Item 03 – GRI Universal Standards Project – Revised Glossary section

For GSSB discussion

Date 10 March 2021
Meeting 23 March 2021
Project GRI Universal Standards Project
Description This document presents the revised draft of the Universal Standards Glossary. Key changes are highlighted in comment boxes within the document. Minor editorial changes have not been highlighted, but a draft tracking all changes to the text is included in Annex 1.

The list of public comments on the Glossary and on terminology used in the Standards is included in Annex 2.
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6 Explanatory note

Together with other revisions to the Universal Standards, a new Glossary style has been implemented, which the Standards Division will use going forward. The new style aims to make the Glossary more concise and fit for purpose. In line with this style, the following revisions have been made to the Universal Standards Glossary section:

- The format for presenting sources, examples, and notes has been revised.
- Terms and phrases that require detailed explanation have been deleted from the Glossary and explained in detail within the relevant Standard. These terms are: 'causing a negative impact', 'contribution to a negative impact', 'directly linked to a negative impact', and 'severity'. See lines 262-266, 280-286, 296-305, and 486-497.
- Terms that are specific to one disclosure and are not likely to be used elsewhere in the Standards have been deleted from the Glossary and explained in the guidance to the disclosures in which they are used. These terms are 'annual total compensation', 'clawback', and 'termination payment'. See lines 235-238, 276-279, and 539-544.
- The terms 'product', 'service', and 'sector', which are widely understood and for which the existing definitions do not provide information relevant for reporting purposes, have been deleted from the Glossary. See lines 458-459, 478-482, and 486-487.
- The definitions for 'child' and 'indigenous peoples' have been removed from the Universal Standards Glossary (but not from the GRI Standards Glossary). These terms are only used within examples in the guidance sections in the Universal Standards. Their definitions are not relevant for reporting on the disclosures in the Universal Standards. See lines 267-275 and 384-393.

The following terms and definitions have been revised to reflect changes to disclosures after the public comment:

- The definitions for 'employment contract' and 'employment type' have been replaced with separate Glossary entries defining 'permanent employee', 'temporary employee', 'full-time employee' and 'part-time employee'. A new definition has been added for 'non-guaranteed hours employee'. These terms more accurately represent the revised reporting requirement under ACT-2 Employees in GRI 102: About the Organization. See lines 85-87, 143-153, 192-195, and 321-333.
- The definition for 'internationally recognized human rights' has been replaced with a definition for 'human rights' following a public comment that the term 'human rights' is the base term used throughout the Universal Standards. The term 'internationally recognized human rights' is explained in the guidance to the disclosure in which it is used. See lines 115-124.

Other editorial revisions have been made to the text to improve clarity and consistency with the GRI Style Guide. These are explained in comment boxes.

42 Revised Glossary section

This glossary provides definitions for terms used in the Universal Standards: GRI 101: Using the GRI Standards, GRI 102: About the Organization, and GRI 103: Material Topics. The organization is required to apply these definitions when using the Standards.

The definitions included in this glossary may contain terms that are further defined in the complete GRI Standards Glossary. Defined terms are underlined. If a term is not defined in this glossary or in the complete GRI Standards Glossary, definitions that are commonly used and understood apply.
business partner
entity with which the organization has some form of direct and formal engagement for the purpose of meeting its business objectives
Source: Shift and Mazars LLP, UN Guiding Principles Reporting Framework, 2015; modified
Examples: affiliates, business-to-business customers, clients, first-tier suppliers, franchisees, joint venture partners, investee companies in which the organization has a shareholding position
Note: Business partners do not include subsidiaries and affiliates that the organization controls.

business relationships
relationships that the organization has with business partners, with entities in its value chain including those beyond the first tier, and with any other entities directly linked to its operations, products, or services
Note: Examples of other entities directly linked to the organization’s operations, products, or services are a non-governmental organization together with which the organization delivers support to a local community, or state security forces that protect the organization’s facilities.

collective bargaining
all negotiations which take place between one or more employers or employers’ organizations, on the one hand, and one or more workers’ organizations (trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers
Source: International Labour Organization (ILO), Collective Bargaining Convention, 1981 (No. 154); modified

collective bargaining
situation where an individual is confronted with choosing between the requirements of their function in the organization and their other personal or professional interests or responsibilities

due diligence
process to identify, prevent, mitigate, and account for how the organization addresses its actual and potential negative impacts
Note: See Section 2.3 in GRI 101: Using the GRI Standards for more information on 'due diligence'.

employee
individual who is in an employment relationship with the organization, according to national law or practice

full-time employee
employee whose working hours per week, month, or year are defined according to national law or practice regarding working time

Commented [SD1]: Type of change: editorial revision (edits to wording)
Original wording: '[...national law or its application]
Changed to 'practice' to align with the definitions of full-time and part-time employees.

Commented [SD2]: Type of change: editorial revision (new Glossary entry)
Full-time employee, which was previously defined under the term 'employment type', has now been included as a separate entry.
This is consistent with the Glossary style, and more accurately represents the revised ACT-2 disclosure.
88 governance body
89 formalized group of individuals responsible for the strategic guidance of the organization, the effective
90 monitoring of management, and the accountability of management to the broader organization and its
91 stakeholders
92 grievance
93 perceived injustice evoking an individual’s or a group’s sense of entitlement, which may be based on
94 law, contract, explicit or implicit promises, customary practice, or general notions of fairness of
95 aggrieved communities
96 Source: United Nations (UN), Guiding Principles on Business and Human Rights: Implementing the
97 United Nations “Protect, Respect and Remedy” Framework, 2011
98 grievance mechanism
99 routinized process through which grievances can be raised and remedy can be sought
100 Source: United Nations (UN), Guiding Principles on Business and Human Rights: Implementing the
101 United Nations “Protect, Respect and Remedy” Framework, 2011; modified
102 Note: See Guidance to Disclosure SPP-4 in GRI 102: About the Organization for more information on
103 ‘grievance mechanism’.
104 highest governance body
105 governance body with the highest authority in the organization
106 Note: In some jurisdictions, governance systems consist of two tiers, where supervision and
107 management are separated or where local law provides for a supervisory board drawn from non-
108 executives to oversee an executive management board. In these cases, both tiers are included under
109 the definition of highest governance body.
110 impact
111 effect the organization has or could have on the economy, environment, or people, including on their
112 human rights
113 Note 1: Impacts can be actual or potential, negative or positive, short-term or long-term, intended or
114 unintended, and reversible or irreversible.
115 Note 2: See Section 2.1 in GRI 101: Using the GRI Standards for more information on ‘impact’.
116 human rights
117 rights inherent to all human beings, which include, at a minimum, the rights set out in the United
118 Nations (UN) International Bill of Human Rights and the principles concerning fundamental rights set
119 out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights
120 at Work
121 Source: United Nations (UN), Guiding Principles on Business and Human Rights: Implementing the
122 United Nations “Protect, Respect and Remedy” Framework, 2011; modified
123 Note: See Guidance to SPP-2-b-i in GRI 102: About the Organization for more information on ‘human
124 rights’.

Commented [SD3]: Type of change: editorial revision (edt to align with exact wording of the UN Guiding Principles on Business and Human Rights)

Original wording: ‘perceived injustice that evokes an individual’s or group’s sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness among the aggrieved communities’

Commented [SD4]: Type of change: editorial revision (notes moved to the guidance section)

The detailed notes have been moved from the glossary into the guidance section for Disclosure SPP-4 where organizations have to report on grievance mechanisms. This change has been implemented to maintain a consistent glossary style of limited notes that are used primarily for essential clarifications.

Commented [SD5]: Type of change: editorial revision (edits to wording)

The second part of the definition has been deleted for clarity and conciseness. Note 2 contains a reference to the key concepts section where ‘impact’ is explained in detail.

Original definition: ‘In the GRI Standards, unless otherwise stated, “impact” refers to the effect the organization has on the economy, environment, and or people, including on human rights, which in turn can indicate the organization’s contribution (negative or positive) to sustainable development.’

Commented [SD6]: Type of change: revision following public comment feedback

Original entry: ‘internationally recognized human rights’

Original definition: ‘These rights are understood, at a minimum, to include the rights set out in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), coupled with the principles concerning fundamental rights in the eight International Labour Organization (ILO) core conventions as set out in the Declaration on Fundamental Principles and Rights at Work.’

The change was suggested since ‘human rights’ is the base term and it is used throughout the Standard more often than ‘internationally recognized human rights’. The term ‘internationally recognized human rights’ is specific to one disclosure: SPP-2 on policy commitments.

The detailed notes have also been moved from the Glossary into the Guidance section for SPP-2 where organizations have to report on the internationally recognized human rights that the policy commitment covers.
local community

individuals or groups of individuals living or working in areas that are affected or that could be affected by the organization’s activities

Note: The local community can range from those living adjacent to the organization’s operations to those living at a distance.

material topic

topic that represents the organization’s most significant impacts on the economy, environment, and people, including impacts on their human rights.

Note: See Section 2.2 in GRI 101: Using the GRI Standards and Section 2 in GRI 103: Material Topics for more information on ‘material topic’.

mitigation

action(s) taken to reduce the extent of a negative impact

Note: The mitigation of an actual negative impact refers to actions taken to reduce the extent of the negative impact that has occurred, with any residual impact needing remediation. The mitigation of a potential negative impact refers to actions taken to reduce the likelihood of the negative impact occurring.


non-guaranteed hours employee

employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required

Examples: casual employees, employees with zero-hour contracts, on-call employees


part-time employee

employee whose working hours per week, month, or year are less than the number of working hours for full-time employees

permanent employee

employee with a contract for an indeterminate period (i.e., indefinite contract) for full-time or part-time work

remedy / remediation

means to counteract or make good a negative impact / provision of remedy

Examples: apologies, restitution, restoration, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), prevention of harm through injunctions or guarantees of non-repetition


Commented [SD7]: Type of change: editorial revision (minor edits to align wording with other definitions)

Original wording: ‘individuals or groups of individuals living and/or working in areas that are or could be affected by the organization’s activities and decisions’

The term ‘decisions’ has been removed for alignment with the definition of ‘stakeholder’, which is aligned with the OECD Due Diligence Guidance for Responsible Business Conduct.

Commented [SD8]: Type of change: editorial revision following public comment feedback

Original wording: ‘topic that reflects…’

Commented [SD9]: Type of change: editorial revision (new Glossary entry)

Non-guaranteed hours employee added as a new term and definition after consultation with the labor expert group.

Commented [SD10]: Type of change: editorial revision (new Glossary entry)

Part-time employee, which was previously defined under the term ‘employment type’, has now been included as a separate entity. This is consistent with the Glossary style, and more accurately represents the revised ACT-2 disclosure.

Commented [SD11]: Type of change: editorial revision (new Glossary entry)

Permanent employee, which was previously defined under the term ‘employment contract’, included as a separate entity. This is consistent with the Glossary style, and more accurately represents the revised ACT-2 disclosure.

Commented [SD12]: Type of change: editorial revision

The definitions for ‘remedy’ and ‘remediation’ have been combined as they are closely linked.
161 **reporting period**
162 specific period covered by the reported information
163 Examples: fiscal year, calendar year
164
165 **senior executive**
166 high-ranking member of the management of the organization, such as the Chief Executive Officer (CEO) or an individual reporting directly to the CEO or the highest governance body.
167
168 **stakeholder**
169 individual or group that has an interest that is affected or could be affected by the organization’s activities
170 Source: Organisation for Economic Co-operation and Development (OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018; modified
171 Examples: business partners, civil society organizations, consumers, customers, employees and other workers, governments, local communities, non-governmental organizations, shareholders and other investors, suppliers, trade unions, vulnerable groups
172 Note: See Section 2.4 in GRI 101: Using the GRI Standards for more information on ‘stakeholder’.
173
174 **supplier**
175 entity upstream from the organization (i.e., in the organization’s supply chain), which provides a product or service that is used in the development of the organization’s own products or services
176 Examples: brokers, consultants, contractors, distributors, franchisees, home workers, independent contractors, licensees, manufacturers, primary producers, sub-contractors, wholesalers
177 Note: A supplier can have a direct business relationship with the organization (often referred to as first-tier supplier) or an indirect business relationship.

183 **supply chain**
184 range of activities carried out by entities upstream from the organization, which provide products or services that are used in the development of the organization’s own products or services

186 **sustainable development / sustainability**
187 development that meets the needs of the present without compromising the ability of future generations to meet their own needs
189 Note: In the GRI Standards, the terms ‘sustainability’ and ‘sustainable development’ are used interchangeably.

Commented [SD13]: Type of change: editorial revision (note deleted to avoid repetition and maintain conciseness)
Original note: “Unless otherwise stated, the GRI Standards require information for the reporting period.” In all places in the Standard where it needs to be clarified that the organization is required to report information for the reporting period, this is explicitly mentioned in the requirement itself.

Commented [SD14]: Type of change: editorial revision (edits to the wording)
Original wording: ‘Stakeholders are individuals or groups that have interests that are affected or could be affected by an organization’s activities and decisions.’ The term ‘decisions’ has been removed for alignment with the OECD Due Diligence Guidance for Responsible Business Conduct.
‘and other investors’ has been added to the examples following public comment feedback

Commented [SD15]: Type of change: editorial revision (edits to the wording)
Definition aligned with ‘supply chain’ and ‘value chain’. Original wording: ‘entity in the organization’s supply chain, which provides a product or service that contributes to the organization’s own products or services’

Commented [SD16]: Type of change: editorial revision (edits to the wording)
Definition aligned with ‘supplier’ and ‘value chain’. Original wording: ‘range of activities carried out by entities upstream from the organization, which provide products or services that contribute to the organization’s own products or services’

Commented [SD17]: Type of change: revision following public comment feedback
Note 1 deleted following public comment feedback that the definition should encapsulate interests of the organization as well as broader economic, environment, and societal interests.
Original note: ‘Sustainable development encompasses broader economic, environmental, and societal interests, rather than the individual interests of organizations’
The note had the potential to cause confusion. A call-out box has been added in the Standards that explains the difference in the focus on impacts on the economy, environment, and people in the GRI Standards, in contrast to the focus on impacts on the organization in financial reporting. The explanation in the call-out box clarifies and expands on the previous note.
temporary employee
employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees)

under-represented social group

- group of individuals who are less represented within a subset (e.g., a body or committee, employees of an organization) relative to their numbers in the general population, and who therefore have less opportunity to express their economic, social, or political needs and views

Note 1: Under-represented social groups may include minority groups.

Note 2: The groups included under this definition depend on the organization’s operating context and are not uniform for every organization.

value chain
range of activities carried out by the organization, and by entities upstream and downstream from the organization, to bring the organization’s products or services from their conception to their end use

Note 1: Entities upstream from the organization (e.g., suppliers) provide products or services that are used in the development of the organization’s own products or services. Entities downstream from the organization (e.g., distributors, customers) receive products or services from the organization.

Note 2: The value chain includes the supply chain.

vulnerable group

group of individuals with some specific economic, physical, political, or social condition or characteristic that could experience negative impacts as a result of the organization’s activities more severely than the general population

Examples: children and youth; elderly persons; ex-combatants; HIV/AIDS-affected households; human rights defenders; indigenous peoples; internally displaced persons; migrant workers and their families; national or ethnic, religious and linguistic minorities; persons who might be discriminated against based on their sexual orientation, gender identity, gender expression, or sex characteristics (e.g., lesbian, gay, bisexual, transgender, intersex); persons with disabilities; refugees or returning refugees; women

Note: Vulnerabilities and impacts can differ by gender.

worker

person that performs work for the organization

Examples: employees, apprentices, interns, self-employed persons, and persons working for organizations other than the reporting organization, such as for suppliers

Note: In the context of the GRI Standards, in some cases it is specified whether a particular subset of workers is to be used.
Annex 1. Revisions with track changes

This glossary includes definitions for terms used in the Universal Standards: GRI 101: Using the GRI Standards, GRI 102: About the Organization, and GRI 103: Material Topics. The organization is required to apply these definitions when using the Standards.

The definitions included in this glossary may contain terms that are further defined in the complete GRI Standards Glossary. All defined terms are underlined. If a term is not defined in this glossary or in the complete GRI Standards Glossary, definitions that are commonly used and understood apply.

Commented [SD24]: Type of change: editorial revision
Definition of ‘annual total compensation’ has been deleted from the Glossary as the term is only used in one disclosure: GOV-15 (in the exposure draft), and the definition mainly consisted of clarifying what annual total compensation includes. This information has been included in the Guidance section to GOV-15.

Commented [SD25]: Type of change: editorial revision
The concepts of ‘causing, contributing, and being directly linked to negative impacts’ have been explained in more detail and given prominence in Box 3 in GRI 103: Material Topics. They have been excluded from the Glossary because they do not match the style for Glossary entries as they are verb phrases. They also pose a challenge for translations.
person under the age of 15 years, or under the age of completion of compulsory schooling, whichever
is higher.

Note 1: Exceptions can occur in certain countries where economies and educational facilities are
insufficiently developed and a minimum age of 14 years applies. These countries of exception are
specified by the International Labour Organization (ILO) in response to a special application by the
country concerned and in consultation with representative organizations of employers and workers.

Note 2: The ILO Minimum Age Convention, 1973 (No. 138), refers to both child labor and young
workers.

clawback
repayment of previously received compensation required to be made by a senior executive or
member of the highest governance body to their employer in the event certain conditions of
employment or goals are not met.

contributing to a negative impact
The organization ‘contributes to’ a negative impact if its activities, in combination with the activities of
other entities, cause the impact, or if the activities of the organization cause, facilitate, or incentivize
another entity to cause the impact.

Note: This definition comes from the Organisation for Economic Co-operation and Development
(OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018. See Box 2 in GRI
103: Material Topics for more information.

collective bargaining
negotiations between one or more employers or employers’ organizations and one or more workers’
or trade unions, to determine working conditions and terms of employment or to regulate
relations between employers and workers

Conflict of interest
situation where an individual is confronted with choosing between the requirements of their function in
the organization and their other personal or professional interests or responsibilities

directly linked to a negative impact
The organization’s operations, products, or services are ‘directly linked to’ a negative impact by its
business relationships when a business relationship causes an impact in connection with the
organization’s operations, products, or services, even if the organization has not contributed to the
impact.

Note 1: ‘Direct linkage’ is not defined by the link between the organization and the other entity, and is
therefore not limited to direct contractual relationships, for example ‘direct sourcing’.

Note 2: This definition is based on the Organisation for Economic Co-operation and Development
(OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018. See Box 2 in GRI
103: Material Topics for more information.

Commented [SD26]: Type of change: editorial revision

The definition of ‘child’ has been excluded from the Universal Standards Glossary list (but not from the GRI
Standards Glossary). This definition is not relevant to the Universal Standards where the term ‘child’ is only
used in examples and not in disclosure requirements. PCP feedback indicated that this definition needs
revision, but that is beyond the scope of the Universal Standards Project.

Commented [SD27]: Type of change: editorial revision

Definition of ‘clawback’ has been deleted from the Glossary as the term is only used in one disclosure:
GOV-13 (in the exposure draft). The explanation of ‘clawback’ has been included in the Guidance section to
GOV-13.
due diligence

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


employee

individual who is in an employment relationship with the organization, according to national law or its application.

employment contract

contract as recognized under national law or practice that can be written, verbal, or implicit (i.e., when all the characteristics of employment are present but without a written or witnessed verbal contract).

Permanent or indefinite contract: Contract with an employee, for full-time or part-time work, for an indeterminate period.

Temporary or fixed term contract: Contract with an employee for a limited duration, which ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees).

employment type

Full-time: A ‘full-time employee’ is an employee whose working hours per week, month, or year are defined according to national law or practice regarding working time.

Part-time: A ‘part-time employee’ is an employee whose working hours per week, month, or year are less than full-time.

full-time employee

Full-time: A ‘full-time employee’ is an employee whose working hours per week, month, or year are defined according to national law or practice regarding working time.

governance body

formalized group of individuals responsible for the strategic guidance of the organization, the effective monitoring of management, and the accountability of management to the broader organization and its stakeholders.

grievance

perceived injustice that evokes an individual’s or a group’s sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness among the aggrieved communities.

Commented [SD28]: Type of change: editorial revision (Glossary terms replaced for accuracy)

The terms ‘employment contract’ and ‘employment type’ have been deleted from the disclosures. Instead, separate entries have been included for:

• permanent employee
• temporary employee
• full-time employee
• part-time employee
• non-guaranteed hours employee

These terms more accurately represent the requirement in the ACT-2 and ACT-2 disclosures revised after PCP.
grievance mechanism

A routinized process through which grievances can be raised and remedy can be sought.


The definition of ‘grievance mechanism’ has been excluded from the Universal Standards Glossary list (but not from the GRI Standards Glossary). This definition is not relevant to the Universal Standards where the term ‘indigenous peoples’ is only used in examples and not in disclosure requirements.
Note: See Guidance to SPP.2-b-i in GRI 102: About the Organization for more information on ‘human rights’.

Note 1: Human rights are rights inherent to all human beings, regardless of nationality, place of residence, sex, national or ethnic origin, color, religion, language, or any other status. These rights are all interrelated, interdependent, and indivisible.

Note 2: UN instruments elaborate further on the rights of indigenous peoples: women, national or ethnic, religious and linguistic minorities; children; persons with disabilities; and migrant workers and their families. There are also standards of international humanitarian law that apply in situations of armed conflict, such as the Geneva Conventions of 1949. See the Office of the United Nations High Commissioner for Human Rights’ non-exhaustive list of universal human rights instruments, https://www.ohchr.org/EN/ProfessionalInterest/Pages/UniversalHumanRightsInstruments.aspx, accessed on 6 May 2020.


local community

individuals or groups of individuals living and/or working in areas that are affected, or that could be, affected by the organization’s activities and decisions.

Note: The local community can range from individuals those living adjacent to the organization’s operations, to those living at a distance, who are still likely to be affected by these operations.

material topic

topic that represents the organization’s most significant impacts on the economy, environment, and people, including impacts on human rights.
Note: See Section 2.3.3 in GRI 101: Using the GRI Standards and Section 2.1 in GRI 103: Material Topics for more information on 'material topic'.

mitigation

action(s) taken to reduce the extent of a negative impact

Note 1: The mitigation of an actual negative impact refers to actions taken to reduce the extent of the negative impact that has occurred, with any residual impact needing remediation. The mitigation of a potential negative impact refers to actions taken to reduce the likelihood of the negative impact occurring.


non-guaranteed hours employee

employee who is not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may be required to make themselves available for work as the need arises.

Examples: casual employees, employees with zero-hour contracts, on-call employees.


part-time employee

Part-time: A 'part-time employee' is an employee whose working hours per week, month, or year are less than the number of working hours for full-time employees.

permanent employee

Permanent or indefinite contract: Contract with an employee with a contract for an indeterminate period (i.e., indefinite contract), for full-time or part-time work, for an indeterminate period.

product

article or substance that is offered for sale or is part of a service delivered by the organization.

remediation

provision of remedy

Note: This definition is based on the United Nations (UN), The Corporate Responsibility to Respect Human Rights: An Interpretive Guide, 2012.

remedy / remediation

means to counteract or make good a negative impact / provision of remedy

Note 1: Remedy can take a range of forms, such as examples: apologies, restitution, restoration, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.


**Note 1:** Examples: The reporting period can be, for example, the fiscal year, or the calendar year.

**Note 2:** Unless otherwise stated, the GRI Standards require information for the reporting period.


**Note 1:** Common categories of stakeholders for organizations include: business partners, civil society organizations, consumers, customers, employees and other workers, governments, local communities, non-governmental organizations, shareholders and other investors, suppliers, trade unions, and vulnerable groups.

Note 2: This definition is based on the Organisation for Economic Co-operation and Development (OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018.

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**Commented [SD31]:** Type of change: editorial revision

Definition of ‘sector’ has been deleted from the Glossary as it is a commonly understood term. Change implemented in consultation with the Sector Program team.

**Commented [SD32]:** Type of change: editorial revision

Definition of ‘service’ has been deleted from the Glossary as it is a commonly understood term. Additionally, the definition provided in the Glossary did not provide any specific information on the term that is vital for the purpose of reporting.

**Commented [SD33]:** Type of change: editorial revision

The definition of ‘severity’ has been deleted from the Glossary. The term ‘severity’ is not used in the requirements. Severity, as well as likelihood, are explained in detail in Section 2 of GRI 103 when explaining how organizations should assess the significance of their impacts. The content under this Glossary entry is covered there. Everywhere the term ‘severity’ is used in the Standards, a reference will be added to Section 2 where it is explained.
supplier

entity **upstream from the organization** (i.e., in the organization’s **supply chain**), which provides a product or service that **contributes to** used in the development of the organization’s own products or services.

**Note 1:** Examples of suppliers include brokers, consultants, contractors, distributors, franchisees, home workers, independent contractors, licensees, manufacturers, primary producers, sub-contractors, and wholesalers.

**Note 2:** A supplier can have a direct **business relationship** with the organization (often referred to as first-tier supplier) or an indirect business relationship.

**supply chain**

range of activities carried out by entities upstream from the organization’s **value chain**, which provide products or services that contribute to are used in the development of the organization’s own products or services.

**sustainable development / sustainability**

development that meets the needs of the present without compromising the ability of future generations to meet their own needs.


**Note 1:** Sustainable development encompasses broader economic, environmental, and societal interests, rather than the individual interests of organizations.

**Note 2:** In the GRI Standards, the terms ‘sustainability’ and ‘sustainable development’ are used interchangeably.

**Note 3:** This definition comes from the World Commission on Environment and Development, *Our Common Future*, 1987.

**temporary employee**

Temporary or fixed term contract: *Contract with an employee with a contract for a limited duration period (i.e., fixed term contract), that which ends when the specific time period expires, or when the specific task or event that has an attached time estimate is completed (e.g., the end of a project or return of replaced employees).*

**termination payment**

all payments and benefits given to a departing senior executive or member of the highest governance body whose appointment is terminated.

**Note:** Termination payments extend beyond monetary payments to giving of property as well as automatic or accelerated vesting of incentives given in connection with a person’s departure from a position.

**under-represented social group**

group of individuals who are less represented within a subset (e.g., a body or committee, employees of an organization) population that, relative to its numbers in a given society, the general population, and who therefore, have less opportunity to express their economic, social, or political needs and views.

**Note 1:** Under-represented social groups may include minority groups.
Note 2: The specific groups included under this definition depend on the organization’s operating context and are not uniform for every organization.

value chain
range of activities carried out by the organization, and other entities upstream and downstream from the organization, which convert input into output by adding value throughout the life cycle of the organization’s product or service, from its conception to its end use. The Entities upstream from the organization (e.g., suppliers) provide products or services that contribute to or are used in the development of the organization’s own products or services. The Entities downstream from the organization (e.g., distributors, customers) receive products or services from the organization.

Note 2: The value chain includes the organization’s own activities, as well as activities carried out by entities upstream and downstream from the organization in relation to the organization’s products and services. Supply chain.

vulnerable group
group of individuals with some specific economic, physical, political, or social condition or characteristic that could experience negative impacts as a result of the organization’s activities and decisions more severely than others in the general population.

Note 1: Examples: Vulnerable groups can include children and youth, elderly persons, ethnic minorities, ex-combatants, HIV/AIDS-affected households, human rights defenders, indigenous peoples, internally displaced persons, migrant workers and their families, national or ethnic, religious and linguistic minorities; persons who might be discriminated against based on their sexual orientation, gender identity, gender expression, or sex characteristics (e.g., lesbian, gay, bisexual, transgender, intersex); people with disabilities; and refugees or returning refugees; women.

Note 2: Vulnerabilities and impacts can differ by gender.

worker
person that performs work for the organization.

Note 1: Examples: Workers include, but are not limited to, employees. Further examples of workers include interns, apprentices, self-employed persons, and persons working for organizations other than the reporting organization, e.g., for suppliers.

Note 2: In the context of the GRI Standards, in some cases it is specified whether a particular subset of workers is to be used.
## Annex 2. Public comments on Glossary and terminology

<table>
<thead>
<tr>
<th>No.</th>
<th>Comment</th>
<th>Name of organization or individual</th>
<th>Country</th>
<th>Stakeholder group</th>
<th>Submission type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>For the section of key concept could need more clarification and also with the relation with the glossary. The items in the key concepts section could be although included in the glossary.</td>
<td>AG Sustentable</td>
<td>Argentina</td>
<td>Consultant</td>
<td>On behalf of an organization, group or institution</td>
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<td>2</td>
<td>ACT-2-d: May need to define “significant” in a clearer manner.</td>
<td>Allied Environmental Consultants</td>
<td>Hong Kong</td>
<td>Consultant</td>
<td>On behalf of an organization, group or institution</td>
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<tr>
<td>3</td>
<td>We further note that the definition of stakeholders has been aligned with that of the OECD due diligence guidance for RBC and appreciate the efforts in the definition of stakeholder included in the glossary to make clearer the connection between interest and rights. We are however concerned that the connection between interests and rights is not clearly defined and communicated. From a human rights perspective we find that there is a need to state more explicitly that potentially affected individuals and groups (or rights holders) should automatically be considered as part of the organization’s stakeholders. Notably, rightsholders have human rights, that it is the duty of the reporting organization to respect, even when these rightsholder are not identifying these as “interests”. There is an important distinction between rightsholders, whose human rights and maybe interests, are at stake and other stakeholders such as businesses, local government who have “interests”. Interest is a subjective notion whereas human rights instruments define the content of these rights. We recommend deleting Note 1 in the definition of stakeholder included.</td>
<td>Danish Institute for Human Rights</td>
<td>Denmark</td>
<td>Other (please specify): - national human rights institution</td>
<td>On behalf of an organization, group or institution</td>
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<td>in the glossary as it seems to suggest that rights can be reduced to interests and also suggest line 196-229 is revised in accordance with input shared above. We recommend that the short definition included in e.g. key concepts section is revised to say ‘individual or group that has an interest or right(s) that is/are, or could be, affected by the organization’s activities and decisions’. We also recommend that an explicit connection is made in the definition of stakeholders to the concept of (potentially) affected rightsholders and that the definition explicitly includes language on how interests and rights are distinct. We finally recommend that clarifications are consistently included directly in the Key Concept section as well as in the Glossary.</td>
<td>ERM</td>
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<tr>
<td>4</td>
<td>We ask GRI to clarify that sustainable development include both the interests of the economy, environment, and society as well as the interests of organizations.</td>
<td>ERM</td>
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<td>5</td>
<td>GRI should define “operations” to enable better comparability across companies, especially within an industry, and then have a company provide any revisions to that definition, if needed. Several of our clients have found it challenging to define operations without guidance from GRI.</td>
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<td>6</td>
<td>Is more guidance required under what is meant by “a minority interest” in order to ensure that gaps in reporting do not occur?</td>
<td>Forest Peoples Programme United Kingdom Non-government organization</td>
<td>On behalf of an organization, group or institution</td>
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<td>7</td>
<td>The suggestion is to include in the glossary a definition of diversity which considers disability.</td>
<td>Fundación ONCE Spain Foundation</td>
<td>On behalf of an organization, group or institution</td>
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<td>8</td>
<td>The standard requires disclosure of impacts on ‘human rights’ but does not define this term in the glossary. Instead it refers to ‘internationally recognised human rights as currently defined in the glossary’. So how are organisations to know what ‘human rights’ they are</td>
<td>Hong Kong University of Science and Technology Hong Kong</td>
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<td>need to comply with in order to be in accordance with the GRI Standard? Suggested solutions: (1) change the glossary definition to 'Human rights' being 'internationally recognised human rights'; OR (2) change the glossary definition to 'Human rights' being 'the higher of (a) internationally recognised human rights' and (b) human rights in accordance with the jurisdiction in which it is operating.</td>
<td>Hong Kong University of Science and Technology</td>
<td>Hong Kong</td>
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<td>9</td>
<td>Reorder glossary with key word (generally the noun) first followed by qualifiers (often adjectives). For example all definitions relating to impacts should start 'Impact, xxx'. That way entries on different aspects of 'Impact' are grouped together and easier to understand.</td>
<td>Hong Kong University of Science and Technology</td>
<td>Hong Kong</td>
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<td>10</td>
<td>ADD: all eight 'Principles', all four 'Key Concepts' to the Glossary. NB: This might be done by a brief description followed by a reference to the page in the standards where the full definition is provided.</td>
<td>Hong Kong University of Science and Technology</td>
<td>Hong Kong</td>
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<tr>
<td>11</td>
<td>We recommend that you clarify the definition of 'worker'. It is not clear when a non-employee contractor should be considered (e.g., where they dedicate above a certain percentage of time in the year working for the company). Where significant judgement is required to determine the scope of the 'workers' of an entity, an entity should disclose the basis of the determination.</td>
<td>PwC</td>
<td>United Kingdom</td>
<td>Assurance provider</td>
<td>On behalf of an organization, group or institution</td>
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<td>12</td>
<td>Changes in this section (GRI 101) are generally welcome and provide better clarity and direction (esp the requirement to identify what metrics/indicators will be used to measure impact). However, the shift to value chain needs to be described in more detail especially the concept of value chain +1, to avoid ambiguity of interpretations.</td>
<td>RGE Pte Ltd</td>
<td>Singapore</td>
<td>Business</td>
<td>As an individual</td>
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<td></td>
<td>Suggestion to add:</td>
<td>self-employed</td>
<td>Brazil</td>
<td>Consultant</td>
<td>As an individual</td>
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<td>13</td>
<td>Dispute resolution mechanism</td>
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<td>Instance of non-compliance</td>
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<td>Meaningful stakeholder engagement</td>
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<td>14</td>
<td>All the three GRI Standards are now more in clarity, concretized and user friendly. All the specific terms should be well-defined and included in the glossary for easy reference.</td>
<td>Universiti Malaya Sustainability &amp; Living Labs Secretariat (UMSLLS)</td>
<td>Malaysia</td>
<td>-</td>
<td>-</td>
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<td>15</td>
<td>Line 3023 states that impacts include both negative and positive, but there are only definitions on negative impact (line 2920, 2947, 2954). Please consider a glossary on positive impact.</td>
<td>Vitasoy International Holdings Ltd</td>
<td>-</td>
<td>-</td>
<td>-</td>
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