# Item 01 – Draft summary of the GSSB meeting held on 18-19 October 2022

## For GSSB approval

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| **Date** | 18-19 October 2022 |
| **Meeting** | 15 December 2022 |
| **Description** | This document presents the summary of the GSSB in-person meeting held in Amsterdam, Netherlands, on 18-19 October 2022. |

# ₁ **Contents**

# 2 Participants

3 Present:

| Name | Constituency |
|------|--------------|
| **Judy Kuszewski** | Chair |
| **Robyn Leeson** | Vice-Chair |
| **Loredana Carta** | Labor |
| **Peter Colley** | Labor |
| **Giulia Genuardi** | Business enterprise |
| **Evan Harvey** | Investment institution |
| **Vincent Kong** | Business enterprise |
| **Joseph Martin** | Business enterprise |
| **Anna Nefedova** | Mediating institution |
| **Jennifer Princing** | Business enterprise |
| **Corli le Roux** | Mediating institution |
| **Gangaa Charan Sharma** | Business enterprise |
| **Kenton Swift** | Civil society organization |
| **Michel Washer** | Business enterprise |

4 Apologies:

| Name | Constituency |
|------|--------------|
| **Kim Schumacher** | Civil society organization |

5 In attendance from GRI:

| Name | Position |
|------|----------|
| Bastian Buck | Chief of Standards |
| Mia d'Adhemar | Head Sector Program |
| Laura Espinach | Head of Technical Development |
| Harold Pauwels | Director Standards |
| Miguel Perez Ludeña | Research Lead Sector Program |

# 6 List of abbreviations

GRI      Global Reporting Initiative
GSSB      Global Sustainability Standards Board
SD      Standards Division
WG      Working group
TC      Technical committee
PCP      Public comment period

# 7 Decisions and action items

## 8 Decisions

9 The GSSB resolved to approve the following:

10 **GSSB Decision 2022.19** Item 01 – [Draft summary of the GSSB meeting held on 15 September 2022](#)

11 **GSSB Decision 2022.20** Item 03 – [GRI Sector Standards Project for Financial Services – Draft](#)
12 [project proposal](#)

13 **GSSB Decision 2022.21** Item 04 – [GRI Sector Program - List of prioritized sectors](#)

# 14 Session 1.5: Welcome

15 The Global Sustainability Standards Board (GSSB) Chair Judy Kuszewski (henceforth the Chair)
16 welcomed the GSSB. The Chair presented an overview of the meeting agenda. A quorum was
17 established with the following items being presented and approved during the meeting:

18 Item 01 – [Draft summary of the GSSB meeting held on 15 September 2022](#)

19 Item 03 – [GRI Sector Standards Project for Financial Services – Draft project proposal](#)

20 Item 04 – [GRI Sector Program – List of prioritized sectors](#)

# 21 Session 1.6: Discussion – Draft GSSB
# 22 Work Program 2023-2025

23 Chief of Standards, Bastian Buck, along with Mia d'Adhemar, Head of Sector Program, Harold
24 Pauwels, Director Standards, and Laura Espinach, Head of Technical Development, presented the
25 draft GSSB Work Program:

26 • The draft Work Program will be submitted to the GSSB for approval in November, followed by
27 public consultation. The GRI Board and Stakeholder Council are invited to provide feedback.
28 Stakeholders can indicate preferences for the review sequence of existing Standards and suggest
29 new topics. The GSSB will confirm the final Work Program in early 2023.
30 • The discussion paper lists priorities for the next three years, including the revision of existing
31 Standards; the development of new Standards; the research program for all Standards; the
32 translations of new and revised Standards; and the joint standards development

| 33 | projects/programs with other organizations like IFRS/ISSB and EFRAG and collaborations like |
| 34 | with OECD and ILO. |
| 35 | • Other items included in the draft Work Program for 2023 are the design and testing of a new |
| 36 | process to preserve the linkage between Sector and Topic Standards and a research project on |
| 37 | the public sector. |
| 38 | • An assessment regarding the potential to expand the number of Sector Standards developed |
| 39 | simultaneously will be made in 2024. |

| 40 | The meeting was opened for questions and clarification: |

| 41 | • Members of the GSSB once again voiced support for combining the standards for utilities and |
| 42 | renewables while understanding the resource constraints on staffing. The GSSB asked about |
| 43 | the possibility of accelerating work on that sector, overall staff capacity, and whether the |
| 44 | academic realm was being considered for hiring talent. Further questions were about alignment |
| 45 | with the various other standards. |
| | • SD responded that it recognized the need to accelerate work on utilities and renewables, but |
| | this requires ongoing management. GRI has the financial means to support the projects in terms |
| | of staffing, but finding the right talent is difficult due to the scarcity of personnel and competition |
| | with other organizations. |
| | • In terms of standards alignment, GRI is collaborating with ISSB and EFRAG. GRI Standards |
| | form part of some regulatory endeavors, receiving more requests for collaboration now, so |
| | resources must be used strategically. GRI can impact regional or country development of |
| | standards. |
| | • Work done to date in the Sector Program has been utilized in other processes, resulting in a |
| | level of alignment. However, the focus is on Topic Standards, with Sector Standards to follow. |

| 46 | Draft Work Program 2023-2025 overview for GRI Topic Standards update: |

| 47 | • The plan is that by the end of 2025, all existing Topic Standards will be revised or be under |
| 48 | revision. The ambition is to increase the number of projects running in parallel from three projects |
| 49 | in 2023 to ten projects in 2025 (both revision and new topics). The development of a Topic |
| 50 | Standard takes about 24 months to complete. |
| 51 | • The project schedule for 2023 is as follows: the Biodiversity PCP starts in December 2022; the |
| 52 | Labor revision program started in Q3 2022 with Advisory Group recruitment ongoing and involving |
| 53 | the revision of ten topics such as Employment, Labor/Management Relations, Child Labor, and |
| 54 | Diversity and Equal Opportunity; the Climate change draft proposal will be submitted to the GSSB |
| 55 | in December 2022 and includes the Topic Standards Energy, Emissions, and Economic |
| 56 | Performance; and Critical incident management project marked as GSSB priority for a new Topic |
| 57 | Standard that will commence once resources become available. |
| 58 | • Based on the initial research by the SD, various topics could fall within the scope of the economic |
| 59 | impacts project. These topics could include impacts of organizations on local labor markets, |

| 60 | poverty alleviation, monetary flows into local economies, community investment, impacts of |
| 61 | business models on securing livelihoods, and more. |

62  The meeting was opened for further discussion and questions:

| 63 | • | The GSSB suggested adding *GRI 305: Emissions* to the spills and leaks standard, and that *308* |
| 64 | | and *414* be combined (supplier social/environmental assessment). Diversity and inclusion |
| 65 | | should be given more prominence as it is a key performance indicator. The metal sector is |
| 66 | | driving responsible sourcing, seeking OECD alignment, especially regarding conflict affected |
| 67 | | areas – how does this fit with GRI topic standards, and to what extent will GRI reference |
| 68 | | OECD? The GSSB raised some concern over the content of the digitalization and circular |
| 69 | | economy standard and whether other standards can be updated to reflect the latest |
| 70 | | developments in these areas. GSSB asked about the alignment of GRI programs and |
| 71 | | collaboration with ISSB on climate change and how the GRI process is aligned. GSSB asked |
| 72 | | about the naming/titles of standards and how this was being reviewed. The final points were that |
| 73 | | in the revised standards, value chain impacts were part of these revisions, and more attention |
| 74 | | was to be given to social impact reporting. |
| 75 | • | The SD responded that GRI is considering how OECD alignment is being handled and what |
| 76 | | elements need to be referenced, especially due diligence on conflict areas and mining. GRI has |
| 77 | | its own due diligence requirement. In terms of collaboration with ISSB, not clear where ISSB will |
| 78 | | focus next. There are opportunities to align Topic and Sector Standards work. GRI has done |
| 79 | | some groundwork on water and occupational health and can build on that with ISSB. More |
| 80 | | information will be in the upcoming ISSB presentation. On the naming/titles of standards, all |
| 81 | | titles are subject to review with input from experts, public comment, and research into the scope |
| 82 | | of the topic. |

# 83 84 85 Session 1.8: Worker Info Exchange presentation on algorithm transparency and the GRI Standards

| 86 | James Farrar, Founder and Director of the Worker Info Exchange, presented 'Algorithm transparency |
| 87 | and the GRI Standards': |

| 88 | • | Algorithmic transparency can mitigate negative impacts on workers resulting from the nature of |
| 89 | | algorithmic management in the 'gig' economy. |

90  • In response to questions from GSSB members, it was noted that algorithmic management is
91    scaling across sectors such as transport, logistics, and retail.
    • The GSSB should, therefore, consider the impacts of algorithmic management and its
      implications for workers, particularly in the revision of Labor-related Topic Standards.

# 92 Session 1.11: International Public
# 93 Sector Accounting Standards Board
# 94 (IPSASB) presentation

95  Ian Carruthers, Chairman IPSASB, presented on the IPSASB and the advancement of Public Sector
96  Sustainability Reporting:

97  • IPSASB is at the end of the current five-year strategy with an increased public sector focus,
98    issuing new standards in line with a global shift in financial reporting from cash to accrual;
99    IPSASD usage and influence have subsequently increased.
100 • Some of the proposed actions for 2023 include: developing a public sector sustainability
101   community, enhancing education and competency training, influencing the global debate on
102   standard setting, and building collaborative relationships with GRI and ISSB.

# 103 Session 1.14: Presentation
# 104 International Sustainability Board
# 105 (ISSB) 'Collaboration between ISSB
# 106 and GSSB'

107 Emmanuel Faber and Sue Lloyd, Chair and Vice Chair of the International Sustainability Standards
108 Board (ISSB) respectively, presented on upcoming and potential collaboration between the ISSB and
109 GSSB:

110 • The ISSB focuses on sustainability reporting's financial pillar of materiality, while GRI focuses on
111   the impact pillar that provides the basis for collaboration and alignment.
112 • ISSB relies on GRI's wealth of experience and strong presence in the Global South as key to the
113   dialogue that ISSB wants to develop.
114 • The ISSB foresees the publication of S1: General Requirements and S2: Climate Disclosures in
115   2023. In addition to technical collaboration on these, future work can be done on digital taxonomy
116   while ensuring coherence and interoperability between the ISSB and GRI Standards. Other
117   collaboration includes working on advocacy and creating joint educational material and platforms.

# Session 2.2: Update on Sector Program

120 Mia d'Adhemar and Miguel Perez Ludeña from the Standards Division presented an update on the
121 GRI Sector Program for input to the GSSB Work Program:

122 • The Sector Standards for banking, insurance, and capital markets will be developed under one
123   financial services project.
124 • Although they share many sustainability impacts that can be reported consistently, they also
125   operate under different regulatory regimes so that they will have individual Standards. The
126   proposed scopes for the sectors are as follows:
127     o Banking includes consumer and mortgage finance, and payment systems.
128     o Insurance includes life and non-life insurance, reinsurance, and intermediaries.
129     o Capital markets include asset owners, asset managers, and service providers.
130 • The proposed timeline to complete the project is approximately thirty months.

131 The following are responses from the SD to GSSB questions regarding the draft project proposal:

132 • Responding to a question, the SD noted that investment banks are part of capital markets.
133 • The SD explained that each TC would examine the impacts of the sector but that the intention is
134   that a collective forum would consider the appropriate way to represent and report on the impacts
135   these sectors are linked to via their capital provision activities.
136 • The SD is to consider the sector overlaps, where standards will diverge, and developments such
137   as financial technology.
138 • The GSSB suggested that the proposed sector of capital markets includes types of organizations
139   with potentially different business models and sustainability impacts. Among these organizations,
140   real estate investment trusts (REITs) were identified as substantially different from other
141   organizations in this sector. In light of these comments, the SD will review the boundary between
142   the capital markets and real estate sectors.

143  The GSSB approved the project proposal. Item 03 – GRI Sector Standards Project for Financial
144  Services – Draft project proposal

145  • Minor modifications were made to the Sector Standards priority list:
146      o  Group 1: Basic materials and needs – the word 'aquaculture' was added to the full title of
147      *GRI 13*. The word 'beverages' was added to 'Food and beverages'. The description of
148      'Textiles and apparel' now includes manufacturing and retail. The name 'Asset
149      management' was changed to 'Capital markets'. 'Metal processing' includes smelting and
150      other metals.
151      o  Group 3: Transport, infrastructure, and tourism – includes 'Hotels' that was erroneously
152      left off the list.
153  • These revisions do not reflect the potential combination of the utilities and renewable energy
154  sectors, which still require more background research. Despite being referenced in the Work
155  Program, a dedicated public sector Standard is not included in the list.

156  The following are responses from the SD to GSSB questions on the Sector Standards priority list:

157  • A suggestion was given to modify the name of 'Hotels' to 'Hotels and accommodation facilities'.
    • The SD responded that more research would be done into the boundaries of the software sector
158  to be able to categorize new-age enterprises, for example, Uber or Airbnb, with sectors such as
159  transportation or accommodation that overlap with software.
160  • SD responded that theme parks and cruise ships (Group 3) would be part of the Tourism sector.

161  The GSSB approved the updated priority list. Item 04 – GRI Sector Program – List of prioritized
162  sectors

# Session 2.4: Continuation discussion

163

# draft Work Program 2023-2025

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165  Bastian Buck, Mia d'Adhemar, Laura Espinach, and Harold Pauwels from the Standards Division
166  continued the discussion of the draft GSSB Work Program from 2023-2025:

167  • The GSSB will identify priorities for developing new Topic Standards based on stakeholder
168  feedback from public consultations, the Sector Program, technical committees and working
169  groups, external stakeholder presentations, and research by the SD.
170  • One new topic per year is realistic in the period 2023-2025.

171 • Gaps identified in the Sector Standards are a key input source for Topic Standards development,
172 including topics with no dedicated standard found in multiple sectors that are widely applicable but
173 with no standard, or through input from TCs and WGs.
174 • Stakeholder input presentations to the GSSB during monthly meetings are key input sources for
175 Topic Standard development. These include:
176 o Anti-corruption, Children's rights, Animal welfare, International Humanitarian Law (IHL),
177 Living wage and living income, Land acquisition, Involuntary settlement and land rights,
178 and Digitization and the impact of artificial intelligence.
179 • In terms of revisions beginning in the 2023-2025 period, the Labor-related standards project
180 began in September 2022. The Climate-related standards project will begin in December 2022.
181 • GSSB members asked questions about the interlinkages of different topics. For example, SD
182 noted that Adaptation and resilience, which have appeared in previous Sector Standards, are
183 currently being researched by the SD as potential topics.
184 • SD discussed cooperation with partners in the sustainability landscape. It was noted that the
185 GSSB would continue to engage with partners like EFRAG, IFRS/ISSB, OECD, and ILO as part
186 of the Work Program 2023-2025.
187 • The timeline for cooperation with ISSB is still to be defined, but cooperation with EFRAG is
188 reaching a critical juncture and will require more direct communication with the GSSB.
189 • GRI's commitment to linkages with other standards and the services it can provide as guidance to
190 reporters are crucial to its relevance beyond regulatory requirements.

191 The next element under discussion for input to the GSSB is the research division, which works to
192 support the Sector Standards, Topic Standards, and input for cooperation with partners.

193 • In 2022, two topics were researched for input to the work program:
194 o Digitalization, data protection, and privacy;
195 o Public policy and anti-competitive behavior (due to stakeholder feedback to the revision of
196 *GRI 206: Anti-competitive Behavior*, *GRI 415: Public Policy,* and the related *GRI 205:*
197 *Anti-corruption*).
198 • For 2023, a new research project will be included in the Sector Program to understand existing
199 practices and the structure of sustainability reporting in the public sector.

200 The next element for input to the work program is the translation and publication of GRI Standards.

201 • English is the authoritative language of the Standards. However, translations in 10 languages
202 account for 47% of the downloads on the website.
203 • Additional considerations for the work program include monitoring the use of GRI Standards, the
204 development of Standards interpretations, the development of FAQs and guidance materials, and
205 the development of a digital taxonomy.

206  • Another key area of interest for the GSSB is how updates to Topic Standards are reflected in
207     Sector Standards. In all cases, these changes will be reflected as updates to the Sector
208     Standards over time.

# Session 2.6: International Ethics Standards Board for Accountants (IESBA) 'Sustainability Working Group Update'

213  Guest speaker Mark Babington, IESBA Member and Sustainability Working Group Chair, presented
214  the IESBA and 'Sustainability Working Group Update':

215  • The IESBA is principles-based and stimulates thinking about ethical conduct. It is developing a
216     strategic vision to guide standard-setting actions concerning sustainability reporting and
217     assurance. Sustainability is a key area of focus
218  • The IESBA commits to ongoing coordination with IOSCO, IAASB, and ISSB with targeted
219     outreach to GRI, IFIAR, EC, investors, and firms.

# Session 2.8: International Auditing and Assurance Standards Board (IAASB) 'Sustainability Assurance Project Update

224  IAASB Chair Tom Seidenstein, and Principal, Claire Grayston, presented the 'Sustainability
225  Assurance Project Update':

226   •   In response to demand, the IAASB is fast-tracking a project on sustainability assurance with a
227       robust due process to ensure high quality.
228   •   Global outreach is a component of due process that requires formal engagement with the
229       Consultative Advisory Group (CAG) and National Standard Setters (NSS), regulators, oversight
230       bodies, global standard setters, Professional Accountancy Organizations (PAOs), and
231       stakeholder groups.
232   •   There is an increasing demand for reliable sustainability information and mandatory assurance.
233       Existing IAASB Standards lack specificity, and action is needed to address a standard for
234       sustainability assurance with a vision to develop and build a suite of standards.

# 235  Session 2.10: Review discussions

# 236  draft Work Program 2023-2025 and

# 237  the next steps

238 Final points were raised regarding the next steps of the draft GSSB Work Program from 2023-2025:

239   •   Considerations for the Sector Program are the adequate scaling of the team, prioritizing sectors
240       appropriately, and the ability to work on multiple standards projects in parallel.
241   •   Challenges for Topic Standards include the revision of existing standards and the selection of
242       new topics. This depends on capacity and the sequence of the work.
     •   In addition to investing in digital transformation, further alignment with other standards setters
       needs to be explored through project sequencing, due diligence, and promoting the use of GRI
       Standards
243   •   There is general agreement to build on the digital capabilities of GRI. Work should be carried out
244       with a steady momentum without the need to rush the process.

# 245  Session 2.11: Summary and close of

# 246  public meeting

247 Bastian Buck thanked the GSSB for the opportunity to meet in-person. The Independent
248 Appointments Committee (IAC) is to consider the reappointment and rotation of the board. It was
249 proposed that current GSSB members continue to serve into the first quarter of next year.

250    The Chair concluded by adding her thanks to all who contributed to a successful in-person meeting.

251    No other business was raised, and the Chair closed the public meeting.