items as a suggestion it would be good to analyse all of the material risks for SME and Large Enterprise or MNE and then only allow for companies to select from that list within their reports - this could then help with analysis and comparison in the years to come.	University of Southern Queensland	Australia	No response	No response
146	Finally. Now, no one can keep on misunderstanding materiality (let's hope). Please make sure, that GRI staff understands it as well. They didn't always do so in the past years.	Valora	Switzerland	No response	No response
147	2323: rather than oversee: appoint somebody to oversee the process and validate the choice of material topics.	Virginie Poulin	France	No response	As an individual
148	(1) The diagram at line 2310 is clear and helpful.	World Benchmarking Alliance	Netherlands	Benchmarking foundation	On behalf of an organization,

					group or institution
149	(2) The Steps from line 2300 to 2558 are helpful because of their alignment with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct.	World Benchmarking Alliance	Netherlands	Benchmarking foundation	On behalf of an organization, group or institution
150	(4) Line 2366-2369 should explicitly include “human rights or “human rights risks.”	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution
151	(2) For example, lines 2323-2324 say the highest governance body should oversee the process and approve the identified material topics, but this is not clarified in the governance disclosure requirements. Addressing this discrepancy will be very useful.	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution
152	(1) It would help report preparers immensely if there was a required process, rather than a suggested one for identifying material topics. There is often confusion on this point. For example, lines 2323-2324 say the highest governance body should oversee the process and approve the identified material topics, but this is not clarified in the governance disclosure requirements. Addressing this discrepancy will be very useful. Line 2595 can underscore that it should be a requirement for companies reporting in accordance with the GRI to explicitly confirm that the highest governance body validated any results of the materiality assessment.	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution
153	(3) Also, assessing context (from line 2363) should explicitly mention reviewing the organization’s existing risk register to draw connections to the organization’s Enterprise Risk Management (ERM) function. This could fit into lines 2429-2435 that specify how to identify actual and potential negative impacts. The “Assessing the significance of negative impacts” elements should also align with enterprise risk management techniques, for example, referencing COSO’s guidance on applying enterprise risk management to ESG-related risks for a more diverse range of advanced techniques.	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution

154	(1) Changing to severity vs. likelihood to determine materiality is an oversimplification. In addition, using probability as a determinant of effect is subject to short term thinking and bias. Other factors like vulnerability (IE ability to manage impacts and dependencies if they occur irrespective of probability) velocity of impact / speed of onset, connectivity of issues should be considered. For example, COSO's definition of a material risk is "The possibility that events will occur and affect the achievement of strategy and business objectives."	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution
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13 **3. Comments on Section 3. Reporting on material topics**

14 Please refer to pages 90-97 in the [Universal Standards exposure draft](#).

15 Table 3. Comments on Section 3. Reporting on material topics

No.	Comment	Name of organization or individual	Country	Stakeholder group	Submission type
1	(2) By a different perspective, the notion of topic boundaries could have still helped the entity to understand the scope of its impacts. The lack of this concept should be compensated by a further stress and reliance on stakeholders engagement activities especially during the first time adoption of the standards.	Alessandro Mantini	Italy	Business	As an individual
2	(2) - 'An explanation of how the organization manages the topic' (103-2-a) <- This should be kept"	Allied Environmental Consultants	Hong kong	Consultant	On behalf of an organization, group or institution
3	(1) "The new requirement: ""It now also requires reporting the indicators used to evaluate progress, in addition to goals and targets (see MT-3-c-ii)"" <- Any examples of the indicators? Maybe disclosing the approaches is better instead of reporting the indicators. The other new requirements are good call for the reporting.	Allied Environmental Consultants	Hong kong	Consultant	On behalf of an organization, group or institution

4	Would GRI mention "This information can still be reported, and organizations are encouraged to do so with respect to the material topics that the external initiatives are relevant to"?	Allied Environmental Consultants	Hong kong	Consultant	On behalf of an organization, group or institution
5	GRI 103-3 "Reasonable change but more guidance may be needed. For reference: 103-2: management approach of each material topic, including policies, commitments, goals and targets, resources, etc. 103-3: explanation of how the management approach of each material topic is evaluated"	Allied Environmental Consultants	Hong kong	Consultant	On behalf of an organization, group or institution
6	would it be helpful if GRI were to include a request for organisation to state their impacts in a table format based on its operational contact via the ESG format, while stating whether the impact is r are positive and negatve?	Choon Kiong Ting	Malaysia	Business	As an individual
7	The organization should include information on how it integrates the findings from its identification and assessment of impacts across relevant internal functions and processes, including: - the internal decision-making, budget allocation, and oversight processes to enable effective actions to manage the impacts. While this is a guidance only, asking disclosure on budget allocation may be too much info to share.	City Developments Limited	Singapore	Business	On behalf of an organization, group or institution
8	Disclosure MT-3 Management of material topics and related impacts This disclosure seems to focus solely on negative impacts. It is hard to understand why readers of reports would be uninterested in positive impacts and how reporting organisations act to magnify them. The Requirements should be amended to include positive and negative impacts and how each is to be reported.	Corporate Citizenship	United Kingdom	No response	No response

9	<p>The DIHR is concerned that the Standards do not adequately reflect that some human rights issues are very context specific, whereas others are wide-spread and that for a company’s due diligence to be effective and aligned with the UNGPs it needs to be implemented corporate wide in both a horizontal and vertical understanding of that term, i.e. across functions and across regional and country level presences. Relatedly, when reporting material topics in accordance with MT-2, the Standards should support organisations in including topics that may be of context specific nature, but still considered material as well as topics that may be of relevance throughout a company. For instance, it is useful to understand whether a material topic is considered a group-wide issue or is a concern only in select countries of operation or in connection with select products or business segments. Secondly, we are not convinced that the Standards adequately capture the degree to which a reporting organisation is involved with or exposed to the impacts of a given material topic. MT-2-b does not currently guarantee that reporting organisations provide readers with insight into these dimensions, although the guidance for MT-2-b-ii addresses the issue in part. To ensure these important contextual pieces of information are disclosed, DIHR recommends adding a new requirement iii to MT-2-b. Suggested text: ‘MT-2-b-iii describe how and to which extent the organisation is exposed to the material topic’. Associated guidance should encourage reporting organisations to disclose whether the material topic is considered material across the organisation or is included due to its relevance to certain geographies, products, activities or similar AND to provide context on the magnitude of the company’s exposure to the risk (e.g. insight into how big a share of the company’s suppliers or company subsidiaries are estimated to be exposed to the material topic.</p>	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
10	<p>DIHR recommends changing the examples given for categories as these three categories would often overlap and not provide a mutually exclusive structure. An alternative relevant categorisation example could be by value chain e.g. material topics that relate to an organisation’s upstream value chain, own activities or downstream value chain.</p>	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
11	<p>Actual negative impacts should be remediated, AND their reoccurrence should be prevented. DIHR recommends adding a bullet to prompt</p>	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization,

	sharing of examples of how the organisation has taken action to prevent the reoccurrence of actual impacts in addition to their remediation.				group or institution
12	Suggest specifying that indicators and other metrics used can be both output-based and outcome-based. Outcome-based indicators are better in demonstrating the change that companies' due diligence is making. For example, 'endorsement of action plan in response to human rights impact assessment' (output indicator) vs 'satisfaction level of local communities' (outcome indicator).	Danish Institute for Human Rights	Denmark	National human rights institution	On behalf of an organization, group or institution
13	(1) Deloitte supports the GRI103 disclosure simplifications	Deloitte	United States	Consultant	On behalf of an organization, group or institution
14	While we recognize the intention of the GRI Standards is to focus on outward impacts on society, the economy and the environment, we believe that reporters increasingly wish to ensure their purpose and strategies achieve positive impacts on the economy, environment and people, often aligned to the UN SDGs. We recommend that the standards clarify that where these (outward) impacts have been adopted as overall strategic targets, this should be disclosed, together with information on how this informs strategic developments and the business model. Currently, the disclosures are described as activities rather than the result of an overall strategic effort or business model. Widening the scope in this way will help reporters to illustrate where particular impacts are adopted at the strategic level and overseen and managed accordingly.	Deloitte	United States	Consultant	On behalf of an organization, group or institution
15	(2) Deloitte [...] believes the removal of the term "boundary" will be well received as we believe it has caused much confusion over the years.	Deloitte	United States	Consultant	On behalf of an organization, group or institution
16	We believe MT-1iii should be expanded to included evidence or wider information, for example, we recommend drafting as follows: "the stakeholders, experts, evidence and sources of data that have informed the identification of material topics;". This would encourage reporters to include their own internal reporting and data and other external reports or data in such assessments.	Deloitte	United States	Consultant	On behalf of an organization, group or institution
17	Lines 541 – 543 (p. 21) Completeness (also cross-reference Lines 989 et seq a for Disclosure REP-2 of Organization's entities included in its	Douglas Hileman	United States	Consultant	As an individual

	<p>sustainability reporting, p. 40). The Universal Standards should state that organizations should state the scope for completeness purposes, and, where some facilities are excluded (including only for some parameters), the organization should state so at the appropriate location(s) in the report, and provide the basis for this. The Universal Standards and guidance state or imply that the non-financial reporting should be complete. This is impractical in many cases, or at least for some parameters. It may be feasible to report on some topics that are centrally managed, and apply across the entire organization - such as human resources policies. Some material topics may apply at larger facilities, but not at others – such as water usage and wastewater generation in a large organization with satellite offices or employees working from home. “Materiality” can apply to some locations, and perhaps for some topics at those locations.</p>				
18	<p>Identification of material topics and related impacts; Guidance to MT-I-a-I and MT-I-a-ii. GRI should provide a mechanism for material topics to be identified by the organization at the aggregated level, and that additional material topics can be reported as appropriate for selected organizational units or high-profile topics with more limited financial and operational footprint at the organization. The selection of material topics is done at the aggregated level of an organization, consistent with consolidated financial reporting. However, sustainability topics can be material at a dis-aggregated level from an environmental or people/human rights perspective. A diversified global organization could have one business unit that uses chocolate as a raw material, posing risk of forced labor or child labor in the supply chain. Another diversified organization can have a small unit that uses electronics in a product, posing risk of conflict minerals, use of banned or restricted substances, or products’ improper disposal. Although GRI emphasizes that materiality must consider topics through the eyes of others, the process still favors aggregation, and eliminating many issues that pose substantial risk.</p>	Douglas Hileman	United States	Consultant	As an individual

19	<p>(3) Line 2546 et seq Assessing the significance of positive impacts. GRI should require that positive impacts, when reported, should specify the time frames of the positive impact. GRI should also require that organizations provide updates and (where practical) trends to show comparable data (cross-reference Comparability at Lines 508 – 511), and should suggest that organizations report measures being taken to ensure that the positive impacts continue on an ongoing basis. Positive impacts from sustainability efforts are the ultimate goal. Positive impacts can be inherently problematic for reporting – and for their effectiveness – due to the conflict between ongoing impact (e.g., spanning multiple – and future – reporting periods) and reporting requirements for a single, backward-looking reporting period. There are examples, such as an organization reporting that they planted trees to offset greenhouse gas emissions. There is no future investment in the care and monitoring trees, and within a short period of time, they are lost to disease, neglect, development, or illegal logging. The organization has benefited from CO2 offsets and/or reputational enhancement, but the reported sustainability benefits have not been achieved.</p>	Douglas Hileman	United States	Consultant	As an individual
20	<p>Disclosure MT-3; Management of Material topics and related impacts; Guidance to MT-3-b. “The internal decision-making, budget allocation, and oversight processes to enable effective actions to manage the impacts.” GRI should insert the phrase “including internal auditing sponsored by Management or Internal Audit as authorized by the HGB” after the phrase “oversight processes”. Auditing is a commonly-used, and effective mechanism for oversight. Internal Audit (3LOD) is charged with oversight of all risks – operational, compliance, reporting, and reputational – and is authorized by the HGB. The Internal Audit profession is beginning to realize the importance of non-financial reporting, but there is substantial room to grow. Other auditing programs are sponsored by Management, and address topics relevant to sustainability, including environmental, health and safety, IT, supply chain and quality. Many of these auditing programs originated with compliance risks, and have not yet evolved to consider risks such as those posed by sustainability reporting and the underlying information and data. Note that both 3LOD and 2LOD audit programs occur at/ within the organization, and are different from external assurance. This commenter has suggested explicit reference to auditing (including</p>	Douglas Hileman	United States	Consultant	As an individual

	clarification of the difference between 3LOD and 2LOD audits) elsewhere in the commentary.				
21	<p>Management of Material topics, Guidance to MT-3-c-i. This commenter is pleased that GRI has included “internal or external auditing” among processes used to track effectiveness of actions taken. GRI should revise the phrase to read “internal auditing (the Internal Audit activity as authorized by the HGB and/or other internal audit activities for specific focus areas, or external auditing”. GRI could add value to sustainability stakeholders with a bit of clarification; this commenter’s experience is that these terms confuse almost everyone. As noted elsewhere, “Internal Audit” (often capitalized) is an activity authorized by, and reporting to, the HGB. In the common “lines of defense” governance model, it is considered the third line of defense (3LOD). There are other internal audit programs authorized by management designed to mitigate risk in high-risk areas, such as environmental, health and safety, supply chain, etc. These 2LOD audit programs are considered “internal audit” whether the audit activity is performed by organization’s employees or outsourced, or a combination of the two. “External audits” are any audits authorized and sponsored by an entity outside the organization. These can include audits by insurance underwriters or customers. ISO management systems certifications provide for “external audits” by certain firms. It is a common misunderstanding among stakeholders that “external audits” result in output that is available to the public; they generally do not.</p>	Douglas Hileman	United States	Consultant	As an individual
22	<p>Lines 2730 et seq, Lines 2818 et seq, Lines 2851 et seq Disclosure MT-3 Management of material topics and related impacts. GRI should add a requirement – perhaps as MT-3-f – that organizations shall report on whether or how it uses Root Cause Analysis to investigate, understand, learn from, and make changes to their operations as a result of significant incidents involving any sustainability topic, or where the organizations have fallen significantly short of meeting sustainability goals or objectives. GRI guidelines should include the concept of Root Cause Analysis (RCA), and should require that organizations use this process when there have been significant incidents, or where the organizations have fallen significantly short of meeting sustainability goals or objectives. George Santayana is credited with the quote “those who do not learn from history are doomed to repeat it.” This applies to</p>	Douglas Hileman	United States	Consultant	As an individual

	organizational performance and governance, as well as to the weighty historical intent of Mr. Santayana. There are organizations that investigate the causes of chemical explosions, major transportation accidents, and crimes. It is also common for organizations to use the RCA concept for failures in compliance, operations, or meeting financial performance expectations. RCA is “topic-agnostic” and can be applied to sustainability topics as well. The public may look to organizations for widely-reported incidents, such as failures tied to aircraft design or auto emissions control systems. Stakeholders should have insight into whether and/or how the RCA process is adopted and applied for material sustainability topics, or reported failures with a nexus to any sustainability reporting topic. This commenter believes that appropriate requirements for RCA can be an effective deterrent to organizational greenwashing or sustainability fraud. For example, an organization may establish wildly unrealistic goals just because a competitor has, and commit few or no resources to pursuing it. Stakeholders (notably the increasingly impactful socially responsible investing community) could incorporate these forward-looking goals into key decisions – with no real organizational basis for them.				
23	(5) In Identifying impact (2443-2451) the GRI listed a number of levels to carry out the initial assessment, what is missing in the GRI Standards is the consideration of facility-level data in the scoping of materiality topics, particularly in industrial sectors. The lack of addressing this level in the GRI Standards and the prominence of aggregates in the reports could impact the principle of Clarity (489) and the contextualisation of the data particularly for companies operating in different locations. This has a direct impact on materiality and material topics that vary across geography and sector, and thus impact disclosures on performance.	Dr Aljaohra Altuwaijri	Saudi Arabia	Academic	As an individual
24	(2) Focus on impact and explanation of material topic evaluation is welcomed.	ELEVATE	Hong kong	No response	On behalf of an organization, group or institution
25	(1) (a) Line 2725 – Describing policies or commitments for the topic seems duplicative of RBC-2, Policy Commitments	ERM	United States	Consultant	On behalf of an organization, group or institution

26	(2) (b) Line 2784 – Describing how the company applies the precautionary principle seems duplicative of RBC-2a (specifically lines 1659-1664)	ERM	United States	Consultant	On behalf of an organization, group or institution
27	(1) Policy commitments – Requirement a. overlaps with that of the individual topic disclosures for the material topics identified by the organization. Requesting this two-fold, though in a slightly different context seems unnecessary. This could be specifically about human rights only.	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
28	(7) MT-2 Material topics and related impacts • 103-1-b has been revised: It now requires reporting, for each material topic, whether the organization is involved with the negative impacts through its own activities or because of its business relationships (see MT-2-b-ii). In addition, the term 'topic Boundary' is no longer used. ERM CVS recommends retaining 'Topic boundary' as, based on our experience, a material topic such as water stress can be very significant but within a very specific (organisational) boundary and this may be needed for stakeholder understanding. Alternatively, adding a note on identification of where the impact occurs or is significant within the organization's operations would add further transparency.	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
29	(5) Questions raised by the changes - for consideration: • Does the organization have to explain what significance means to the organization based on scale, scope, severity and likelihood (e.g. \$, number of countries, number of people)?	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
30	(10) • Regarding the list of impacts that organizations are to disclose: Shall the organization specify which type of impact it is (e.g. negative, positive, actual, potential, irreversible, intentional...)?	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
31	(11) • Reporting all impacts can be extremely cumbersome for certain large organizations and for assurance purposes assessing the compliance of this section can be tricky. A) Is there a minimum number or significance threshold on impact disclosures that the company has to report in order to be in accordance? B) If large organizations report only the most significant/ relevant impacts (not all), will they still be in accordance?	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution

32	(6) MT-2 Material topics and related impacts <ul style="list-style-type: none"> "103-1-a has been revised: It now requires describing, for each material topic, the impacts identified (see MT-2-b-i), rather than an explanation of why the topic is material." The order of MT-1 and MT-2 allows organizations to determine material topics in different ways, starting by identification of impacts or by identification of material topics. The list of impacts of material topics can be extremely long for large organizations but it seems GRI is requesting a comprehensive list of impacts. ERM CVS would suggest organizations only having to note the most relevant or significant impacts identified by the organization overall and for each material topic (based on the second step of the materiality determination process). 	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
33	(12) MT-3 Management of material topics and related impacts <ul style="list-style-type: none"> Reporting on the effectiveness of the actions taken is very demanding for organizations because the requirement appears to have no scope/limit regarding disclosure. For example, if an organization discloses just one lesson learned regarding a program, is this deemed sufficient to be in accordance? 	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
34	(8) MT-3 Management of material topics and related impacts <ul style="list-style-type: none"> The requirements for reporting the effectiveness of the actions taken could be a challenge to reporting organizations. An organization may not have goals, targets AND indicators. We recommend this should be OR to avoid GRI moving from its position of guiding reporting practices to determining all the sustainability management practices. For example, compliance with laws and business conduct may be material to a company but they may not have a target or goal except to comply, therefore an indicator such as compliance training, hotlines denouncements etc. should be enough to understand performance. Using OR in this requirement rather than AND is also relevant to assurance of alignment with GRI standards. 	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
35	(9) MT-3 Management of material topics and related impacts <ul style="list-style-type: none"> MT-3 update is clearer in terms of disclosure requirements than the previous version. 	ERM Certification and Verification Services (ERM CVS)	Netherlands	Assurance provider	On behalf of an organization, group or institution
36	I personally saw the value of the topic boundary concept and drew the attention of report users to its importance in the past. Understanding the topic boundary application per company makes it easier to prorate to a	Eszter Vitorino	Netherlands	Investor	As an individual

	full picture and make comparisons among industry peers. But i am sure a lot of though went into this revision so i won't contest it.				
37	(3) Further clarity and guidance are required in order to determine boundaries to an organisation's responsibilities and the impacts it is accountable for.	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
38	(10) 2595 – we feel that there should be disclosure on any changes to material impact priorities by highest governance bodies after testing these priorities with external bodies (e.g. experts, academics, NGOs, etc...).	European Accounting Association's Stakeholder Reporting Committee	Canada	Academic	On behalf of an organization, group or institution
39	Removal of the term topic boundary and revision of concept brings more clarity on reporting impacts for a material topic, by dividing into actual and potential, positive and negative. Step 2 of identifying material topics (Clause 2380) helps organization to identify impacts in a more comprehensive way than current GRI 103, clarifying that organization should consider actual and potential negative impacts it causes or contributes to through its own activities, as well as those directly linked to its operations, products, or services by its business relationships. This aligns with "Balance", the reporting principles (Clause 476).	Fuji Xerox (Hong Kong) Limited	Hong kong	No response	No response
40	The suggestion is to include in a new Guidance to MT with references to complementary documents and guidance who can help organizations and companies to report about specific topics. In the case of disability, we would suggest to include the Guide "Disability in Sustainability Reporting", by GRI and Fundación ONCE, as a reference document. 'REFERENCES: Universal Exposure draft: Line 2742 Suggestion coming from pages 36, 41, 44, 46 and 49 of the Guide "Disability in Sustainability Reporting" by GRI and Fundación ONCE (Please consider Fundación ONCE's contribution provided by email to support this response).	Fundación ONCE	Spain	Foundation	On behalf of an organization, group or institution

41	In this section you order to report materiality and associate it with risks. You only talk about current and future risks. What about analyzing crucial and huge impacts that occurred in the past? I mean, for example, a severe impact occurred in a company, that caused really bad impacts, somehow the company managed to overcome it, but did they really understand what happened? What can they learn about it? Maybe reporting something like this could help companies start digging into the past and find answers for they actual or future problems.	Ilunka, Estrategia Sustentable	Mexico	Consultant	On behalf of an organization, group or institution
42	(2) The new requirements will reduce the reporting burden, i.e. organizations only need to report topic changes from the previous period instead of previous periods in the topic boundaries. These changes are supported.	International Council on Mining and Metals (ICMM)	United Kingdom	Trade or industry association	On behalf of an organization, group or institution
43	It is recommended that, as guidance, the effectiveness of actions taken also be presented from stakeholders' perspective since organizations could be biased about their own effectiveness.	International Council on Mining and Metals (ICMM)	United Kingdom	Trade or industry association	On behalf of an organization, group or institution
44	Line 358,removal of topic boundary needs to be carefully studied again as it is the essential concept for organizations' value chain.	International Development Center of Japan	Japan	No response	No response
45	(2) However, it should be clarified if the decision-making processes used to identify material topics/sustainable development topics can be disclosed in a "methodology note". Specificities reported and/or omitted, especially in relation to compliance or non-compliance with relevant international standards, human rights impacts assessments and related preventive approaches and/or mitigation procedures, could be better clarified while describing relevant examples of investments/projects/programmes implemented in a specific geographical location.	MSC Mediterranean Shipping Company S.A.	Switzerland	Business	On behalf of an organization, group or institution
46	(11) Note: MT-1, MT-2 and MT-3 include a large amount of disclosure regarding the process, which is good.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
47	(5) '2644) The examples all have a human rights context. Whilst without a doubt important it would be useful to show examples with a variety of different contexts in the guidelines.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution

48	<p>(2) 'The stakeholders and experts whose views have informed the identification of material topics'</p> <p>This seems to be a good idea, however whether or not it is meaningful depends solely on the decision making process, especially as the GRO guidelines stretch that the decision has to made by the board.</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
49	<p>(3) '(2616) report changes in the material topics compared to the previous reporting period.'</p> <p>Greater disclosure about changes in the material topics is required. It should be clear that changes occurring within the reporting period must be reported. Further, an organisation cannot report everything and therefore the organisation should disclose how it has determined what changes to include. One way the organisation can illustrate the changes made and how they were decided by providing a case study.</p> <p>(2654) Good and important point.</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
50	<p>(8) Step 4 Prioritize the most significant impacts for reporting: (2563) "The significance of an impact is assessed relative to the other impacts the organization has identified. The organization should arrange the identified impacts from most to least significant, and define a cut-off point or threshold to determine which of the impacts it will focus its reporting on. The organization should document the threshold and criteria used when identifying material topics. To facilitate prioritization, the organization should group the identified impacts into topics (see Box 3)." This sounds good, so the next step should be that companies report this, at least in form of a case study.</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
51	<p>(2) (27674) One framework for grouping could be the SDGs.</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
52	<p>(1) (2660 – 2665) This structure of course makes sense; however, it is essential to remember all the limitations and decision points raised above. One suggestion would be to include a footnote linking back to those sections, i.e. stating that materiality, significance and priority to report are all decisions taken by the company and only what survives these filters will be seen here.</p>	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution

53	(1) Disclosure MT-3 Management of material topics and related impacts: (2722) There is no reference to the positive dimension. The same is true as for MT-2: A footnote linking and explaining the limitations would be crucial to avoid the impression of completeness.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
54	(3) (2837) This should / could be case studies that we have talked about during the call.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
55	(2) Disclosure MT-3 Management of material topics and related impacts: (2724) Overall these points make sense, but the aforementioned completeness is key. If you can get away with cherry picking one issue and one project that you did well on, then there is not much point in reporting to start with: impression management. This reiterates the point that problems with the definitions get worse when aggregated to the last stage, i.e. the actual reporting. Much of this is risk management 101 and very similar to the ICAEW (or any professional) approach to risk. If the impacts are seen as risks then it would be better to suggest a specific risk model that companies can use to report on the impacts, especially as companies should be familiar with those concepts.	Network for Sustainable Financial Markets CIC	United Kingdom	Non-government organization	On behalf of an organization, group or institution
56	(4b) 2. We also believe that you should: - Clarify the time horizon that should be taken into account for the impact analysis to determine material topics (short-medium-long term) and required disclosure of the actual time horizon considered.	PwC	United Kingdom	Assurance provider	On behalf of an organization, group or institution
57	he focus is "in particular" (i) and (ii) - both of which are on negative impacts. By virtue, should state that it is "in particular" but not limited to the negative impacts. This would give reassurance to users that they should also share on positive impacts created also.	RHB Bank Berhad	Malaysia	Business	On behalf of an organization, group or institution

58	<p>Guidance to MT-3-b. The IIA recommends editing this sentence as: “The internal decision-making, budget allocation, and oversight processes, including internal audit as authorized by the HGB, to enable effective actions to manage the impacts.” An effective mechanism for oversight, internal auditing is charged with oversight of all risks – operational, compliance, reporting, and reputational – and is authorized by the Highest Governing Body (HGB). Note that internal audit programs occur within the organization, and are different from external assurance. Explicit reference to internal auditing would be beneficial to the quality and reliability of sustainability data.</p>	The Institute of Internal Auditors	United States	Standard setter	On behalf of an organization, group or institution
59	<p>Management of Material topics, Guidance to MT-3-c-i. The IIA is pleased that GRI has included “internal or external auditing” among processes used to track effectiveness of actions taken. However, GRI could be more useful/applicable to sustainability stakeholders with a bit of clarification, as these terms can be confusing. The IIA suggests GRI revise the phrase to read “internal auditing (the internal audit activity as authorized by the HGB), or external auditing”.</p> <p>“Internal auditing” is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. “External auditing” is any audit authorized and sponsored by an entity outside the organization. These can include audits by insurance underwriters or customers. ISO management systems certifications provide for “external audits” by certain firms. It is a common misunderstanding among stakeholders that “external audits” result in output that is available to the public; they generally are not.</p>	The Institute of Internal Auditors	United States	Standard setter	On behalf of an organization, group or institution
60	<p>(3) The depth of information that the MT-3 (Management of Material Topics and Related Impact) disclosure requires is essential as an expansion of the former 103 Standard. It requires organizations to be descriptive and prescriptive and likely holds the strongest argument for accountability in reporting overall.</p>	University of Denver	United States	No response	No response

61	With respect to Material Topics - Section MT-1 or MT-2 - it would be beneficial to highlight what organisations unmitigated risk impacts are and then restate those risk impacts with an assumption that controls to manage risk are reasonably effective.	University of Southern Queensland	Australia	No response	No response
62	Actual and potential impacts can be reported. However, actual impacts should be further interrogated to highlight what the unmitigated impact of that actual impact could be as well as the mitigated impact. For example in management of material topic - 2725 - 2729 - actions taken to prevent or mitigate potential negative impacts could be administrative in nature - for example "Company XYZ has a Sustainability Policy that outlines that every person has a right to refuse unsafe work" - simply having a policy does not actually reduce any risk to workers as it is 100% administrative in nature and relies upon a worker to speak up. Would suggest highlighting each action taken whether it is an administrative control, engineering control etc. - Hierarchy of controls applied to each described action.	University of Southern Queensland	Australia	No response	No response
63	(5) It could also be useful to encourage indication of which stakeholder groups have been involved and engaged in the process, and how.	World Business Council for Sustainable Development	Switzerland	Non-government organization	On behalf of an organization, group or institution

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