



# Item [XX] – GRI Sector Standards Project for Financial Services – Technical Committees terms of reference

## For GSSB information

<b>Date</b>	30 January 2023
<b>Meeting</b>	16 February 2023
<b>Project</b>	GRI Sector Standards Project for Financial Services
<b>Description</b>	This document sets out the terms of reference for the technical committees for the GRI Sector Standards Project for Financial Services for GSSB information.

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](http://www.globalreporting.org).

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For more information: visit the [project webpage](#)

# 1 Terms of reference

2 These terms of reference outline the mandate of the GRI Sector Standards Project for Financial  
3 Services Technical Committees, including their selection and appointment, primary objectives, and  
4 time commitments. The GRI Sector Standards Project for Financial Services will engage three  
5 technical committees with the following formal titles:

- 6 • Banking Technical Committee
- 7 • Insurance Technical Committee
- 8 • Capital Markets Technical Committee

9 The terms of reference apply to the members on each technical committee, in their role on the  
10 specific technical committee to which they have been appointed.

11 A committee member can be appointed to more than one technical committee. In such cases, these  
12 terms of reference will apply to their roles on multiple technical committees.

13 As outlined in these terms of reference, the three technical committees will be required to collaborate  
14 via a cross-sector exchange in which all technical committees are present.

## 15 Background

16 The Global Sustainability Standards Board (GSSB), GRI's independent standard-setting body, has  
17 identified the banking, insurance, and capital markets sectors as a priority for developing GRI Sector  
18 Standards. A Sector Standard will be developed for each sector as part of a portfolio project called the  
19 GRI Sector Standards Project for Financial Services.

20 The objective of sustainability reporting using the GRI Standards is to provide transparency on how  
21 an organization contributes or aims to contribute to sustainable development. The GRI Standards  
22 enable an organization to publicly disclose its most significant impacts on the economy, environment,  
23 and people, including impacts on human rights and how the organization manages these impacts.

24 Sector Standards provide information for organizations in a given sector about their likely material  
25 topics. Sector Standards also contain a list of disclosures for organizations to report information about  
26 their impacts in relation to each likely material topic. They are designed to enhance the global  
27 comparability and quality of information within a sector, enable greater transparency and  
28 accountability of organizations, and support informed decision-making by stakeholders.

29 The GRI Sector Standards Project for Financial Services aims to develop Sector Standards that  
30 improve the sustainability reporting of banking, insurance, and capital markets organizations, making  
31 reporting comprehensive and consistent across the sectors. It will be carried out following the [GSSB](#)  
32 [Due Process Protocol](#).

33 See the [project proposal](#) for more information.

## 34 Mandate of the Financial Services Technical 35 Committees

36 Sector Standards are developed using multi-stakeholder expertise, authoritative intergovernmental  
37 instruments, and other relevant evidence. The technical committees will contribute their expertise to  
38 develop Sector Standards for banking, insurance, and capital markets.

39 The overall work of the technical committees should support sustainability reporting as promoted by  
40 the GRI Standards.

## 41 **Scope of work**

42 The technical committees will be responsible for developing Sector Standards for the banking,  
43 insurance, and capital markets sectors for the consideration of the GSSB. Within the context of the  
44 GRI Sector Program, the three sectors within the Financial Services Project are described in the  
45 [project proposal](#).

46 The technical committees will be tasked with providing recommendations on:

- 47 • the context of the banking, insurance, and capital markets sectors respectively, in relation to  
48 sustainable development, including relevant Sustainable Development Goals and  
49 international instruments and agreements;
- 50 • the likely material topics for organizations in the banking, insurance, and capital markets  
51 sectors based on significant impacts on the environment, economy, and people, including  
52 human rights (that may also include financed, facilitated, or portfolio impacts);
- 53 • the description of these impacts and authoritative references that evidence these impacts;
- 54 • the disclosures from GRI Topic Standards that are relevant for organizations from the  
55 banking, insurance, and capital markets sectors to report on each likely material topic;
- 56 • the cross-sector exchange, where the technical committees will provide recommendations on  
57 the reporting approach and disclosures relevant to the impacts that organizations in these  
58 sectors have through allocating capital (through investment or debt financing). Additionally,  
59 the cross-sector exchange will aim to ensure alignment on the descriptions and reporting on  
60 other common likely material topics;
- 61 • additional reporting that is recommended for disclosure by organizations in the banking,  
62 insurance, and capital markets sectors. Additional sector reporting is only included when the  
63 Topic Standards do not provide disclosures that sufficiently reflect the impacts associated  
64 with the sectors.

65 The technical committees may also provide recommendations on:

- 66 • the scope, relevant sector classification identifiers, and the Sector Standards name;
- 67 • considerations that may be relevant to Sector Standards for related sectors, specifically to the  
68 sectors included in the Financial Services project; and
- 69 • revisions or updates to other GRI Standards.

70 Impacts identified within this project for which no GRI Standard exists will be assessed and prioritized  
71 by the GSSB for future GRI Standards development.

72 The technical committees will not be responsible for editing the stylistic and grammatical presentation  
73 of deliverables. The Standards Division will undertake such edits to ensure consistency with existing  
74 GRI documents. Any style recommendations made by the technical committees will be reviewed and  
75 considered by the Standards Division in-house editorial team.

## 76 **Responsibilities of the Standards Division and GSSB**

77 The Standards Division is responsible for:

- 78 • overall project management and ensuring compliance with the [GSSB Due Process Protocol](#);
- 79 • facilitating, providing logistical support, and preparing materials for technical committee  
80 meetings;
- 81 • maintaining an online collaboration platform for the technical committees;
- 82 • engaging with the GSSB and other GRI Governance bodies;
- 83 • engaging other experts and interested parties in a peer review and on an as-needed basis;
- 84 • coordinating public exposure of the draft Sector Standards, including collecting and  
85 summarizing feedback for consideration by the technical committees;
- 86 • undertaking research to support the development of the Sector Standards; and
- 87 • drafting, editing, proofreading, and finalizing the content of the Sector Standards.

88 The Standards Division will draft the Sector Standards and other relevant deliverables in accordance  
 89 with the recommendations of the technical committees. The Standards Division will use the Sector  
 90 Standard template and apply the appropriate house rules for terminology, style, and presentation.

91 The GSSB approves the draft Sector Standard for public exposure and the final content of a Sector  
 92 Standard through a formal voting process. The GSSB will review the drafted contents and may ask  
 93 one or more of the technical committees to conduct further research and/or develop the draft  
 94 recommendations. Technical committee members should be committed to supporting the revision of  
 95 draft contents in addition to developing these contents. Further information on the role and authority of  
 96 the GSSB can be found in the [GSSB Due Process Protocol](#).

97 **Additional considerations**

98 The development of the Sector Standards is to be carried out within the existing structure and  
 99 template of the GRI Standards, including preserving the hierarchy, coherence, and implementation  
 100 approach of the GRI Standards. Sector Standards content must be in line with the ‘in accordance’  
 101 model outlined in [GRI 1: Foundation 2021](#).

102 The technical committees should aim to develop topic descriptions that are clear, consistent, and  
 103 focused on impacts from a sustainable development perspective. Content should also seek to be in  
 104 line with key authoritative intergovernmental instruments (such as instruments of the United Nations,  
 105 the International Labour Organization, and the OECD).

106 The discussions of the technical committees are confidential, but any recommendations made by the  
 107 technical committees to the GSSB will be publicly available in accordance with the [GSSB Due  
 108 Process Protocol](#). Meeting materials are confidential and should not be shared outside the technical  
 109 committees without prior permission from the Standards Division.

110 GRI will hold the copyright of any deliverables associated with the project.

111 **Composition of the technical committees**

112 It is anticipated that each sector-specific technical committee will have approximately eight members.  
 113 Each technical committee will aim to have at least one person drawn from each constituency on which  
 114 the membership of the GSSB is based: business enterprises, investment institutions, labor, civil  
 115 society, and mediating institutions.

116 In addition, geographical, gender, and cultural diversity will be considered. There can only be one  
 117 representative per organization in each technical committee.

118 **Table 1: Descriptions of constituencies represented on each Technical Committee**

<b>Business enterprise</b>	a) An enterprise (other than a mediating or investment institution) that has been established in order to generate a profit for the benefit of its investors or owners; or b) An organization representing the collective interests of those falling into category ‘a’.
<b>Investment institution</b>	An enterprise primarily concerned with the direct or indirect, long-term investment of funds in business – including, but not limited to, asset owners, asset managers, development banks, exchanges, rating agencies, and market information brokers.
<b>Labor</b>	An organization established independently of employers and governments to represent the interests of workers.
<b>Civil society</b>	An organization established to promote or secure a public good relating to sustainability (environmental, social, and governance) that does not fall into any of the categories defined above.

<b>Mediating institution</b>	An individual or organization that provides goods and/or services associated with the reporting process and benefits from doing so.
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119 A GSSB sponsor(s) may join technical committee meetings.

## 120 **Selection criteria**

121 In accordance with the [GSSB Due Process Protocol](#), members of the technical committees are  
 122 appointed by the GSSB. The principal criterion for selecting the technical committee is relevant  
 123 knowledge and experience of a broad range of sustainable development issues for the banking,  
 124 insurance, and capital markets sectors.

125 Members must be able to participate in technical committee meetings held in English and provide  
 126 written feedback in English when requested.

127 In addition, the following criteria will be considered:

- 128 • relevant knowledge of sustainability reporting for the sector;
- 129 • familiarity with the needs of users of sustainability reports;
- 130 • related experience with multi-stakeholder initiatives;
- 131 • understanding of and willingness to work in a consensus-based, multi-stakeholder technical  
 132 committee.

## 133 **Technical committee commitments**

134 Technical committee members are expected to:

- 135 • act in an individual capacity, exclusively in the public interest, and according to due process  
 136 as defined in the [GSSB Due Process Protocol](#);
- 137 • review the materials provided by the Standards Division in advance of technical committee  
 138 meetings in order to participate actively;
- 139 • provide timely feedback on documents or other materials distributed by the Standards  
 140 Division;
- 141 • collaborate with other technical committees through the cross-sector exchange to ensure  
 142 alignment across the different Financial Services Standards (banking, insurance, and capital  
 143 markets) where reasonable;
- 144 • work in a manner that aims at achieving consensus.

145 The development of the Sector Standards for banking, insurance, and capital markets is expected to  
 146 take up to 30 months following the appointment of the technical committees. See the timeline included  
 147 in Appendix 1.

148 The estimated time commitment for each technical committee member is approximately 80 hours  
 149 across the entire project, including the possibility of a two-day in-person meeting. Members commit to  
 150 attending approximately 40 hours of meetings and reviewing the draft Sector Standard a minimum of  
 151 three times during that period. Members also commit to planning sufficient time to prepare for  
 152 meetings, review other materials, and engage in supplementary content creation methods. It is  
 153 estimated that this may result in up to 40 hours of time commitment across the project (excluding any  
 154 necessary travel time).

155 Meetings and other engagement methods will vary depending on the needs of the technical  
 156 committees and the project, such as the cross-sector exchange. Commonly used methods include full  
 157 group meetings in person and virtually, sub-group workshops, and digital content creation platforms.  
 158 The use of these methods will also consider any travel restrictions or risk factors related to Covid-19.  
 159 Availability to travel to Amsterdam for a two-day in-person meeting in October or November 2023 is  
 160 expected.

161 Virtual meetings are normally held between 1.00-2.30 pm Central European Time (CET), so that  
162 members in most time zones can join. This will be adjusted based on the final geographical  
163 representation of the technical committees.

164 Specific dates for virtual and in-person meetings will be defined based on the availability of technical  
165 committee members within the time frames indicated below. This timeline is subject to change due to,  
166 for example, members' availability, project scope changes, and internal resourcing availability.

167 See appendix 1 for the proposed meeting schedule and an itemized time commitment.

168 Technical committee members volunteer their time. There is no fee or compensation associated with  
169 participation in a technical committee. Upon request, technical committee members will be eligible for  
170 travel and accommodation reimbursement for in-person meetings in accordance with GRI policies.

## 171 **Ensuring confidentiality**

172 Technical committee meetings are held under the Chatham House Rule: 'When a meeting, or part  
173 thereof, is held under the Chatham House Rule, participants are free to use the information received,  
174 but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be  
175 revealed.'

176 Meeting materials are confidential; they can be shared with colleagues for input, but not with outside  
177 parties without prior permission from the GRI Standards Division.

## 178 **Public communications protocol**

179 Public communication on issues related to the activities of the technical committees and the  
180 development of the GRI Standards is the responsibility of the GSSB. Technical committee members  
181 may publicly express their personal opinions and views but may not speak on behalf of the technical  
182 committee, GSSB, or GRI.

183 The names and biographies of members will be published on the GRI website. Members are welcome  
184 to publicize their participation and the activities of the technical committees through press releases or  
185 social media channels. Members are asked to work with the Standards Division or GRI's  
186 communication team to coordinate any such activity ahead of time.

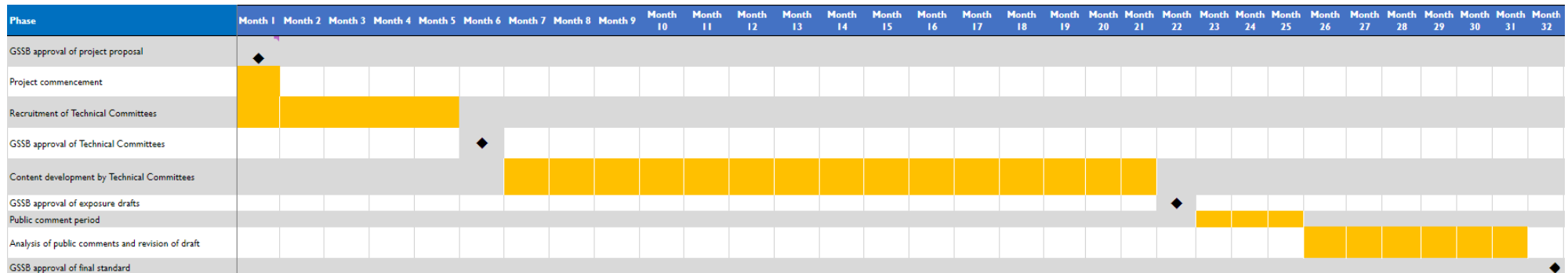
187 Technical committee members are advised to use the following when referring to their participation in  
188 this process:

189 '[name of member] has been appointed by the Global Sustainability Standards Board (GSSB), GRI's  
190 independent standard-setting body, to serve on a technical committee to produce a Standard for the  
191 [banking/insurance/capital markets] sector. This work will also consider how organizations in this  
192 sector should report sustainability information with regards to their role as investors across many  
193 other sectors.'

194 In such communication, technical committee members will always frame their contribution and  
195 participation in relation to the specific sector for which they were selected (e.g., the banking sector  
196 and Banking Technical Committee).



## Appendix 1. Proposed project timeline



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## Appendix 2. Meeting schedule

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The following table outlines the minimum number of meetings expected to occur throughout the project. Specific dates for all meetings will be defined based on the availability of technical committee members within the time frames indicated below. This timeline is subject to change due to, for example, members' availability, project scope changes, and internal resourcing availability.

Meeting	Time commitment	Approximate date
<b>Technical committee meeting 1 (all sector briefing and project introduction)</b>	2-hour virtual meeting + 2 hours review of preparatory materials	September 2023
<b>Technical committee meeting 2</b>	3-hour virtual meeting + 2 hours review of preparatory materials	November 2023
<b>Technical committee meeting 3</b>	3-hour virtual meeting + 2 hours review of preparatory materials	January or February 2024
<b>Technical committee meeting 4 (cross-sector exchange)</b>	2-day in-person (approx. 12 hours) meeting + 2 hours review of preparatory materials	March or April 2024
<b>Technical committee meeting 5</b>	3-hour virtual meeting + 2 hours review of preparatory materials	June 2024
<b>Technical committee meeting 6</b>	2-hour virtual meeting + 2 hours review of preparatory materials	September 2024
<b>Sub-group meetings</b>	1.5-hour virtual sub-group meeting	As needed
<b>Public comment period</b>		October-December 2024
<b>Technical committee meeting 7</b>	3-hour virtual meeting + 2 hours review of preparatory materials	March 2025
<b>Technical committee meeting 8 (cross-sector exchange)</b>	3-hour virtual meeting + 2 hours review of preparatory materials	May 2025
<b>Technical committee meeting 9</b>	2-hour virtual meeting + 2 hours review of preparatory materials	June 2025

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In addition to the meetings listed above, it is expected that the technical committees will participate in a survey following meeting 1, review the draft Sector Standard three times, twice prior to the public exposure and once following, and participate in stakeholder engagement activities during the public exposure period and support the launch of the Standard.

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