### Item 06 – GRI Universal Standards Project – Revised GRI 101: Section 4. Reporting principles

**For GSSB discussion**

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<td>Description</td>
<td>This document presents the revised draft of Section 4. Reporting principles in <em>GRI 101: Using the GRI Standards</em> following the public comment feedback. 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 has been included in the Annex. Item 07 – GRI Universal Standards Project – Public comment feedback on reporting principles includes the public comments received on the reporting principles section.</td>
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This document has been prepared by the GRI Standards Division and is made available to observers at meetings of the Global Sustainability Standards Board (GSSB). It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard setting body of GRI. For more information visit [www.globalreporting.org](http://www.globalreporting.org).
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5 **Explanatory note**

6 The following significant revisions have been made in response to public comment feedback:

7 • Revised the formulation of the Accuracy reporting principle following a contradiction with the text of the guidance that was identified, see lines 37-38.
8 • Revised the guidance to the Accuracy reporting principle following the view that an organization should maintain high levels of accuracy regardless of the needs of the users, see lines 44-45.
9 • Revised the guidance to the Sustainability context reporting principle following views to retain explicit reference to thresholds- and norms-based authoritative instruments, see lines 141-171.

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

17 **Revised section 4. Reporting principles**

18 The reporting principles are fundamental to achieving high-quality sustainability reporting. The organization is required to apply the reporting principles to be able to claim that it has prepared information in accordance with the GRI Standards (see Section 3.1 of this Standard).

19 The reporting principles guide organizations in ensuring the quality and proper presentation of the reported information. Quality information enables information users to make sound assessments of the organization’s impacts and aids in decision-making.

20 Each reporting principle consists of a requirement and guidance on how to apply it.

21 **Overview of principles**

22 • Accuracy
23 • Balance
24 • Clarity
25 • Comparability
26 • Completeness
27 • Sustainability context
28 • Timeliness
29 • Verifiability

30 **Accuracy**

31 **Requirement**

32 a. The organization shall report information that is correct and sufficiently detailed to enable the assessment of the organization’s impacts.

Commented [SD1]: Type of change: revision following public comment feedback. Original wording: “that is factually correct”. Changed to avoid contradiction given that some reported information will include estimations.

33
Guidance

The characteristics that define accuracy vary depending on the nature of the information (qualitative or quantitative) and the intended use of the information. The accuracy of quantitative information can depend on the specific methods used to gather, compile, and analyze data. The accuracy of qualitative information can depend on its level of detail and consistency with available evidence. Information users require sufficient detail in order to make assessments about the organization’s impacts.

To apply the Accuracy principle, the organization should:

- report qualitative information that is consistent with available evidence and other reported information;
- indicate which data has been measured;
- adequately describe data measurements and bases for calculations, and ensure it is possible to replicate measurements and calculations with similar results;
- ensure that the margin of error for data measurements does not inappropriately influence the conclusions or assessments of information users;
- indicate which data has been estimated, and explain the underlying assumptions and techniques used for the estimation as well as any limitations.

Balance

Requirement

a. The organization shall report information in an unbiased way and provide a fair representation of the organization’s negative and positive impacts.

Guidance

To apply the Balance principle, the organization should:

- not omit relevant information concerning its negative impacts;
- not overemphasize positive news or impacts;
- present information in a way that allows information users to see negative and positive year-on-year trends in impacts;
- distinguish clearly between facts and the organization’s interpretation of the facts;
- avoid presenting information in a way that is likely to inappropriately influence the conclusions or assessments of information users.

Clarity

Requirement

a. The organization shall present information in a way that is accessible, understandable, and usable.

Guidance

To apply the Clarity principle, the organization should:

- take into account specific accessibility needs of information users, associated with abilities, language, and technology;
• present information in a way that users are able to find the information they want without unreasonable effort, for example, through a table of contents, maps, or links;
• present information in a way that it can be understood by users who have reasonable knowledge of the organization and its activities;
• avoid abbreviations, technical terms, or other jargon likely to be unfamiliar to users or, if these are used, include relevant explanations in the appropriate sections or in a glossary;
• report information in a concise way and aggregate information where useful without omitting necessary details;
• use graphics and consolidated data tables to make information accessible and understandable.

**Comparability**

**Requirement**

a. The organization shall select, compile, and report information in a consistent manner, to enable an analysis of changes in the organization’s impacts over time and an analysis of these impacts relative to those of other organizations.

**Guidance**

Comparability allows an organization to assess its progress. It is also necessary for external parties to assess and benchmark the organization’s progress as part of rating activities, investment decisions, and advocacy programs.

To facilitate comparability, it is important for the organization to maintain consistency in the methods used to calculate data, in the report layout, and in explanations of methods and assumptions used to prepare the reported information. This allows for evaluating an organization’s current impacts against its past impacts and its goals and targets, and against the impacts of other organizations.

To apply the Comparability principle, the organization should:

• present information for the current reporting period and at least two previous periods, as well as any goals and targets that have been set;
• use generally accepted international metrics (e.g., kilograms or liters), and standard conversion factors and protocols, where applicable, for compiling and reporting information;
• maintain consistency in the methods used to measure and calculate data and in how these methods are described;
• maintain consistency in the manner of presenting information, and explain the methods and assumptions used to prepare the information;
• report total numbers or absolute data (e.g., metric tons of CO₂ equivalent) as well as ratios or normalized data (e.g., CO₂ emissions per unit produced) to enable comparisons, and provide explanatory notes when using ratios;
• provide contextual information (e.g., organization’s size, geographic location) that helps information users understand the factors that contribute to differences between the organization’s impacts and the impacts of other organizations;
• if there are changes in the information reported by the organization for its identified material topics, in the length of the reporting period, or in other elements of reporting, such as the definitions used, present the current disclosures alongside restatements of historic data to enable comparisons. The organization is required to explain any restatements of information from previous reporting periods and their effect and report the reasons for such restatements under Disclosure REP-4 in GRI 102: About the Organization;
if restatements of historic data are not provided, explain the changes to provide contextual information for interpreting the current disclosures.

Completeness

Requirement

a. The organization shall provide sufficient information to enable an assessment of the organization’s impacts during the reporting period.

Guidance

To apply the Completeness principle, the organization should:

• not omit information that is necessary for understanding the organization’s impacts;
• present activities, events, and impacts for the reporting period in which they occur. This includes reporting on activities that have a minimal impact in the short-term, but a reasonably foreseeable cumulative impact that can become unavoidable or irreversible in the long-term (e.g., activities that generate bio-accumulative or persistent pollutants).

If the organization consists of multiple entities (i.e., a parent entity and its subordinate entities), the organization is required to explain the approach used for consolidating the information under REP-2-c in GRI 102: About the Organization.

If gaps are identified in collecting information (e.g., when information is not available for all relevant activities or entities, or is incomplete), the organization is required to identify and explain these gaps when reporting in accordance with the GRI Standards. See Requirement A-5-b in Section 3.1 of this Standard.

Sustainability context

Requirement

a. The organization shall report information on its impacts in the wider context of sustainable development.

Guidance

The objective of sustainability reporting is to provide transparency on how an organization contributes or aims to contribute to sustainable development, which ‘meets the needs of the present without compromising the ability of future generations to meet their own needs’1. For this reason the organization needs to assess and report information on its impacts in the broader context of sustainable development.

To apply the Sustainability context principle, the organization should:

• draw on societal expectations as well as objective information and authoritative measures on sustainable development, where available, when reporting on its impacts (e.g., scientific research or consensus on ecological limits);
• report on its impacts in relation to sustainable development goals and conditions (e.g., the limits and demands placed on environmental resources, and social and economic objectives and goals);
• report information on its impacts, as reflected in recognized sector-specific, local, regional, or global instruments (e.g., reporting total GHG emissions as well as reductions in GHG

emissions in relation to the goals set out in the United Nations Framework Convention on Climate Change [UNFCCC] Paris Agreement);

- report information on its impacts in relation to expectations of responsible business conduct set out in internationally recognized instruments with which the organization is expected to comply (e.g., OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights);
- if operating in a range of locations, report information in a way that communicates its impacts in relation to appropriate local contexts (e.g., reporting total water use as well as water use relative to the sustainable thresholds and the social context of given catchments).

The sustainability context provides the organization with critical information for identifying and reporting on its material topics and related impacts (see GRI 103: Material Topics). The GRI Sector Standards describe the sustainability context for organizations in a given sector.

**Timeliness**

**Requirement**

a. The organization shall report information on a regular schedule and make it available in time for information users to make decisions.

**Guidance**

The usefulness of information is closely tied to whether it is available in time for information users to integrate it into their decision-making. The Timeliness principle refers to how regularly as well as how soon after the reporting period the information is published.

To apply the Timeliness principle, the organization should:

- balance the need to make information available in a timely manner with the need to ensure that the information is of high quality and meets the requirements under the other reporting principles;
- ensure consistency in the frequency of reporting and the length of reporting periods;
- clearly indicate the time period covered by the reported information;
- indicate when the reported information was last updated and when it will be updated next.

See Section 5.1 of this Standard for information on aligning the reporting periods and publishing schedules of sustainability reporting with other types of reporting.

**Verifiability**

**Requirement**

a. The organization shall gather, record, compile, and analyze information in a way that the information can be examined to establish its credibility.

**Guidance**

It is important that the reported information can be examined to establish its credibility and to determine the extent to which the reporting principles have been applied.

To apply the Verifiability principle, the organization should:

- ensure that individuals other than those preparing the reported information (e.g., internal auditors, external assurance providers) are able to review the supporting internal controls and documentation;
• document the decision-making processes underlying the organization’s sustainability reporting in a way that allows for the examination of the key decisions and processes, such as the identification of material topics;

• if the organization designs information systems for its sustainability reporting, design these systems in a way that they can be examined as part of an external assurance process;

• be able to identify the original sources of the reported information and provide reliable evidence to support assumptions or calculations;

• be able to provide representation from the original sources of the reported information attesting to the accuracy of the information within acceptable margins of error;

• avoid including information that is not substantiated by evidence, unless it is relevant for understanding the organization’s impacts;

• provide unambiguous explanations of any uncertainties associated with the reported information.

See Section 5.2 of this Standard for more information on enhancing the credibility of sustainability reporting.
Annex. Revisions with track changes

The reporting principles are fundamental to achieving high-quality sustainability reporting. The organization is required to apply the reporting principles to be able to claim that it has prepared information in accordance with the GRI Standards (see Section 3.1 of this Standard).

The reporting principles guide organizations in ensuring the quality and proper presentation of the reported information. Quality information enables information users to make sound assessments of the organization’s impacts and aids in decision-making.

Each reporting principle consists of a requirement and guidance on how to apply it.

Overview of principles
- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability context
- Timeliness
- Verifiability

Accuracy

Requirement

a. The organization shall report information that is factually correct and sufficiently detailed to enable the assessment of the organization’s impacts.

Guidance

The characteristics that define accuracy vary depending on the nature of the information (qualitative or quantitative) and the intended use of the information. The accuracy of qualitative information can depend on the specific methods used to gather, compile, and analyze data. The accuracy of qualitative information can depend on its level of detail and consistency with available evidence. Information users require sufficient detail in order to make assessments about the organization’s impacts. Certain information users require higher levels of accuracy than others.

To apply the Accuracy principle, the organization should:
- report qualitative information that is consistent with available evidence and other reported information;
- indicate which data has been measured;
- adequately describe data measurements and bases for calculations, and ensure it is possible to replicate measurements and calculations with similar results;
- ensure that the margin of error for data measurements does not inappropriately influence the conclusions or assessments of information users;
- indicate which data has been estimated, and explain the underlying assumptions and techniques used for the estimation, as well as any limitations.
Balance

Requirement

a. The organization shall report information in an unbiased way and provide a fair representation of the organization’s negative and positive impacts.

Guidance

To apply the Balance principle, the organization should:

- not omit relevant information concerning its negative impacts;
- not overemphasize positive news or impacts;
- present information in a way that allows information users to see negative and positive year-on-year trends in impacts on a year-to-year basis;
- distinguish clearly between facts and the organization’s interpretation of the facts;
- avoid presenting information in a way that is likely to inappropriately influence the conclusions or assessments of information users.

Clarity

Requirement

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Guidance

To apply the Clarity principle, the organization should:

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- present information in a way that it can be understood by users who have a reasonable knowledge of the organization and its activities;
- avoid abbreviations, technical terms, acronyms, or other jargon likely to be unfamiliar to users, and/or, if these are used, include relevant explanations in the appropriate sections or in a glossary;
- report information in a concise way and aggregate information where useful, without omitting necessary details (i.e., provide the level of detail required by users);
- use graphics and consolidated data tables to make information accessible and understandable.

Comparability

Requirement

a. The organization shall select, compile, and report information in a consistent manner, to enable the analysis of changes in the organization’s impacts over time and the analysis of these impacts relative to other organizations.
Guidance

Comparability is necessary for evaluating an organization’s current impacts against its past impacts and its goals and targets, and against the impacts of other organizations.

Consistency. Comparability allows an organization to assess its progress. It allows it also necessary for assessing progress, external parties to assess and benchmark the organization’s progress and for benchmarking, by the organization or external parties, as part of rating activities, investment decisions, and advocacy programs, among other activities.

To facilitate comparability, it is important for the organization to maintain consistency in the methods used to calculate data, in the report layout, and in explanations of methods and assumptions used to prepare the information. This allows for evaluating an organization’s current impacts against its past impacts and its goals and targets, and against the impacts of other organizations.

To apply the Comparability principle, the organization should:

• present information for the current reporting period and at least two previous periods, as well as any goals and targets that have been set;
• use generally accepted international metrics (e.g., kilograms or liters), and standard conversion factors and protocols, where applicable, for compiling and reporting information;
• maintain consistency in the methods used to measure and calculate data and in how these methods are described;
• maintain consistency in the manner of presenting information, and explain the methods and assumptions used to prepare the information;
• use generally accepted international metrics (e.g., kilograms or liters), standard conversion factors, and protocols, where applicable, for compiling and reporting information, and describe the bases for measurements and calculations where this is not apparent;
• report total numbers or absolute data (e.g., metric tons of CO₂ equivalent) as well as ratios or normalized data (e.g., CO₂ emissions per unit produced) to enable comparisons, and provide explanatory notes when using ratios;
• provide contextual information (e.g., organization’s size, geographic location) that helps information users understand the factors that contribute to differences between the organization’s impacts and the impacts of other organizations, such as the organization’s size and geographic location;
• if there are changes in the information reported by the organization for its identified material topics, in the length of the reporting period, or in other elements of reporting, such as the definitions used, present the current disclosures alongside restatements of historic data to enable comparisons. The organization is required to explain any restatements of information from previous reporting periods and their effect, and report the reasons for such restatements, under Disclosure REP-4 in GRI 102: About the Organization;
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Completeness

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• not omit information that is necessary for understanding the organization’s impacts;

• present activities, events, and impacts for the reporting period in which they occur. This includes reporting on activities that have a minimal short-term impact in the short-term, but that have a reasonably foreseeable cumulative impact that can become unavoidable or irreversible in the long-term (such as, e.g., activities that generate bio-accumulative or persistent pollutants).

If the organization consists of multiple entities that form a consolidated group (i.e., a parent entity and its subordinate entities), the organization is required to explain the approach used for consolidating the information under See REP-2-c in GRI 102: About the Organization.

If gaps are identified in collecting information (e.g., when information is not available for all relevant activities or entities, or is incomplete), the organization is required to identify and explain these gaps when reporting in accordance with the GRI Standards. See Requirement A-5-b in Section 3.1 of this Standard for more information on reasons for omission.

Sustainability context

Requirement

a. The organization shall report information on its impacts in the wider context of sustainable development.

Guidance

The objective of sustainability reporting is to provide transparency on how an organization contributes, or aims to contribute to sustainable development, which “meets the needs of the present without compromising the ability of future generations to meet their own needs.” For this reason the organization needs to assess and report information on its impacts in the broader context of sustainable development.

To apply the Sustainability context principle, the organization should:

• draw on societal expectations as well as objective information and authoritative measures on sustainable development, where available, when reporting on its impacts (e.g., scientific research or consensus on ecological limits, societal expectations);

• report information on its impacts in relation to internationally-agreed sustainable development goals and conditions (e.g., the limits and demands placed on environmental resources, and social and economic objectives and goals);

• report information on its impacts, as reflected in recognized sector-specific, local, regional, or global instruments (e.g., reporting total GHG emissions as well as reductions in GHG emissions in relation to the goals set with reference to put in the United Nations Framework Convention on Climate Change [UNFCCC] Paris Agreement);

• report information on its impacts with reference in relation to expectations of responsible business conduct set out in internationally recognized instruments with which the organization

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is expected to comply (e.g., OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights);

- if operating in a diverse range of locations, report information in a way that communicates its impacts in relation to appropriate local contexts (e.g., reporting total water use as well as water use relative to the sustainable thresholds and the social context of given catchments).

The organization’s sustainability context provides the organization with critical information for identifying and reporting on its material topics and related impacts (see GRI 103: Material Topics).

The GRI Sector Standards describe the sustainability context for organizations in a given sector.

**Timeliness**

**Requirement**

a. The organization shall report information on a regular schedule and make it available in time for information users to make decisions.

**Guidance**

The usefulness of information is closely tied to whether it is available in time for information users to integrate it into their decision-making. The Timeliness principle refers to how regularly information is reported, as well as how soon after up-to-date the information is in relation to the reporting period the information is published.

To apply the Timeliness principle, the organization should:

- make information available in a timely manner;
- balance the need to make information available in a timely manner with the need to ensure that the information is reliable, high quality and meets the requirements under the other reporting principles;
- ensure consistency in the frequency of reporting and the length of reporting periods;
- clearly indicate the time period covered by the reported information, for example, particularly when presenting information for several periods;
- indicate when the reported information was last updated and when it will be updated next.

See Section 5.1 of this Standard for information on aligning the reporting periods and the publishing schedules of sustainability reporting with other types of reporting.

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To apply the Verifiability principle, the organization should:

- ensure that individuals other than those involved in preparing the reported information (e.g., internal auditors, external assurance providers) are able to review the supporting internal controls and documentation;
• document the decision-making processes underlying the organization’s sustainability reporting in a way that allows for the examination of the key decisions and as well as the processes, such as the identification of material topics;

• if the organization designs information systems for its sustainability reporting, design these systems in a way that they can be examined as part of an external assurance process;

• be able to identify the original sources of the reported information and provide reliable evidence to support assumptions or complex calculations;

• be able to provide representation from the original information sources, of the reported information attesting to the accuracy of the reported information within acceptable margins of error;

• avoid including information that is not substantiated by evidence, unless it is relevant for understanding the organization’s impacts;

• provide unambiguous explanations of any uncertainties associated with the reported information.

See Section 5.2 of this Standard for more information on enhancing the credibility of sustainability reporting.