



GRI's New Governance Structure

November 2014

Table of contents:

An Introduction to GRI's New Governance Structure

Frequently Asked Questions

Global Sustainability Standards Board - Terms of Reference

Due Process Oversight Committee - Terms of Reference

Independent Appointments Committee - Terms of Reference

GRI Due Process Protocol



An Introduction to GRI's New Governance Structure

TABLE OF CONTENTS

Table of Contents	1
1 List of abbreviations	1
2 The purpose of this paper	2
3 Objectives and main features of GRI's governance changes	2
4 Independent governance of standard-setting	3
4.1 Introduction.....	3
4.2 A dual governance structure	4
4.3 Creation of the Global Sustainability Standards Board (formerly the TAC)	4
4.4 Creation of the Due Process Oversight Committee	6
4.5 Creation of the Independent Appointments Committee.....	6
4.6 Evolution of GRI's existing governance bodies	7
4.7 Diagrammatic representation of new governance structure.....	8

1 LIST OF ABBREVIATIONS

CE	-	Chief Executive
DPOC	-	Due Process Oversight Committee
DPP	-	Due Process Protocol
GRI	-	Global Reporting Initiative
GNC	-	GRI Nominating Committee
IAC	-	Independent Appointments Committee
SC	-	Stakeholder Council
GSSB	-	Global Sustainability Standards Board
TAC	-	Technical Advisory Committee
ToR	-	Terms of Reference

2 THE PURPOSE OF THIS PAPER

Over the past 15 years, sustainability reporting has moved from a practice undertaken only by pioneers to become standard practice for thousands of organizations. GRI has played a fundamental role in catalyzing and enabling this movement, with the organization itself being primarily established to provide a robust set of guidelines as a free public good to guide others to adopt good practice in sustainability reporting, at a time when little else existed.

GRI's reporting guidelines are uniquely underpinned by a comprehensive global multi-stakeholder approach through which they are developed and are therefore regarded as the first and most significant in use globally today. This is demonstrated by the 5,000 plus organizations using the GRI reporting guidelines across more than 90 countries, the 20,000 reports registered in the Sustainability Disclosure Database and the 23 countries around the world who reference the guidelines in their respective policies.

Today, the global sustainability movement is again at a critical juncture driven by a rapidly changing external landscape. Encouragingly, organizations and markets are beginning to have the tools, information and incentives to contribute positively to these efforts, but this is set against an increasing external challenge as to the value and impact of sustainability reporting in its current guise.

As an innovator in this field, GRI has a duty to adapt to this changing landscape in a way that continues to fulfil its vision of a sustainable global economy, where organizations understand, manage and communicate their economic, environmental, social and governance impacts responsibly.

Therefore, GRI will strengthen its credibility and role as a standard-setter by implementing significant changes to its governance structure. This reinforces GRI's commitment to provide global standards for sustainability reporting. The changes increase the independence of the governance of the *Sustainability Reporting Standards*, issued by GRI and developed and approved by the Global Sustainability Standards Board (GSSB¹), to meet the requirements to ensure that standard-setting is a public interest activity. Crucially, the core multi-stakeholder approach upon which the guidelines have been built to date, will be upheld throughout and beyond these changes, recognizing the importance of inclusiveness. The changes have been subject to an extensive Public Comments Process and following the conclusion of this, were approved by the GRI Board on 2 October 2014.

3 OBJECTIVES AND MAIN FEATURES OF GRI'S GOVERNANCE CHANGES

The GRI Board of Directors has designed changes to the GRI governance and management structure to strengthen the independence of the governance and management of the standards aspects of GRI's work and to meet the requirements expected of a public standard-setter.

The objective of the GRI Board of Directors in strengthening its role as a standard-setter are:

¹ The name *Global Sustainability Standards Board (GSSB)* is the current working title and is subject to the outcome of clearance search and subsequent trademark registration.



1. To ensure that GRI is globally accepted as a public reporting standard-setter in all relevant forums.
2. To demonstrate that GRI meets all the requirements and responsibilities expected of a publicly referenced standard-setter.

There are six main features of the governance changes which will be implemented by 31 January 2015:

1. An **organizational firewall** between standard-setting activities and all other organizational activities will be created
2. A **separate governance structure for standard-setting** will be implemented, including the creation of a new Global Sustainability Standards Board (GSSB), a Due Process Oversight Committee (DPOC) and an Independent Appointments Committee (IAC)
3. The **global multi-stakeholder principle** will be safe guarded
4. The **Due Process Protocol** for the *Sustainability Reporting Standards* development will be strengthened
5. An **independent public funding base** for standards activities will be established, separate to that of other organizational activities
6. **Transparency** of all standards development processes (meeting agendas, papers and minutes related to the standards development processes will be made available on GRI's website).

A high-level overview of the organizational changes, including the creation of new governance bodies and a description of the firewall principle is set out below.

A complete description of the roles and responsibilities of the GSSB, IAC and DPOC can be found in the respective Terms of Reference (ToR) and the DPP.

4 INDEPENDENT GOVERNANCE OF STANDARD-SETTING

4.1 INTRODUCTION

GRI intends to strengthen the independence of the governance of the *Sustainability Reporting Standards* and equip the organization to be recognized as fit for public reference as a standard-setter and to meet the particular requirements that regulators have for officially referenced standard-setters, while maintaining the core multi-stakeholder approach that is key to the legitimacy of GRI.

The agreed governance changes recognize the need for GRI to serve the public interest. Standard-setting is a public interest activity. This requires that those formally charged with protecting and enhancing the public interest – such as policy makers, regulators and legislators – should have confidence in the process for establishing *Sustainability Reporting Standards*, in their quality and in the way they are applied in practice.

The governance changes will result in the creation of a GSSB (replacing the current TAC), a DPOC, and an IAC, as well as enhancements to the membership and ToR of the Board of Directors, Stakeholder Council (SC) and the GRI Nominating Committee (GNC).



4.2 A DUAL GOVERNANCE STRUCTURE

For a standard-setter to be truly objective, none of its governance bodies can be ‘advisor’ and ‘judge’ at the same time. This approach is reflected in government where legislative, executive and judiciary bodies are usually kept separate.

In order for GRI to be recognized and trusted as a standard-setter fit for public and official reference, its governance of standard-setting must be separate from the governance of other GRI activities, resulting in two distinct pillars.

In order to ensure that the development of a standard is conducted in the public – and not with any organizational – interest, a firewall must be established between:

- a. The standard-setting activities under the remit of the GSSB; and
- b. GRI’s other organizational activities

The Standards Department will be charged with the standards development under the direction of the GSSB. GRI’s other organizational activities such as reporting services, government relations and outreach will be managed separately under the direction of the GRI Board of Directors. This aligns with the practice of other reporting standard-setters.

As a result of the increased independence of the organization’s standard-setting process under the governance of the GSSB, GRI will focus on developing engagement activities, products and partnerships to enhance the value of the *Sustainability Reporting Standards* for organizations. For example, to address the challenge surrounding the value of sustainability reporting, GRI will explore the options for organizations to go ‘beyond reports’ and use innovative tools to understand and communicate their commitment to sustainability. The creation of a sustainability report is an important first step to achieving this but it is how this information is shared, interpreted and acted upon that generates real value to the organization and its stakeholders. Both the *Sustainability Reporting Standards* and GRI’s organizational activities will be underpinned by a technology infrastructure to create a platform built on reliable data collection and informational processes from the *Sustainability Reporting Standards*.

4.3 CREATION OF THE GLOBAL SUSTAINABILITY STANDARDS BOARD (FORMERLY THE TAC)

The GSSB

The GRI Board of Directors has decided to create a new standard-setting board – the GSSB. This new board replaces the TAC and operates independently from the management of the organization. The GSSB is being established as an independent operating entity under the auspices of the GRI Board of Directors, and has sole responsibility for setting globally accepted standards for sustainability reporting, according to a formally defined due process, exclusively in the public interest. Under a revised Deed of Incorporation, the GRI Board of Directors will delegate to the GSSB the authority to develop the *Sustainability Reporting Standards* further. Subject to the GSSB operating according to its



ToR and Due Process (as confirmed by the DPOC), the GRI Board of Directors will be bound to accept and implement advice of the GSSB on the release of a *Sustainability Reporting Standard*.

The GSSB will be responsible for setting its own work program based on the advice of the GRI Board of Directors, the SC and public comment. This will serve to establish the GSSB's independence from the GRI Board of Directors.

Membership

The GSSB shall comprise 15 members, including the Chair and Vice-Chair. The members of the GSSB are to be appointed by the IAC (see below). All members shall meet appropriate guidelines of independence established by the IAC.

The main qualifications for membership of the GSSB shall be professional competence and practical experience. The IAC shall select members of the GSSB on the basis that it will ultimately comprise a group of people representing the best available combination of technical expertise and diversity of experience in order to contribute to the development of high-quality, global *Sustainability Reporting Standards*. Membership of the GSSB will also be balanced in terms of constituency background and regional representation.

The Chair of the GSSB and all its members will be independent – that is, they cannot be members of the GRI Board of Directors, the SC or the DPOC at the same time. Furthermore, the Head of the Standards Department will report directly to the Chair of the GSSB (with some reporting responsibilities for administrative matters to the GRI Chief Executive (CE)).

The Vice-Chair will stand in for the Chair if the Chair is unable to attend to matters at any point. The Vice-Chair will not automatically become the next Chair upon retirement or incapacity of the existing Chair.

Transparency

In order to demonstrate transparency in its activities:

- The meetings of the GSSB shall be open to the public. Certain discussions (normally only about selection, appointment and other administrative issues) may be held in private at the discretion of the GSSB.
- GSSB's meeting agenda and meeting papers shall be published on GRI's website prior to the meetings.
- The minutes of the GSSB meetings shall be published.
- The voting process employed by GSSB for approval of new or revised *Sustainability Reporting Standards* shall be defined and published.
- An annual report on its performance shall be prepared.

Strategy-setting and work program

The GSSB will identify potential new activities and projects based on a review of national and international developments, on comments and suggestions received from the GRI Board of Directors, which in turn is advised by the SC, and from those who have an interest in the development of *Sustainability Reporting Standards* as developed by the GSSB. The GRI Board of Directors will be required to include in its advice to the GSSB any dissenting opinion of the SC. At the same time, the GSSB will have the option to engage with the SC and ask for direct advice from the SC, as it considers



necessary. To facilitate this process, the GSSB will periodically develop and approve a strategy and work program, based on appropriate consultation with the GRI Board of Directors (as advised by the SC) and the public.

4.4 CREATION OF THE DUE PROCESS OVERSIGHT COMMITTEE

As stated above, the governance changes recognize the need for GRI to ensure that the public interest is served by its standard-setting activities, since standard-setting is a public interest activity. To strengthen the confidence of those formally charged with protecting and enhancing the public interest – such as policy makers, regulators and legislators – a DPOC will be created with the mandate of ensuring that due process is followed in the standard-setting process. This committee will be made up of four members and one Chair, all independent from the GSSB, the GRI Board of Directors and SC, and drawn from international organizations, governments and regulatory bodies. Members of the DPOC shall be senior individuals of high integrity and reputation, with an interest in and knowledge of international issues related to sustainability reporting, including a sound understanding of standard-setting processes, and a willingness to serve the public interest in an independent and unbiased manner.

As part of its mandate to review and certify that due process has been followed effectively by the GSSB in its standard-setting activities, the DPOC will be responsible for addressing any issues, concerns or complaints raised by the public or in the public interest, and make recommendations to the GSSB to improve the due process.

4.5 CREATION OF THE INDEPENDENT APPOINTMENTS COMMITTEE

To increase the transparency of the nomination process in relation to appointments to the GSSB and DPOC, an independent committee will be established, to be known as the IAC, mandated with an independent appointment process.

There shall be five members of the IAC and they shall elect from amongst their number, one person to serve as Chair. Members of the IAC shall be senior individuals of integrity and high reputation, with an interest in and knowledge of international issues related to sustainability reporting, including a sound understanding of standard-setting processes, and a willingness to serve the public interest in an independent and unbiased manner. At least two members of the IAC should have had experience serving at a senior level within an international organization or a government with a relevant interest in sustainability reporting.

Members of the IAC will be appointed by the members of the GNC (which is made up of two members of the SC, two members of the GRI Board of Directors, and the Chairman of the GRI Board of Directors and the Chairman of the SC) and three external individuals. 'External individuals' are understood to be representatives from the field of international normative (sustainability) standard-setters. These organizations (still to be determined) will be eligible to nominate one senior employee each.



The public interest role of the IAC will be emphasized to ensure that the activities of the GSSB and DPOC are clearly understood to have a public interest focus.

4.6 EVOLUTION OF GRI'S EXISTING GOVERNANCE BODIES

The GRI Board of Directors

The GRI Board of Directors will retain overall fiduciary responsibility for all activities carried out by GRI and will continue to have overarching responsibility for management of the entire organization. However, the GRI Board of Directors will transfer its responsibility regarding approval of the new content of the GRI Guidelines (then as *Sustainability Reporting Standards*) to the GSSB. The due process oversight will be carried out by the DPOC. The GRI Board of Directors will discuss GRI's view on strategic issues concerning sustainability reporting broadly with the GSSB. It will discuss, and agree with the GSSB, funding available for standard-setting work over the medium term. The GRI Board of Directors will focus on organizational governance and long-term strategy.

GRI Stakeholder Council

1. The SC is expected to continue to play a crucial role in contributing to the effective development of GRI's future strategy and providing strategic advice to the GRI Board of Directors.
2. The SC will continue to be involved in appointment of new members of the GRI Board of Directors, as provided for under GRI's Deed of Incorporation.

The key responsibilities of the SC will be amended as follows:

1. The SC's responsibility to oversee the due process, and accordingly make recommendations to the GRI Board of Directors on revisions to the GRI Guidelines (then as *Sustainability Reporting Standards*) in the form of a concur or non-concur representation, will be abandoned and transferred to the new DPOC.
2. Advice to the GRI Board of Directors regarding its inputs to the GSSB on strategic issues and developments in sustainability reporting and on the GSSB's work plan will now be included. The GRI Board of Directors will be the principal body on matters of strategic advice to the GSSB. However, the GRI Board of Directors should include in its advice to the GSSB any dissenting opinion of the SC. At the same time, the GSSB will have the option to engage with SC directly and ask for advice from the SC as it considers necessary.

As is the case with the GRI Board of Directors, these changes will preserve the core function and interest of the SC while creating more space for the SC's other governance roles. The SC will thus be better placed to serve as the principal source of much needed strategic advice, drawing on its unique global overview of trends and the extensive experience of its members.

GRI Nominating Committee

The GNC is made up of two members appointed by the GRI Board of Directors and two members appointed by the SC. The Chair of the GRI Board of Directors and the Chair of the SC both serve as *ex-officio* members on the GNC. The key responsibilities of the GNC are to coordinate and manage the annual nomination processes for the GRI Board of Directors and SC, and to present a recommended list of nominees to the SC and Organizational Stakeholders respectively, based on a transparent, open and objective nomination process.



In GRI's new governance structure, the GNC's key responsibilities will continue to be to coordinate and manage the annual nomination processes for the GRI Board of Directors and SC. Additionally, the GNC together with three external individuals will appoint the members of the IAC. 'External individuals' are understood to be representatives from the field of international normative (sustainability) standard-setters. These organizations (still to be determined) will be eligible to nominate one senior employee each.

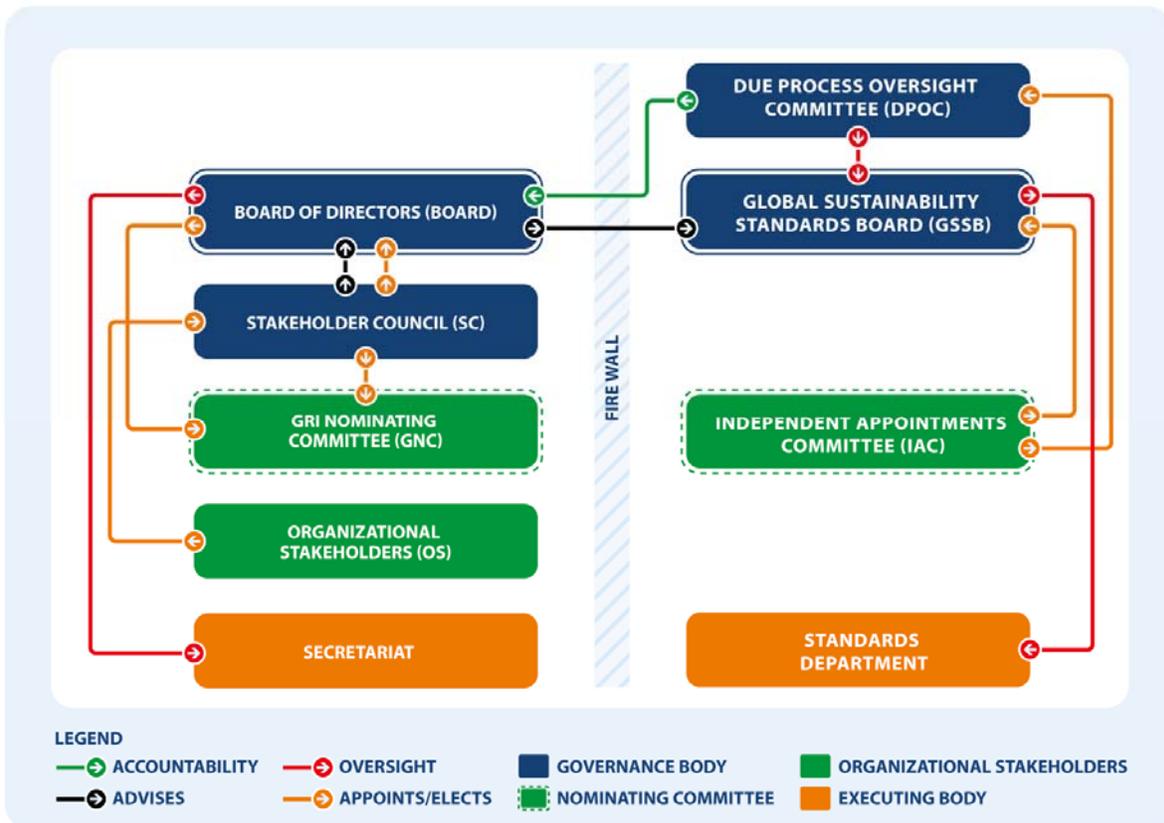
GRI Executive Level

The following changes will be implemented at Executive level:

1. The Head of the Standards Department will report to the Chair of GSSB instead of to GRI's CE.
2. The GRI CE remains a non-executive member of the GRI Board and will have full executive responsibility for all GRI's work falling under the remit of the GRI Board of Directors.

4.7 DIAGRAMMATIC REPRESENTATION OF NEW GOVERNANCE STRUCTURE

A diagram showing the complete new governance structure of GRI is set out below:



The appointment process of the IAC is not represented in this diagram as the IAC will be appointed by the GNC and three external individuals.





Frequently Asked Questions

TABLE OF CONTENTS

Table of Contents 1

1 What has changed to enable the GRI Guidelines to now be a set of Standards?..... 1

2 How will GRI’s standard-setting activities be funded?..... 2

3 Do funders have a say in GRI’s standard-setting activities?..... 2

4 When will the new governance structure be implemented? 2

5 Does the GRI Board of Directors have any say in the standard-setting activities?..... 3

6 Does the GRI Stakeholder Council have any say in the standard-setting activities? 3

7 Will the G4 Guidelines stay valid? 4

8 How will the GSSB members be selected?..... 4

9 Who will chair the GSSB? 4

10 Who will select the members of the IAC? 4

11 How will the members of the DPOC be selected? 4

12 Will GRI separate into two separate legal entities? 5

13 Can TAC / SC / GRI Board of Director members apply for the GSSB? 5

1 WHAT HAS CHANGED TO ENABLE THE GRI GUIDELINES TO NOW BE A SET OF STANDARDS?

The GRI Board of Directors has designed changes to the GRI governance and management structure to strengthen the independence of the governance and management of the standards aspects of GRI’s work and to meet the requirements expected of a public standard-setter.

The GRI Board of Directors’ objectives in transitioning towards a reporting standard-setter are:

1. To ensure that GRI is globally accepted as a public reporting standard-setter in all relevant forums.
2. To demonstrate that GRI meets all the requirements and responsibilities expected of a publicly referenced standard-setter.

There are six main features of the governance changes which will be implemented by 31 January 2015:

1. An **organizational firewall** will be created between standard-setting activities and all other organizational activities.
2. A **separate governance structure for standard-setting** will be implemented, including the creation of a new Global Sustainability Standards Board (GSSB), a Due Process Oversight Committee (DPOC) and an Independent Appointments Committee (IAC).
3. The **global multi-stakeholder principle** will be safeguarded.
4. The **Due Process Protocol (DPP)** for *Sustainability Reporting Standards* development will be strengthened.
5. An **independent public funding base** for the standard-setting activities will be established, separate to that of other organizational activities.
6. **Transparency** of all standards development processes (meeting agendas, papers and minutes related to the standards development processes will be made available on GRI's website).

2 HOW WILL GRI'S STANDARD-SETTING ACTIVITIES BE FUNDED?

GRI has established a Standard Funders Program to develop standard-setting activities. The program will only include funders from organizations outside of the group of main intended users of the *Sustainability Reporting Standards*. This is to reassure regulators and other public interest parties that the independence of the standard-setting activities is safeguarded, and that GRI can be trusted as the provider of an objective *Sustainability Reporting Standard*, developed solely to serve the public interest. The program also seeks to avoid that updates of the *Sustainability Reporting Standards* are influenced by issue-specific project requirements and time constraints. GRI plans to discontinue project-based funding for the development or revision of content of the *Sustainability Reporting Standards*.

3 DO FUNDERS HAVE A SAY IN GRI'S STANDARD-SETTING ACTIVITIES?

No. The authority to develop *Sustainability Reporting Standards* will be delegated to the Global Sustainability Standards Board (GSSB). Subject to the GSSB operating according to its Terms of Reference and Due Process Protocol (as confirmed by the Due Process Oversight Committee (DPOC)), the GRI Board of Directors will be bound to accept and implement the advice of the GSSB on the release of a *Sustainability Reporting Standard*. Neither the Due Process Protocol nor the Terms of References of the GSSB, DPOC or Independent Appointments Committee (IAC) demonstrate a link between funders and their ability to influence the standard-setting activities of GRI.

4 WHEN WILL THE NEW GOVERNANCE STRUCTURE BE IMPLEMENTED?

The GRI Board of Directors approved at its meeting on 1 and 2 October 2014 that the commencement date for the new governance arrangements be no later than 31 January 2015, or earlier if agreed by the Chairs of the GRI Board and the GSSB.



5 DOES THE GRI BOARD OF DIRECTORS HAVE ANY SAY IN THE STANDARD-SETTING ACTIVITIES?

The GSSB is established as an independent operating entity under the auspices of the GRI Board of Directors, and has the sole responsibility for setting globally accepted *Sustainability Reporting Standards*, according to a formally defined due process, exclusively in the public interest. Under a revised Deed of Incorporation, the GSSB will be delegated by the Board of Directors the authority to develop the *Sustainability Reporting Standards* further. Subject to the GSSB operating according to its Terms of Reference and Due Process Protocol (as confirmed by the Due Process Oversight Committee), the GRI Board of Directors will be bound to accept and implement advice of the GSSB on the release of a *Sustainability Reporting Standard*.

The GSSB will be responsible for setting its own work program based on the advice of the GRI Board of Directors, the Stakeholder Council and public comment.

However, the GSSB shall seek the views of the GRI Board (as advised by the Stakeholder Council) on the identification and prioritization of projects to be undertaken by the GSSB. Thereby, the Board is required to include in its advice to the GSSB any dissenting opinion of the SC. The process for seeking these views shall be as agreed by the GSSB and GRI Board. In particular, the GRI Board (as advised by the Stakeholder Council) is invited to comment on the GSSB's strategy and work program, including project priorities and any changes therein, to help establish their appropriateness.

6 DOES THE GRI STAKEHOLDER COUNCIL HAVE ANY SAY IN THE STANDARD-SETTING ACTIVITIES?

The GSSB is established as an independent operating entity under the auspices of the GRI Board of Directors, and has the sole responsibility for setting globally accepted *Sustainability Reporting Standards*, according to a formally defined due process, exclusively in the public interest. Under a revised Deed of Incorporation, the GSSB will be delegated by the Board of Directors the authority to develop the *Sustainability Reporting Standards* further. Subject to the GSSB operating according to its Terms of Reference and Due Process Protocol (as confirmed by the Due Process Oversight Committee), the GRI Board of Directors will be bound to accept and implement advice of the GSSB on the release of a *Sustainability Reporting Standard*.

The GSSB will be responsible for setting its own work program based on the advice of the GRI Board of Directors, the Stakeholder Council and public comment.

However, the GSSB shall seek the views of the GRI Board (as advised by the Stakeholder Council) on the identification and prioritization of projects to be undertaken by the GSSB. Thereby, the Board is required to include in its advice to the GSSB any dissenting opinion of the SC. The process for seeking these views shall be as agreed by the GSSB and GRI Board. In particular, the GRI Board (as advised by the Stakeholder Council) is invited to comment on the GSSB's strategy and work program, including project priorities and any changes therein, to help establish their appropriateness.



7 WILL THE G4 GUIDELINES STAY VALID?

Yes. The G4 Guidelines will stay valid until the GSSB approves a new version of the *Sustainability Reporting Standards*. The basis of future standard-setting activities of GRI will be the G4 Guidelines. The current version of the Guidelines is the outcome of more than 15 years of a robust global multi-stakeholder development process. With the recently approved governance structure, GRI is reaffirming and demonstrating its commitment to continuous improvement and the further development of the *Sustainability Reporting Standards*.

8 HOW WILL THE GSSB MEMBERS BE SELECTED?

Members of the GSSB will be appointed by the IAC. See the Terms of Reference of the GSSB and IAC for more detail.

9 WHO WILL CHAIR THE GSSB?

To ensure continuity and a smooth transition process, the GRI Board of Directors has asked Eric Hespeneide to serve as the inaugural GSSB Chair.

10 WHO WILL SELECT THE MEMBERS OF THE IAC?

In GRI's new governance structure, the GRI Nominating Committee together with three external individuals will appoint the members of the IAC. 'External individuals' are understood as representatives from the field of international normative (sustainability) standard-setters.

The GRI Nominating Committee is made up of two members appointed by the Board and two members appointed by the SC. The Chair of the Board and the Chair of the SC both serve as ex-officio members on the GNC. In addition to the appointment of IAC members, the key responsibilities of the GNC are to coordinate and manage the annual nomination processes for the Board and SC and to present a recommended list of nominees to the SC and Organizational Stakeholders respectively, based on a transparent, open and objective nomination process.

11 HOW WILL THE MEMBERS OF THE DPOC BE SELECTED?

Members of the DPOC will be appointed by the IAC. See the Terms of Reference of the DPOC and IAC for more detail.



12 WILL GRI SEPARATE INTO TWO SEPARATE LEGAL ENTITIES?

No. The GSSB is established as an independent operating entity under the auspices of the GRI Board of Directors, and has the sole responsibility for setting globally accepted *Sustainability Reporting Standards*, according to a formally defined due process, exclusively in the public interest. Under a revised Deed of Incorporation, the GRI Board of Directors will delegate the authority to develop *Sustainability Reporting Standards* further to the GSSB.

13 CAN TAC / SC / GRI BOARD OF DIRECTOR MEMBERS APPLY FOR THE GSSB?

The GRI Board of Directors approved at its meeting on 1 and 2 October 2014 a set of transition arrangements which will allow, for a period of twelve months, the following exceptions to the rules governing the process of making appointments to the GSSB:

- Existing Members of the Technical Advisory Committee (TAC) are eligible for automatic appointment to the inaugural GSSB.
- Existing Members of the SC and GRI Board of Directors may apply for appointment to fill any vacancy on the inaugural GSSB without first resigning from the SC or Board.





Global Sustainability Standards Board
Terms of Reference

Global Sustainability Standards Board

Terms of Reference



1. The GRI Global Sustainability Standards Board (GSSB) has been established as an independent operating entity under the auspices of GRI and has sole responsibility for setting globally accepted standards for sustainability reporting, according to formally defined due process, exclusively in the public interest.
2. These *Terms of Reference* set out the authority and the nature and remit of the GSSB's responsibilities. Changes to these *Terms of Reference* may only be made with the approval by the GRI Board of Directors.
3. Sustainability Reporting Standards (SRSs), related interpretations and guidance and FAQs approved by the GSSB are 'authoritative pronouncements' and subject to due process as defined under the *GRI Due Process Protocol*.
4. Authoritative pronouncements and all other material developed by the GSSB are the property of the Stichting Global Reporting Initiative (GRI).
5. The GSSB is authorized to make use of the GRI name and logo under a license approved by the GRI Board. Authoritative pronouncements and all other material developed by the GSSB may not be published under any name other than that of the GRI. In due course the GSSB may develop its own distinctive logo. In that case, all authoritative pronouncements and all other material developed by the GSSB may be published using the logo of the GSSB in association with that of the GRI.
6. In developing its authoritative pronouncements, to the extent that it is consistent with the public interest, the GSSB shall give due consideration to GRI's Vision and Mission as approved by the GRI Board.
7. Subject only to confirmation by the Due Process Oversight Committee (DPOC) that the *Due Process Protocol* has been applied in the public interest, the GSSB shall be the sole judge of whether or not an authoritative pronouncement is in the public interest.
8. Promotes the Public Interest; defined here:

In general, as:

- Those overarching interests of humanity, held in common, that include but exceed the partial interests of individuals or groups.

In the context of sustainability reporting, as:

- making well-informed decisions – and therefore in having easy and timely access to relevant and reliable information on which such decisions might be based,
- promoting positive (and discouraging negative) impacts on social, ecological, environmental and economic systems,



- promoting transparency, fairness and integrity of processes that affect the public domain, and
- ensuring that no person or community is either overlooked or marginalized – especially if relatively weak in comparison to others.

In forming a view about specific GSSB authoritative pronouncements, the GSSB and DPOC shall have regard to:

- Authoritative intergovernmental instruments and their authoritative interpretations, and/or
 - Documented, widely held expectations of behavior relating to social, ecological, environmental and economic responsibilities.
- Prior to approving an SRS the GSSB shall seek and consider the DPOC’s view of how the Public Interest has been served in relation to any SRS. The GSSB shall publish, on the GSSB’s website, the DPOC’s view of how the Public Interest has been served in relation to any SRS when that SRS is issued.
 - In developing technical aspects of its authoritative pronouncements, the GSSB shall be expected to liaise with other standard-setters (including national standard-setters, where relevant) and other official bodies with an interest in sustainability reporting. Matters of a strategic and/or political nature fall under the competence of the GRI Board. If in doubt about the remit of the GSSB’s engagement, the Chair of the GSSB shall contact the GRI Chief Executive for clarification, who in turn shall inform or consult the GRI Board.
 - The GSSB shall comprise 15 members. The members of the GSSB are to be appointed by the Independent Appointments Committee (IAC). All members shall meet appropriate guidelines for independence established by the IAC. The work of the GSSB shall not be invalidated by its failure at any time to have a full complement of members, although the IAC shall ensure that the GSSB has minimally 11 members at any given time.
 - The main qualifications for membership of the GSSB shall be professional competence and practical experience. The IAC shall select members of the GSSB, consistent with the Criteria for GSSB Members set out in the Annex to the IAC’s *Terms of Reference*, so that it will comprise a group of people representing the best available combination of technical expertise and diversity of experience in order to contribute to the development of high quality, global sustainability reporting standards. The members of the GSSB shall be required to commit themselves formally to acting in the public interest in all matters.
 - No individual shall be both a member of any other GRI Governance Committee – including the GRI Board of Directors and Stakeholder Council (SC) – and a GSSB member at the same time.
 - A minimum period of twelve months, following a person’s most recent period of service on another GRI Governance Committee – including the GRI Board of Directors and SC – shall elapse before a person is eligible for appointment to the GSSB.
 - In a manner consistent with the Criteria for GSSB members as set out in the Annex to the IAC’s *Terms of Reference* and in order to implement a multi-stakeholder approach to standards-setting, there shall normally be:



- a. 5 members drawn from the Business Enterprise constituency or reporters more generally, 3 of whom must be business reporters;
 - b. 2 members drawn from the Civil Society constituency;
 - c. 2 members drawn from the Investment Institution constituency;
 - d. 2 members drawn from the Labor constituency;
 - e. 2 members drawn from the Mediating Institutions constituency;
 - f. 1 eminent person to serve as Chair of the GSSB; and
 - g. 1 eminent person to serve as Vice-Chair of the GSSB
16. Each constituency shall be represented by at least one appointed member at any time. In situations where there is not at least one member from each constituency, the DPOC will be informed and the GSSB will seek guidance on how to proceed in light of the minimum requirement not being met as defined herein.
17. The work of the GSSB shall not be invalidated by its inability at any time to have a full complement of members according to the above constituency allocation, although the IAC shall use its best endeavors to achieve the constituency allocation.
18. The work of the GSSB shall not be invalidated by its inability to achieve an optimum level of diversity (including regional, gender and cultural diversity), although the IAC shall use its best endeavors to achieve such diversity.
19. The IAC shall appoint one person as the Chair of the GSSB and one other person as Vice-Chair. The role of the Vice-Chair shall be to chair meetings of the GSSB in the absence of the Chair or to represent the Chair in external contacts when requested to do so. The appointment of the Chair shall be for a three-year term (renewable once for a further term of three years). The Vice-Chair shall be appointed for a fixed three-year term. Although a Vice-Chair may be appointed by the IAC as Chair of the GSSB, the title of Vice-Chair should not imply that the member concerned is the Chair elect. The appointment of a Chair and Vice-Chairs may be made with regard to the need to achieve diversity (including geographical, gender and cultural diversity) on the GSSB.
20. Members of the GSSB shall be appointed for a term of three years, renewable once for a further term of three years.
21. Each of the initial members of the GSSB shall be eligible to serve for a minimum of three years. Thereafter, one third of the GSSB members will be subject to reappointment by rotation. The schedule for the first round of rotations will be determined by the GSSB and thereafter rotations will take place annually according to the date of appointment.
22. Each member of the GSSB shall make an annual declaration of any interest(s) that a reasonable person might perceive as having a bearing on the member's capacity to act in the public interest and/or to apply the GSSB's *Due Process Protocol* (as amended from time to time) in deciding on and revising authoritative pronouncements.



23. The IAC shall develop rules and procedures to ensure that the GSSB is, and is seen to be, independent. Members of the GSSB are appointed in an individual capacity and shall not hold any position that attracts economic incentives of a kind that might lead a reasonable person to question their independence of judgment when setting sustainability reporting standards.
24. A GSSB meeting shall not be held unless there is a quorum present. "Quorum" is defined as two thirds of the complete size of the GSSB. If the Chair is not present, or it is known that the Chair will not be able to attend, and the GSSB members present comprise a quorum, then the meeting shall be held with the Vice-Chair presiding.
25. It shall be the GSSB's goal to pass decisions by consensus. Following discussion of the issues under consideration, the Chair shall determine if there is significant consensus before calling for a decision to be made by means of a formal vote 'on the voices'. The Chair of the GSSB may only set aside the goal of achieving consensus when the issues under consideration are deemed by the Chair to be 'urgent issues' requiring early resolution in the public interest.
26. Each member of the GSSB shall have one vote. On both technical and other matters, proxy voting shall not be permitted nor shall members of the GSSB be entitled to appoint alternates to attend meetings. In the event of a tied vote, on a decision that is to be made by a simple majority of the members of the GSSB present at a meeting in person, the Chair shall have an additional casting vote.
27. The publication of an exposure draft, or the approval of an authoritative pronouncement, shall require approval by a minimum of 80% of the members of the GSSB at the time of approval. Other decisions of the GSSB, including the publication of a discussion paper, shall require a simple majority of the members present when a meeting of the GSSB is quorate.
28. The GSSB shall conduct a yearly self-evaluation to evaluate effectiveness of the GSSB. The results of this self-evaluation are to be provided to the DPOC.
29. The operations of the GSSB shall be funded solely by the GRI. The GSSB may neither seek nor accept funding from any other individual or organization.
30. The Chair of the GSSB or his/her delegate and minimally one other GSSB member shall meet annually with the Chair of the GRI Board or his/her delegate, and the Chair of the GRI's Audit and Finance Committee to review the Standards Department's accounts and proposed budget and to decide on a rolling basis on the budgetary allocation for the standards work for the following three years. The Head of the Standards Department, Chief Executive and Chief Financial Officer may be in attendance as needed.
31. The GSSB's Standards Department's accounts will be supported by the GRI's Finance Department (which operates under the oversight of the CFO and CE) and these accounts will be subject to the scrutiny of the GRI's Audit and Finance Committee.
32. Expenses for travel and the reimbursement of reasonable expenses incurred on GSSB business shall be met by GRI. Any honorarium paid by GRI to members of the GSSB in recognition of their work on behalf of GSSB shall be reported to the GSSB and publicly disclosed.



33. The GSSB shall meet at such times and in such locations as it determines: meetings of the GSSB (but not of Project Working Groups) shall be open to the public, but certain discussions (normally about selection, appointment and other administrative issues) may be held in private at the discretion of the GSSB. A meeting of the GSSB may be in person or by teleconference (or its equivalent using modern meetings technology).
34. All members of the GSSB shall take note of and comply with the GSSB Public Communications Protocol as listed in Annex 1 of these *Terms of Reference*.
35. The GSSB shall:
- a. Appoint and dismiss the Head of the Standards Department in consultation with the Chief Executive of the GRI.
 - b. have complete responsibility for all GSSB technical matters including the preparation and issuing of authoritative pronouncements and exposure drafts, each of which shall include any dissenting opinions; and the approval and issuing of Interpretations, guidance and FAQs.
 - c. publish an exposure draft on all projects and normally publish a discussion document for public comment on major projects in accordance with the *Due Process Protocol*.
 - d. have full discretion in developing and pursuing its technical agenda, subject to carrying out a public consultation every three years, the first of which shall begin no later than 30 June 2016.
 - e. have full discretion over project assignments on technical matters: in organizing the conduct of its work, the GSSB may outsource detailed research or other work to other organizations (including national standard-setters).
 - f. establish procedures for reviewing comments (made within a reasonable period) on documents published for comment.
 - g. at its discretion, form multi-stakeholder Project Working Groups, *ad hoc* Technical Committees or other types of specialist advisory groups to give advice, research and draft exposure drafts on major projects.
 - h. seek and consider (but not be bound by) the views of the Board of the GRI (as advised by the GRI SC) on major projects, agenda decisions and work priorities. Thereby, the Board is required to include in its advice to the GSSB any dissenting opinion of the SC.
 - i. at its discretion, consult the SC for its advice on an 'as needed' basis.
 - j. require the Standards Department to publish a basis for conclusions with an SRS.
 - k. consider holding public hearings to discuss proposed standards, although there is no requirement to hold public hearings for every project.
 - l. consider undertaking field tests (both in developed countries and in emerging markets) to ensure that proposed standards are practical and workable in all environments, although there is no requirement to undertake field tests for every project.
 - m. interpret the application of SRSs and any other statements issued by the GSSB and provide timely guidance on sustainability reporting issues not specifically addressed in SRSs.
 - n. publish draft Interpretations for public comment and consider comments made within a reasonable period before finalizing an Interpretation.
 - o. publish on the GSSB website an annual report of its activities.
36. The authoritative text of an SRS shall be that published by the GSSB in the English language. The GSSB may publish authorized translations or give authority to others to publish translations of the authoritative text of SRSs.



ANNEX 1: PUBLIC COMMUNICATIONS PROTOCOL

The standard-setting activities of the GSSB have the ability to affect the standing of the GRI Board and SC (more generally) and *vice versa*. The purpose of this protocol is to ensure that public communications made in relation to the overall GRI brand and GRI's overall public positioning (which incorporates the GSSB and the GSSB brand) will be consistent and in line with agreed policy and strategy.

1. Public communications on issues related to its standard development role, including the Standard and the standard setting process, are the responsibility of the GSSB, including in relation to:
 - its work plan;
 - its current projects;
 - standard-setting policy; and
 - standard-setting process.
2. The Chair of the GSSB and the Head of the Standards Department are the only persons empowered to speak on behalf of the GSSB. Members of the GSSB may express their personal opinions and views only, and may not represent the GSSB's views unless expressly mandated to do so by the Chair or by the Head of the Standards Department on a specific occasion.
3. Public communications on matters concerning the wider GRI organization, organizational relations, organizational strategy, and organizational activities are the responsibility of the GRI Board and the Chief Executive.
4. GRI's management, under the responsibility of the Chief Executive, is charged with the development of a Communications Strategy for the GRI organization as a whole. The GSSB is to approve the Communications Strategy that relates to the Standard and the standard-setting process as explained under paragraph 1 above.
5. Where the public communications described in point 3 are identified by the Chief Executive, the Chair of the GRI Board, the Head of the Standards Department, or the Chair of the GSSB as having the potential significantly and directly to harm the public positioning of GRI's Standard or standard-setting process, the Chief Executive or the Chair of the GRI Board shall consult with and shall obtain agreement of the Chair of the GSSB prior to such communications. An exception to this requirement may be made in circumstances of exceptional urgency and importance.
6. Where the public communications described in point 1 are identified by the Chief Executive, the Chair of the GRI Board, the Head of the Standards Department, or the Chair of the GSSB as having the potential significantly and directly to harm the public positioning of the wider GRI organization, the Chair of the GSSB shall consult with and shall obtain agreement of the Chief Executive or the Chair of the GRI Board prior to such communications. An exception to this requirement may be made in circumstances of exceptional urgency and importance.





Due Process Oversight Committee
Terms of Reference



Due Process Oversight Committee

Terms of Reference



1. The GRI Due Process Oversight Committee (DPOC) has been established as an independent committee under the auspices of GRI and has primary responsibility for ensuring that the standard-setting activities of the GRI GSSB are conducted in accordance with its due process, in order to increase public and stakeholder confidence that the standards are properly responsive to the public interest.
2. The authoritative pronouncements of the GSSB that are subject to the jurisdiction of the DPOC include Sustainability Reporting Standards (SRSs) and related interpretations, guidance and FAQs.
3. These *Terms of Reference* set out the nature and remit of the DPOC's responsibilities. Changes to these *Terms of Reference* may only be made with the approval of the GRI Board of Directors.
4. The DPOC shall comprise four ordinary members, appointed by the Independent Appointments Committee (IAC). The IAC shall also appoint one additional person as the Chair of the DPOC. All members shall meet appropriate guidelines of independence established by the IAC.
5. Members of the DPOC shall be senior individuals of integrity and high reputation with an interest in and knowledge of international issues related to sustainability reporting, including a sound understanding of standard-setting processes, and a willingness to serve the public interest in an independent and unbiased manner.
6. Members of the DPOC shall be appointed for a term of three years, renewable once for a further term of three years. The Chair of the DPOC shall have the authority to remove a DPOC member before the end of the term for poor performance, conflicts of interest, or otherwise not acting in the public interest.
7. The DPOC shall meet twice a year in person, or more often as required in order to support the activities of the GSSB.
8. A DPOC meeting shall not be held unless there is a quorum present. "Quorum" is defined as a simple majority of the complete size of the DPOC.
9. The issuance by the GSSB of a Sustainability Reporting Standard (SRS) and related interpretations, guidance and FAQs requires DPOC approval that due process has been followed in their development. The application of due process by the GSSB will help to ensure that the public interest is embedded in the development of its standards.
10. The DPOC shall expedite the issuance of urgent interpretations and guidance when requested by the GSSB.



11. The DPOC shall neither undertake nor consider a technical assessment of proposed SRSs while forming its opinion on the application of due process by the GSSB. In forming an opinion, the DPOC will primarily rely on direct observation of the GSSB meetings by one DPOC member (attending in person as an observer) to assess the public interest responsiveness of deliberations and to make comments or recommendations at that meeting. The due process oversight will also take account of the reports from the Chair of the GSSB, the Head of the Standards Department and any other entity authorized to communicate with the DPOC under the *GRI Due Process Protocol*.
12. Expressing an opinion that the GSSB has respected due process means that the DPOC has concluded that for the Sustainability Reporting Standard (SRS) under review, all views and sensibilities were discussed and considered by the GSSB. This is the DPOC's primary responsibility, insofar as respect for due process will help to ensure that the public interest is embedded in the standard development.
13. In addition to forming a view about matters specifically relating to the GSSB's development of Sustainability Reporting Standards (SRSs), the DPOC is to perform an annual review of, and publish an annual report on, the overall adherence of the GSSB to the application of due process in the public interest (including the development of interpretation, guidance and FAQs related to SRSs).
14. The DPOC shall conduct a yearly self-evaluation to evaluate the effectiveness of its oversight activities.
15. The operations of the DPOC shall be funded solely by the GRI.
16. Expenses for travel and the reimbursement of expenses reasonably incurred on DPOC business shall be borne by GRI.
17. The DPOC shall post on the GSSB website, on an annual basis, a report on its activities.





Independent Appointments Committee
Terms of Reference

Independent Appointments Committee

Terms of Reference



1. The Independent Appointments Committee (IAC) has been established as an independent committee under the auspices of GRI and has primary responsibility for appointing qualified, competent, disinterested persons, of independent mind, to the GRI Global Sustainability Standards Board (GSSB) and the GRI Due Process Oversight Committee (DPOC).
2. These *Terms of Reference* set out the nature and remit of the IAC's responsibilities. Changes to these *Terms of Reference* may only be made with the approval of the GRI Board of Directors.
3. Members of the IAC shall be appointed by the GRI Nominating Committee and three external individuals¹.
4. There shall be five members of the IAC. The members of the IAC shall elect from amongst their number one person to serve as Chair of the IAC.
5. Members of the IAC shall be senior individuals of integrity and high reputation with an interest in and knowledge of international issues related to sustainability reporting, including a sound understanding of standard-setting processes, and a willingness to serve the public interest in an independent and unbiased manner.
6. At least two members of the IAC shall have experience serving at a senior level on an international organization with a relevant interest in sustainability reporting.
7. Members of the IAC shall be appointed for a term of three years, renewable once for a further term of three years. The Chair of the IAC shall have the authority to remove a IAC member before the end of the term for poor participation, or for not complying with the conflict of interest policy (as to be defined).
8. The IAC shall meet in a timely manner to fill vacancies on either the GSSB or the DPOC, and in any event it shall meet at least once per year.
9. The IAC shall develop a plan that enables vacancies to be filled in a timely manner.
10. An IAC meeting shall not be held unless there is a quorum present. "Quorum" is defined as a simple majority of the complete size of the IAC.

¹'external individuals' are understood as representatives drawn from the field of international normative (sustainability) standard setters. These organizations (still to be determined) would be eligible to nominate one senior employee each. This may include organizations such as IOSCO, ILO (specifically from their Labor constituency as advised by the Council of Global Unions) or UNEP.



11. The operations of the IAC shall be funded solely by the GRI.
12. The IAC shall post on the GSSB website, on an annual basis, a report on its activities.
13. The IAC shall ensure that the identity of persons under consideration for appointment to either the GSSB or DPOC is not disclosed.
14. Special transitional provisions shall apply to the initial appointment of members of the GSSB and DPOC and will be developed by the GRI Board in consultation with and with the agreement of the IAC. Subsequently, appointments shall be made in accordance ss.10 & 11 of these *Terms of Reference*.
15. In appointing 'ordinary members' (not the Chair or Vice-Chair) to the GSSB, the IAC shall:
 - a) apply the criteria listed in Annex 1 of these *Terms of Reference*.
 - b) have regard to the multi-stakeholder character of the GSSB and the specific elements of its composition as defined in the GSSB *Terms of Reference*.
 - c) use its best endeavors to ensure that the composition of the GSSB, as a whole, achieves geographical, gender and cultural diversity.
 - d) seek the number of nominations (specified below) from the following bodies:
 - GRI Board 5 nominations (1 nomination per constituency)
 - GRI Stakeholder Council 5 nominations (1 nomination per constituency)
 - GRI GSSB 5 nominations (1 nomination per constituency)

When making nominations to the IAC for labor representatives on the GSSB the GRI Board, Stakeholder Council and GSSB should do so on the basis of nominations received from the Council of Global Unions.

 - e) either make appointments from amongst those nominated to it by the bodies specified in s.14(d) or if, in the opinion of the IAC, an insufficient number of nominees meet the criteria for appointment specified in Annex 1 to these *Terms of Reference*, seek further nominees.
16. The IAC may appoint the Chair and Vice-Chair of the GSSB from among those persons nominated by the GRI Board, GRI Stakeholder Council or GSSB or, if the IAC prefers, it may make either appointment from among any other pool of candidates, for those roles, that it might choose to identify.
17. In making appointments to the DPOC, the IAC shall:
 - a) appoint persons who are senior individuals of integrity and high reputation with an interest in and knowledge of international issues related to sustainability reporting, including a sound understanding of standard-setting processes, and a willingness to serve the public interest in an independent and unbiased manner.



- b) appoint persons who will be credible in the eyes of GRI's stakeholders, especially regulators and governments who may make reference to or endorse the GRI's Sustainability Reporting Standards (SRSs).
- c) use its best endeavors to ensure that the composition of the DPOC, as a whole, achieves geographical, gender and cultural diversity.
- d) seek the number of nominations (specified below) from the following bodies:
 - GRI Board 2 nominations
 - GRI Stakeholder Council 2 nominations
 - GRI GSSB 2 nominations
- e) either make appointments from amongst those nominated to it by the bodies specified in s.11(d) or if, in the opinion of the IAC, an insufficient number of nominees meet the criteria for appointment, seek further nominees.



ANNEX 1 - Criteria for GSSB Members

The following would represent criteria for GSSB membership:

1. **Knowledge and experience related to sustainability reporting:** All members should have either extensive experience in sustainability reporting or a high level of knowledge in areas related to sustainability reporting.
2. **Ability to analyze:** GSSB members should demonstrate the ability to analyze issues and consider the implications of that analysis for the decision-making process.
3. **Communication skills:** Effective oral and written communication skills in the English language are necessary. These skills include the ability to communicate effectively in private meetings with GSSB members, in public meetings, and in written materials such as sustainability reporting standards, speeches, articles, memos and external correspondence. Communication skills also include the ability to listen to and consider the views of others.
4. **Judicious decision-making:** GSSB members should be capable of considering varied viewpoints, weighing the evidence presented in an impartial fashion, and reaching well-reasoned and supportable decisions in a timely fashion.
5. **Awareness of the sustainability reporting environment:** High quality sustainability reporting will be affected by the financial, business, environmental, social and economic environment. GSSB members should have an understanding of the global economic, environmental and social context in which the GSSB operates. This should include awareness of business, organizational and sustainability reporting issues that are relevant to, and affect the quality of, transparent sustainability reporting and disclosure in the various markets worldwide, including those using SRSs.
6. **Ability to work in a collegial atmosphere:** Members should be able to show respect, tact and consideration for one another's views and those of third parties. Members should be able to work with one another in reaching consensus views based on the GSSB's objective of developing high quality and transparent sustainability reporting standards. Members should be able to put the objective of the GSSB above individual philosophies and interests.
7. **Integrity, objectivity and discipline:** The credibility of members should be demonstrated through their integrity and objectivity. This includes intellectual integrity as well as integrity in dealing with fellow GSSB members and others. Members should demonstrate an ability to be objective in reaching decisions. Members also should demonstrate an ability to show rigorous discipline and carry a demanding workload.
8. **Commitment to GRI's mission and the public interest:** Members should be committed to achieving the objective of GRI of establishing global Sustainability Reporting Standards (SRSs) that are of high quality, comparable in quality to other standards, and the product of a transparent process. A candidate for the GSSB should also be committed to serving the public interest through a private standard-setting process.



9. In appointing the GSSB members drawn from GRI stakeholder constituencies, the IAC shall apply the following definitions when categorizing candidates for appointment:

Constituency	Definition
Business Enterprise	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'.
Investment Institution	an enterprise that is 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, ratings agencies and market information brokers.
Labor	an organization established independently of employers and governments to represent the interests of workers.
Civil Society Organization	an organization established in order to promote or secure a public good relating to sustainability (environmental, social and governance) and that does not fall into any of the categories defined above.
Mediating Institution	an individual or organization that provides goods and/or services associated with the reporting process and derives benefit from doing so.



GRI Due Process Protocol

The Global Sustainability Standards Board (GSSB) is authorized by its *Terms of Reference* to develop and issue authoritative pronouncements. The term ‘authoritative pronouncements’ includes Sustainability Reporting Standards (SRSs), related interpretations and guidance and FAQs. Authoritative pronouncements are to be developed and issued in the public interest and according to due process as defined in this protocol.

All references to ‘due process’ in this document refer exclusively to the requirements defined by this protocol.

In developing its authoritative pronouncements, the GSSB follows the due process and working procedures described below.

The development process of SRSs is divided into the following steps:

- Project Identification and Prioritization
- Project Commencement
- Development of Proposed SRSs
- Appointment of *ad hoc* Technical Committees
- Interaction with the GRI Board and Stakeholder Council
- Public Exposure
- Consideration of Respondents’ Comments on an Exposure Draft
- Approval of an SRS, and Consideration of the Need for Re-Exposure
- Release of a Final SRS

These steps are explained in more detail below. Furthermore, the Due Process Protocol includes clarifying remarks on:

- General Procedures of the Due Process
- Withdrawal of an SRS
- Matters of Due Process (Ref: Paras.35-36)

Matters of due process are identified in Fundamental Principles I and II and in paragraphs 1–36 of this document. Final SRSs may be issued by the GSSB only after the Due Process Oversight Committee (DPOC) is satisfied that due process has been followed in their development in the public interest. In accordance with its *Terms of Reference*, the DPOC is bound to provide independent and timely advice.

Working procedures, shown in a separate section of this document, are steps applied by the GSSB to facilitate the operation of its due process but do not themselves form part of the due process. Working Procedures may be modified in practice to suit circumstances.

DUE PROCESS

Fundamental Principles

The work of the GSSB is to be undertaken solely for a purpose and in a manner that:

- I. Complements the GRI's Vision and Mission as approved by the Board of the GRI.
- II. Promotes the Public Interest, defined here:
In general, as:
 - those overarching interests of humanity, held in common, that include but exceed the partial interests of individuals or groups.

In the context of sustainability reporting, as:

- making well informed decisions – and therefore in having easy and timely access to relevant and reliable information on which such decisions might be based,
- promoting positive (and discouraging negative) impacts on social, ecological, environmental and economic systems,
- promoting transparency, fairness and integrity of processes that affect the public domain, and
- ensuring that no person or community is either overlooked or marginalized – especially if relatively weak in comparison to others.

In forming a view about specific GSSB authoritative pronouncements, the GSSB and DPOC shall have regard to:

- a. authoritative intergovernmental instruments and their authoritative interpretations, and/or
- b. documented, widely held expectations of behavior relating to social, ecological, environmental and economic responsibilities.

General

1. GSSB meetings to discuss the development and to approve the issuance of SRSs are open to the public – either in person or via electronic means, as determined by the GSSB. Additionally, up to three representatives of the GRI Board or Stakeholder Council (SC) may attend meetings of the GSSB as observers. Observers do not have a seat at the GSSB table and may not participate in the business of the GSSB. Matters of a general administrative nature or with privacy implications may be dealt with in closed sessions of the GSSB. (Ref: Para.A1)
2. Meeting agenda papers, including issues papers and draft SRSs prepared for the GSSB's review and debate and minutes of the immediately preceding meeting of the GSSB, are to be published in English on the GSSB website in advance of each GSSB meeting. (Ref: Para.A2-A5)
3. Meetings are to be conducted in English, which is the official working language of the GRI.

Project Identification and Prioritization

4. The GSSB identifies potential new projects based on:
 - a. a review of national and international developments;
 - b. comments and suggestions received from the GRI Board of Directors (as advised by the GRI SC), and
 - c. from those who have an interest in the development of SRSs issued by the GSSB.



5. To facilitate this process, the GSSB periodically develops and approves a strategy and work program. In developing its strategy and work program, the GSSB shall have regard to article 15 of this protocol. (Ref: Para.A6-A7).

Project Commencement

6. A proposal to start a new project is to be prepared by the Standards Department based on research and on appropriate consultation within the GSSB— and then present its project proposal to the GSSB for it to approve, amend or reject. The draft project proposal is to be circulated to the GRI Board and SC to identify matters of possible relevance to the project. The GSSB shall receive and consider the comments of the GRI Board (as advised by the SC); however it is the sole responsibility of the GSSB to determine and prioritize the project proposal, having regard to the overriding importance of serving the public interest. The GSSB is to approve, amend or reject the Standard Department’s project proposal in a meeting open to the public. (Ref: Para.A8-A9)

Development of Proposed SRSs and formation of Project Working Groups

7. The GSSB may assign responsibility for the development of a project to a multi-stakeholder Project Working Group (PWG). Members of a PWG are to be instructed by the GSSB that they shall act in an individual capacity, exclusively in the public interest and according to due process as defined in this protocol. (Ref: Para.A10-A17)
8. Where a PWG is established, its membership shall reflect the balance of multi-stakeholder constituencies on which the membership of the GSSB is based – as defined in the *GSSB Terms of Reference*. As a minimum, each PWG shall have at least one person drawn from each of the constituencies on which the membership of the GSSB is based – as defined in the *GSSB Terms of Reference*. The work of a PWG will not be overthrown if, for some valid reason, the GSSB is unable to achieve the ideal multi-stakeholder composition.
9. The GSSB shall determine whether to hold a public forum or roundtable, or issue a consultation paper, in order to solicit views on a project under consideration. The GSSB shall also consider the appropriateness of conducting a field test of the application of its proposals for a new or revised SRS, either prior to or after a draft SRS being issued for public exposure. The rationale for the GSSB's decision in relation to these steps shall be discussed at a GSSB meeting and the decision shall be minuted and published. Comments received through a public forum or roundtable, or in response to the issue of a consultation paper, are to be considered in the same manner as comments received on an exposure draft. (Ref: Para.A18-A19)
10. A PWG should report to the GSSB and seek guidance whenever it requires further advice in order to advance the project or where its members cannot reach consensus. When a PWG is satisfied that it has a proposed draft SRS that is ready for exposure, it presents the draft to the GSSB. The GSSB shall review the draft and, if considered necessary, may ask the PWG to conduct further research and/or further develop the draft prior to it being voted on, by the GSSB, for exposure. (Ref: Para.A20)
11. The GSSB shall vote on the approval of an exposure draft of the proposed SRS in accordance with the *GSSB's Terms of Reference*. When a member of the GSSB votes in favor of the release of an exposure draft, the member is confirming that he or she is satisfied that the draft would form an acceptable SRS in the event that no comments were to be received on exposure of a kind that would require the GSSB to amend the proposals. (Ref: Para.A21)



Appointment of *ad hoc* Technical Committees

12. The GSSB may appoint, at its convenience, one or more Technical Committees – to be established on a temporary basis in order to provide technical advice, of relevance to the task of standard-setting, in relation to the development of any SRS. (Ref: Para.A22-A27)
13. An *ad hoc* Technical Committee may provide technical advice on any matter referred to it by the GSSB, including in relation to:
 - significant issues relating to the development of an SRS, and
 - significant issues raised in comment letters on exposure drafts and the GSSB's related activities.
14. Advice provided to the GSSB by an *ad hoc* Technical Committee is to be published with other material informing the development of an SRS by the GSSB.

Interaction with the GRI Board and Stakeholder Council

15. The GSSB shall seek the views of the GRI Board (as advised by the SC) on the identification and prioritization of projects to be undertaken by the GSSB. Thereby, the Board is required to include in its advice to the GSSB any dissenting opinion of the SC. The process for seeking these views shall be as agreed by the GSSB and GRI Board. In particular, the GRI Board (as advised by the SC) is invited to comment on the GSSB's strategy and work program, including project priorities and any changes therein, to help establish their appropriateness. Where the GRI Board (as advised by the SC) has recommended a project for consideration by the GSSB, the Chair of the GSSB informs the DPOC and the Chairman of the GRI Board of the decisions of the GSSB concerning the GRI Board's recommendation.
16. The GSSB may engage with the SC and ask for direct advice from the SC on an 'as needed' basis.
17. The GSSB shall seek comment from the GRI Board (as advised by the SC) during the development and finalization of an SRS in relation to:
 - proposals to start new projects;
 - significant issues relating to the development of an SRS; and
 - significant issues raised in comment letters on exposure drafts and the GSSB's related response.

The views of the GRI Board (as advised by the SC) are to be sought and considered, but are not binding on the GSSB.

18. The Chair of the GSSB is responsible for bringing to the GSSB's attention significant comments received from the GRI Board (as advised by the SC). The GSSB shall consider (but is not bound by) comments received from the GRI Board. As in all other matters, the GSSB shall decide each matter independently, in the public interest, according to due process.

Public Exposure

19. Approved draft SRSs are to be exposed for public comment. Exposure drafts are to be placed on the GSSB website where they can be accessed free of charge by the general public. Each exposure draft is to be accompanied by an explanatory memorandum that highlights the objective(s) of and the significant proposals contained within the draft SRS, as well as the GSSB's view on the main issues addressed in the development thereof. (Ref: Para.A28-A29)
20. The exposure period will ordinarily be no shorter than 60 days – and for as long as deemed appropriate by the GSSB. (Ref: Para.A30-A31)



21. Comments made by respondents to an exposure draft are a matter of public record and are posted on the GSSB website after the end of the exposure period. (Ref: Para.A32-A34)

Consideration of Respondents' Comments on an Exposure Draft

22. To facilitate the deliberative process, the PWG is to provide the GSSB, as part of the GSSB's public agenda papers, with an analysis that summarizes the significant issues raised by respondents, outlines their proposed disposition and, as appropriate, explains the reason(s) why significant changes recommended by a respondent(s) are, or are not, to be accepted. PWGs will be responsible for identifying what, in their opinion, constitutes a 'significant change' to the content of an exposure draft. (Ref: Para.A35-A36)
23. Members of the GSSB are to familiarize themselves with the issues raised in comment letters on exposure drafts such that they are able to make well-informed decisions as they finalize an SRS. The GSSB is to deliberate on significant matters raised in the comment letters received, with significant decisions recorded in the minutes of the meeting of the GSSB. (Ref: Para.A37-A38)
24. At the meeting in which the GSSB deliberates on significant matters raised in the comment letters received, members of the GSSB are to be asked whether there are any issues raised by respondents, in addition to those issues summarized by the PWG, that they consider should be discussed by the GSSB. This does not preclude a member of the GSSB from raising a matter for discussion at a later time.

Approval of an SRS and Consideration of the Need for Re-Exposure

25. When a PWG is satisfied that it has a proposed final SRS that is ready for approval, it is to present the revised content of the exposed SRS to the GSSB for approval. The GSSB shall review the draft and, if considered necessary, may ask the PWG further to develop the draft prior to it being voted on by the GSSB. In determining whether or not it is considered necessary for a PWG to undertake further work, the GSSB shall have regard to the following factors:
 - Whether or not the proposed final SRS gives effect to the fundamental principles defined in this document.
 - The likelihood of the relevant PWG reaching a conclusion that is different to that originally reported to the GSSB.
 - The cost/benefit of making a further referral to the relevant PWG.
26. The work of the GSSB will be undertaken principally with the support of the Standard Department. The Standard Department will report to and work under the direction of the GSSB and in accordance with the due process. The Head of the Standard Department shall attend the meetings of, but is not be a member of, the GSSB. The Head of the Standard Department is responsible for advising the GSSB on whether due process has been followed and with proper regard for the public interest, before a final SRS may be approved for issue. (Ref: Para.A39-A40)
27. The GSSB is to vote on the approval of the final revised content of an exposed SRS in accordance with its *Terms of Reference*. Approval of the final revised content of an exposed SRS is an approval for its issue as a final SRS, unless the GSSB subsequently votes in favor of re-exposure as described below. (Ref: Para.A41-A42)
28. After approving the final revised content of an exposed SRS, the GSSB shall vote on whether there has been substantial change to the exposed document such that a re-exposure is necessary. An affirmative



vote in accordance with the GSSB's *Terms of Reference* for re-exposure is necessary if an exposed document is to be re-exposed. The basis of the GSSB's decision with respect to re-exposure is to be recorded in the minutes of the GSSB meeting at which the related project is discussed. (Ref: Para.A43-A45)

29. When an exposed document is re-exposed, the explanatory memorandum accompanying the re-exposure draft shall include the reasoning for re-exposure and sufficient information to allow an understanding of the changes made as a result of the earlier exposure.
30. Where applicable, the GSSB shall set an effective date for the application of the final SRS. (Ref: Para.A46)
31. For each final SRS, the Standards Department shall issue a separate document explaining its basis for conclusions, including its consideration of and response to comments received on an exposure draft. (Ref: Para.A47)

Withdrawal of an SRS

32. The GSSB shall vote on the withdrawal of an SRS, whether that withdrawal is due to the issue of a new or a revised SRS that incorporates or replaces the subject matter of an existing SRS or for any other reason, in accordance with the GSSB's *Terms of Reference*.

Release of a Final SRS

33. The Chair of the GSSB shall be responsible to the DPOC for reporting that due process has been followed in the development of the final SRS. The Chairs of any PWGs or *ad hoc* Technical Committees are responsible for advising the DPOC on whether, in their opinion, due process has been followed effectively in relation to each PWG's involvement in the development of the final SRS. (Ref: Para.A48)
34. Before release of a final SRS, the Chair of the GSSB shall obtain the conclusion of the DPOC as to whether due process has been followed. This process may involve the GSSB taking further appropriate steps should the DPOC express a concern or a negative conclusion about whether due process has been followed. (Ref: Para.A49)

Matters of Due Process

35. If a concern over adherence to due process is raised formally with the GSSB, the GSSB shall assess the concern and seek an appropriate resolution. The GSSB's decision on the matter is to be communicated to the party raising the concern. If the GSSB is unable to achieve a mutually satisfactory resolution of the concern, then the complainant may request that the concern be assessed by the DPOC directly. In any case, alleged breaches of due process and the resolution thereof are to be communicated by the GSSB to the DPOC. The results of investigations of alleged breaches of due process are to be reported by the Chair at a meeting of the GSSB that is open to the public. (Ref: Para.A50-A52)
36. The steps relating to contact between the GSSB and DPOC as specified in this Protocol are the minimum required in order to ensure adherence to due process. The GSSB and DPOC may agree additional steps, allowing for more regular reviews of due process in the development of any SRS or more generally to improve communication and coordination during the process. The details of any additional steps agreed by the GSSB and DPOC shall be published on the GSSB website prior to their being instituted.

WORKING PROCEDURES

General

GSSB Meetings (Ref: Para.1)

- A1. The GSSB meetings are to be minuted, recorded and archived on the GSSB website.

Meeting Agenda Papers (Ref: Para.2)

- A2. Meeting agenda papers are to be published on the GSSB website ordinarily no later than two weeks in advance of each GSSB meeting. Draft meeting minutes, as reviewed by the Chair of the GSSB, are to be published on the GSSB website ordinarily within three weeks after each GSSB meeting.
- A3. The Appendix of this document lists the unique titles for common GSSB documents at various stages of due process.
- A4. Agenda papers are to be retained on the GSSB website for at least three years from the date of the meeting. Final minutes are to be retained on the GSSB website indefinitely.
- A5. Updated project summaries and meeting highlights are to be posted to the GSSB website after each meeting.

Project Identification and Prioritization (Ref: Para.4)

- A6. The GSSB's strategy review shall involve a formal survey of those whom it deems to be key stakeholders in order to obtain views about issues that they believe should be addressed by the GSSB in the immediate future.
- A7. The development of the GSSB's strategy and work program shall include the issue of a consultation paper for public comment, placed on the GSSB website where it can be accessed free of charge by the general public, for ordinarily no less than 90 days. The GSSB shall consider the results of the public consultation in formulating, as necessary, a revised strategy and work program.

Project Commencement

Project Proposals (Ref: Para.6)

- A8. The GSSB may, for its convenience, appoint a Sub-committee from among its number to make an initial assessment of project proposals. Where the GSSB has a Sub-committee (or equivalent), a proposal to start a new project is to be first considered by the Sub-committee (or equivalent). As appropriate, the Sub-committee (or equivalent) is to recommend to the GSSB either that a project proposal be approved or that no new project be initiated at that time. A project proposal shall identify, where applicable, who has first proposed a project for development by the Standards Department and submission to the GSSB for its consideration.
- A9. Project proposals shall identify the objectives of the proposed project and explain how achievement of those objectives would serve the public interest. GSSB members, the GRI Board and SC and others interested in the development of the proposed pronouncement are thereby provided with a benchmark against which the project can be measured.



Development of Proposed SRSs and formation of Project Working Groups

Multi-stakeholder Project Working Group (Ref: Para.7)

- A10. A project proposal shall include details of any proposed assignment of responsibility for the project to a PWG. The proposal shall identify, where appropriate, specific areas of expertise or geographical representation that may be needed on the PWG. A PWG can only be established with the approval of the GSSB.
- A11. The principal criterion for selecting PWG members shall be identification of the best persons for the job. In making a selection of participants, criteria will include: relevant knowledge, relevant experience and availability to perform the role.
- A12. A PWG is usually to be chaired by a member of the GSSB and may include other members of the GSSB. The Head of the Standards Department shall make recommendations about the composition of the PWG to the GSSB. The GSSB may make initial recommendations regarding the composition of the PWG to the Head of the Standards Department. The GSSB shall determine the final composition of the PWG.

PWGs may contain participants, such as external experts, who are not members of the GSSB but who have experience relevant to the subject matter. Subject to the availability of competent individuals, a PWG shall contain at least one representative from each of the GRI constituencies and may include members of the SC. An SC member may only serve on a PWG in their individual capacity and not as a representative of the SC. The GSSB shall be the sole judge of what constitutes 'competence' for appointment to a PWG.

- A13. Members of a PWG are to be identified in the project summaries contained on the GSSB website and in the relevant project agenda papers for a GSSB meeting.
- A14. PWG meetings are not open to the public.
- A15. A PWG is to identify issues, and propose recommendations, relevant to the development of the proposed SRS on which GSSB input is appropriate. These papers, which are ordinarily accompanied by a draft version of the proposed pronouncement, are to be developed based on research and consultation, which may include: conducting research; consulting with the GSSB or the GRI Board (as advised by the SC), practitioners, regulators, national standard setters and other interested parties.
- A16. The papers submitted by the PWG to the GSSB shall include confirmation that no other significant matters were discussed and agreed by the PWG, in particular in regard to a decision to exclude a significant matter from the proposed draft pronouncement.

A17. The GSSB may carry out projects in cooperation, or conduct projects jointly, with a national standard setter(s) or other organizations with relevant expertise. In the case where a project is to be conducted jointly¹, a member of the GSSB is to chair, or co-chair, any joint PWG that might be established. Where practicable, joint projects are to be conducted on a multi-national basis whereby two or more national standard-setters or national organizations are involved in the joint project.

Public Forum or Roundtable, or Consultation Paper (Ref: Para.9)

A18. In deciding upon the need to hold a public forum or roundtable or to issue a consultation paper, the GSSB shall consider whether the subject of the SRS, the level of interest among stakeholders, the likely or actual existence of a significant and controversial divergence of views, the need for additional information in order to further the GSSB's deliberative process, or some other reason indicates that wider or further consultation would be appropriate.

A19. The outcome(s) of a public forum or roundtable, or the issue of a consultation paper, is to be summarized and reported to the GSSB, as part of the GSSB's public agenda papers, for purposes of the GSSB's deliberation on the subject under consideration.

Proposed Draft SRS (Ref: Para.10)

A20. The GSSB has a responsibility to be sensitive to any issues that might have an adverse impact on the GRI as a whole. In order to assist the GSSB to discharge this responsibility, a PWG is to raise proactively with the GSSB any issue that may have implications for the GRI as a whole. The GSSB shall seek comment on such matters from the GRI Board (as advised by the SC).

Approval of Draft SRS (Ref: Para.11)

A21. Where applicable, the GSSB is to set a proposed effective date for the application of the pronouncement as part of the exposure draft.

Ad hoc Technical Committees (Ref: Para.12)

A22. The GSSB may refer a matter of interest to a specially established *ad hoc* Technical Committee.

A23. The principal criterion for selecting Technical Committee members shall be identification of the best persons for the job. In making a selection of participants, relevant criteria will include: relevant knowledge, relevant experience and availability to perform the role.

A24. A Technical Committee is usually to be chaired by a member of the GSSB. The Head of the Standards Department, in consultation with the Chair of the GSSB, is to determine the composition of an *ad hoc* Technical Committee a manner that brings the right balance of technical expertise to the project discussion. *Ad hoc* Technical Committees may contain participants, such as external experts, who are not members of the GSSB but who shall have experience

¹ Joint projects are subject to the due process of the GSSB. If exposed separately both globally and by the national standard-setter(s) with whom the project is being jointly developed, and where applicable, GSSB may additionally have regard to comments received by the national standard-setter(s), where they may be relevant globally, and to the extent the process does not result in unnecessary delay in the finalization of the pronouncement. The final pronouncement approved by GSSB becomes a final SRS in the normal way. It may differ from the corresponding document(s), if any, approved by the collaborating national standard-setter(s).

relevant to the subject matter. Membership may include representatives of Organizations whose standards are referenced in GRI standards and guidance.

- A25. Members of a Technical Committee are to be identified in the project summaries contained on the GRI website and in the relevant project agenda papers for a GSSB meeting.
- A26. *Ad hoc* Technical Committee meetings are not open to the public.
- A27. The papers submitted by an *ad hoc* Technical Committee to the GSSB shall include confirmation that no other significant matters were discussed and agreed by the *ad hoc* Technical Committee, in particular in regard to a decision to exclude a significant matter from the proposed draft pronouncement.

Public Exposure

Exposure Drafts (Ref: Para.19)

- A28. Notice of the issuance of exposure drafts is to be widely distributed to: regulatory bodies deemed by the GSSB to have a relevant interest; organizations that have registered or are likely to have an interest in the pronouncements issued by the GSSB; GRI Organizational Stakeholders; and relevant sections of the media. The GSSB is to consider and decide whether there are any additional broad stakeholder groups to whose attention a proposed pronouncement should be drawn.
- A29. An explanatory memorandum may also direct respondents, including those representing specific constituencies such as developing nations, small and medium-sized reporters or the public sector, to aspects of the draft SRS on which specific comments are sought.

Exposure Period (Ref: Para.20)

- A30. Although the exposure period for a draft SRS will ordinarily be no shorter than 90 days, a shorter or longer exposure period may be set when considered appropriate. A longer exposure period may be set, for example, where complex or pervasive changes might affect translation or in order to make wider consultation possible. A shorter exposure period may be set, for example, where in the public interest there is a need to conclude deliberation on a matter more quickly, the exposure draft is relatively simple or short, or where the GSSB decides to re-expose all or only part of a draft SRS.
- A31. Exposure drafts are to indicate that the GSSB cannot undertake to consider comments and suggestions received after the close of the exposure period.

Comments Received (Ref: Para.21)

- A32. An acknowledgement of receipt is to be sent to every respondent to an exposure draft.
- A33. GSSB members, and PWG members, who are not members of the GSSB, are to be notified when comment letters have been made available on the GSSB website.
- A34. The exposure draft and comment letters are to be made available for the reference purpose of GSSB members at the GSSB meeting in which the project is scheduled for discussion.



Consideration of Respondents' Comments on an Exposure Draft

Comments Received on Exposure (Ref: Para.22)

- A35. The comments and suggestions received within the exposure period are to be read and considered by a PWG – if established by the GSSB.
- A36. Project agenda papers are to contain a cumulative summary of the significant decisions made by the GSSB on matters relating to the project, including its position on the significant issues raised in comment letters.

Deliberation of Significant Matters (Ref: Para.23)

- A37. Neither the GSSB nor a PWG is to enter into debate with respondents on individual comment letters. The GSSB or a PWG may decide, however, to discuss a letter of comment with the respondent to seek clarification on a matter.
- A38. If requested, the GSSB will explain to the GRI Board (as advised by the SC) its reason(s) for not having accepted their comments or proposals. The nature and outcome of such discussions are to be reported and recorded in the minutes of the GSSB meeting at which the related project is discussed.

Approval of a Pronouncement and Consideration of the Need for Re-Exposure

Adherence to Due Process (Ref: Para.26)

- A39. The Head of the Standards Department is to provide a written report in the agenda papers of the meeting outlining the basis for concluding whether due process has been followed with respect to actions up to the date of the meeting.
- A40. The Chair of the GSSB is also to report to the GSSB on whether or not due process has been followed during the meeting at which a final SRS is approved for issuance. The substance of this report is to be recorded in the minutes.

Approval (Ref: Para.27)

- A41. The results of voting, including dissenting votes and abstentions – and the reason(s) therefore, on the approval of the revised content of an exposure draft are to be recorded in the minutes of the meeting.
- A42. The agenda paper containing the draft proposed revised content of exposed SRS is to be updated for changes agreed by the GSSB during the course of the meeting and is to be posted to the GSSB website after the meeting at which the GSSB is to approve the final SRS. The updated agenda paper posted to the GSSB website is for information purposes only and is not the final pronouncement. The final pronouncement is that approved by the GSSB after the DPOC has confirmed that due process was followed in its development.

Re-Exposure (Ref: Para.28)

- A43. When an exposure draft has been subject to many changes, a summary comparative analysis is to be presented to the GSSB. This analysis is to show, to the extent practicable, the differences between the exposure draft and the proposed final SRS.



- A44. The Head of the Standards Department, in consultation with the Chair of the GSSB and chair of any PWG, are to advise the GSSB on whether a draft SRS, or part thereof, needs to be re-exposed.
- A45. Situations that constitute potential grounds for a decision to re-expose may include, for example: substantial change to a proposal arising from matters not aired in the exposure draft such that commentators have not had an opportunity to make their views known to the GSSB before it reaches a final conclusion; substantial change arising from matters not previously deliberated by the GSSB; or substantial change to the substance of a proposed SRS.

Effective Date (Ref: Para.30)

- A46. In setting the date for the application of an SRS, the GSSB shall consider the reasonable expected minimum period for effective implementation.

Basis for Conclusions (Ref: Para.31)

- A47. The document explaining the GSSB's basis for conclusions with respect to comments received on an exposure draft is to be circulated to the GSSB for comment and is to be issued after clearance by the Chair and Head of the Standards Department. The issue of the document is i) not to be subject to voting approval by the GSSB and therefore ii) does not constitute part of the final SRS and iii) is non-authoritative. It is to be retained for an indefinite period on the GSSB website.

Release of a Final Pronouncement

Adherence to Due Process (Ref: Para.33)

- A48. The Chair of the GSSB is to provide the DPOC with a written report outlining the basis for the conclusion on whether due process has been followed.

Final Pronouncement (Ref: Para.34)

- A49. Subject to having received confirmation from the DPOC that in its opinion due process has been followed, the GSSB is to issue its authoritative pronouncement together with a separate document explaining its basis for conclusions, including its consideration of and response to comments received on an exposure draft, is to be posted to the GSSB website.

Matters of Due Process

Responding to a concern (Ref: Para.35)

- A50. Where the GSSB has a Sub-committee (or equivalent), the Sub-committee (or equivalent) is to assess issues raised over due process and obtain relevant information from all parties involved. The Sub-committee (or equivalent) is to bring the issue to the attention of the GSSB with a recommendation on whether the alleged breach has merit and, if so, an appropriate resolution.
- A51. The GSSB is to report annually to the general public on the progress in regard to its defined technical work program and its compliance with Due Process. Ultimately, the DPOC will judge whether the development of pronouncements complied to GRI's Due Process and therefore the DPOC shall approve the GSSB's annual report.

A52. The DPOC shall develop and publish a process by which it will receive and evaluate grievances concerning the application of due process, under this protocol, in the development of SRSs.



ANNEX - List of unique titles for common GSSB documents at various stages of Due Process

Project Commencement

Proposal to start a new project:

- “[Title of Project]—[GSSB] Project Proposal”

Development of Proposed SRSs

Agenda papers prepared for the GSSB's review and debate addressing issues in the course of the development of a proposed SRS:

- “[Title of Project]—Issues and [GSSB] Working Group Proposals dated [MM/YY]”

Draft versions of a proposed pronouncement accompanying such agenda papers:

- “[Title of Project]—Draft Pronouncement dated [MM/YY]”
- “[Title of Project]—Draft Pronouncement dated [MM/YY] Showing Changes from Draft dated [MM/YY]”

Consultation papers issued to solicit views on a matter under consideration:

- “[Title of Project]—[GSSB] Consultation Paper dated [MM/YY]”

Consideration of Respondents' Comments on an Exposure Draft

Agenda papers addressing the significant issues by respondents on an exposure draft:

- “[Title of Project]—Summary of Significant Comments on Exposure and [GSSB] Working Group Recommendations dated [MM/YY]”

Agenda papers prepared for subsequent GSSB meetings that outline the PWG's response to the GSSB's consideration of significant comments on exposure:

- “[Title of Project]—[GSSB] Working Group Recommendations dated [MM/YY] in Response to [GSSB's] Consideration of Significant Comments on Exposure”

Draft versions of a proposed pronouncement accompanying such agenda papers follow the format described above.

Agenda papers setting out the main differences between an exposure draft and the proposed final SRS, when the exposure draft has been subject to many changes:

- “[Title of Project]—Comparison of Exposure Draft and Draft Pronouncement dated [MM/YY]”

Approval of a Final Pronouncement

Document posted to the GSSB website after the meeting at which the GSSB approves the final SRS showing final changes agreed by the GSSB:

- “[Title of Project]—Final Draft Pronouncement dated [MM/DD/YY] Showing Changes from Draft dated [MM/DD/YY]: As Approved by [GSSB] for Submission to DPOC”

Release of a Final Pronouncement

Final pronouncement:

- “[Title of Pronouncement]”

Document explaining the GSSB's basis for conclusions with respect to comments received on an exposure draft:

- “[Title of Pronouncement]—Significant Comments on [GSSB] Proposals and Basis for Conclusions Thereon





Global Reporting Initiative

PO Box 10039, 1001 EA
Amsterdam, The Netherlands
Telephone: + 31 (0) 20 531 00 00
www.globalreporting.org

