A. Overview

This Standard is part of the set of GRI Sustainability Reporting Standards (GRI Standards). These Standards are designed to be used by organizations to report about their impacts on the economy, the environment, and society.

The GRI Standards are structured as a set of interrelated, modular standards. The full set can be downloaded at www.globalreporting.org/standards/.

There are three universal Standards that apply to every organization preparing a sustainability report:

GRI 101: Foundation
GRI 102: General Disclosures
GRI 103: Management Approach

**GRI 101: Foundation** is the starting point for using the GRI Standards. It has essential information on how to use and reference the Standards.

An organization then selects from the set of topic-specific GRI Standards for reporting on its material topics. These Standards are organized into three series: 200 (Economic topics), 300 (Environmental topics) and 400 (Social topics).

Each topic Standard includes disclosures specific to that topic, and is designed to be used together with GRI 103: Management Approach, which is used to report the management approach for the topic.

**GRI 205: Anti-corruption** is a topic-specific GRI Standard in the 200 series (Economic topics).

B. Using the GRI Standards and making claims

There are two basic approaches for using the GRI Standards. For each way of using the Standards there is a corresponding claim, or statement of use, which an organization is required to include in any published materials.

1. The GRI Standards can be used as a set to prepare a sustainability report that is in accordance with the Standards. There are two options for preparing a report in accordance (Core or Comprehensive), depending on the extent of disclosures included in the report.

   An organization preparing a report in accordance with the GRI Standards uses this Standard, GRI 205: Anti-corruption, if this is one of its material topics.

2. Selected GRI Standards, or parts of their content, can also be used to report specific information, without preparing a report in accordance with the Standards. Any published materials that use the GRI Standards in this way are to include a ‘GRI-referenced’ claim.

See Section 3 of GRI 101: Foundation for more information on how to use the GRI Standards, and the specific claims that organizations are required to include in any published materials.
C. Requirements, recommendations and guidance

The GRI Standards include:

**Requirements.** These are mandatory instructions. In the text, requirements are presented in **bold font** and indicated with the word ‘shall’. Requirements are to be read in the context of recommendations and guidance; however, an organization is not required to comply with recommendations or guidance in order to claim that a report has been prepared in accordance with the Standards.

**Recommendations.** These are cases where a particular course of action is encouraged, but not required. In the text, the word ‘should’ indicates a recommendation.

**Guidance.** These sections include background information, explanations and examples to help organizations better understand the requirements.

An organization is required to comply with all applicable requirements in order to claim that its report has been prepared in accordance with the GRI Standards. See **GRI 101: Foundation** for more information.

D. Background context

In the context of the GRI Standards, the economic dimension of sustainability concerns an organization’s impacts on the economic conditions of its stakeholders, and on economic systems at local, national, and global levels. It does not focus on the financial condition of an organization.

The Standards in the Economic series (200) address the flow of capital among different stakeholders, and the main economic impacts of an organization throughout society.

**GRI 205** addresses the topic of anti-corruption. In this Standard, corruption is understood to include practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering; the offer or receipt of gifts, loans, fees, rewards, or other advantages as an inducement to do something that is dishonest, illegal, or represents a breach of trust. It can also include practices such as embezzlement, trading in influence, abuse of function, illicit enrichment, concealment, and obstructing justice.

Corruption is broadly linked to negative impacts, such as poverty in transition economies, damage to the environment, abuse of human rights, abuse of democracy, misallocation of investments, and undermining the rule of law. Organizations are expected by the marketplace, international norms, and stakeholders to demonstrate their adherence to integrity, governance, and responsible business practices.

These concepts are covered in key instruments of the Organisation for Economic Co-operation and Development and the United Nations: see **References**.

The disclosures in this Standard can provide information about an organization’s impacts related to corruption, and how it manages them.
This Standard includes disclosures on the management approach and topic-specific disclosures. These are set out in the Standard as follows:

- Management approach disclosures (this section references GRI 103)
- Disclosure 205-1 Operations assessed for risks related to corruption
- Disclosure 205-2 Communication and training about anti-corruption policies and procedures
- Disclosure 205-3 Confirmed incidents of corruption and actions taken

In the context of this GRI Standard, the term ‘business partners’ includes, among others, suppliers, agents, lobbyists and other intermediaries, joint venture and consortia partners, governments, customers, and clients.

1. Management approach disclosures

Management approach disclosures are a narrative explanation of how an organization manages a material topic, the associated impacts, and stakeholders’ reasonable expectations and interests. Any organization that claims its report has been prepared in accordance with the GRI Standards is required to report on its management approach for every material topic, as well as reporting topic-specific disclosures for those topics.

Therefore, this topic-specific Standard is designed to be used together with GRI 103: Management Approach in order to provide full disclosure of the organization’s impacts. GRI 103 specifies how to report on the management approach and what information to provide.

**Reporting requirements**

1.1 The reporting organization shall report its management approach for anti-corruption using GRI 103: Management Approach.
Reporting recommendations

1.2  The reporting organization should disclose the following information:

1.2.1  The organization’s risk assessment procedures for corruption, including the criteria used in the risk assessment, such as location, activity, and sector;

1.2.2  How the organization identifies and manages conflicts of interest that employees or persons linked to the organization’s activities, products, or services may have. Conflicts of interest for the highest governance body are covered in Disclosure 102-25 of GRI 102: General Disclosures;

1.2.3  How the organization ensures that charitable donations and sponsorships (financial and in-kind) that are made to other organizations are not used as a disguised form of bribery. Recipients of charitable donations and sponsorships (financial and in-kind) can include not-for-profit organizations, religious organizations, private organizations, and events;

1.2.4  The extent to which communication and training on anti-corruption is tailored to those governance body members, employees, business partners, and other persons that have been identified as having a high risk of incidents of corruption;

1.2.5  At which stage the training on anti-corruption for governance body members, employees, business partners and other persons that have been identified as having a high risk of incidents of corruption is provided (e.g. when new employees join the organization or when relationships with new business partners are established); and the frequency of the training (e.g. annually or biannually);

1.2.6  Whether the organization participates in collective action to combat corruption, including:

   1.2.6.1  the strategy for the collective action activities;

   1.2.6.2  a list of the collective action initiatives in which the organization participates;

   1.2.6.3  a description of the main commitments of these initiatives.
2. Topic-specific disclosures

Disclosure 205-1
Operations assessed for risks related to corruption

Reporting requirements

The reporting organization shall report the following information:

a. Total number and percentage of operations assessed for risks related to corruption.
b. Significant risks related to corruption identified through the risk assessment.

Guidance

This disclosure can include a risk assessment focused on corruption or the inclusion of corruption as a risk factor in overall risk assessments.

The term ‘operation’ refers to a single location used by the organization for the production, storage and/or distribution of its goods and services, or for administrative purposes. Within a single operation, there can be multiple production lines, warehouses, or other activities. For example, a single factory can be used for multiple products or a single retail outlet can contain several different retail operations that are owned or managed by the organization.

Background

This disclosure measures the extent of the risk assessment’s implementation across an organization. Risk assessments can help to assess the potential for incidents of corruption within and related to the organization, and help the organization to design policies and procedures to combat corruption.
Disclosures 205-2
Communication and training about anti-corruption policies and procedures

Reporting requirements

The reporting organization shall report the following information:

a. Total number and percentage of governance body members that the organization’s anti-corruption policies and procedures have been communicated to, broken down by region.

b. Total number and percentage of employees that the organization’s anti-corruption policies and procedures have been communicated to, broken down by employee category and region.

c. Total number and percentage of business partners that the organization’s anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization’s anti-corruption policies and procedures have been communicated to any other persons or organizations.

d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.

e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.

Reporting recommendations

2.1 When compiling the information specified in Disclosure 205-2, the reporting organization should:

2.1.1 draw from the information used for Disclosure 405-1 in GRI 405: Diversity and Equal Opportunity to identify:

2.1.1.1 the governance bodies that exist within the organization, such as the board of directors, management committee, or similar body for non-corporate organizations;

2.1.1.2 the total number of individuals and/or employees who comprise these governance bodies;

2.1.1.3 the total number of employees in each employee category, excluding governance body members;

2.1.2 estimate the total number of business partners.

Guidance

Background

Communication and training build the internal and external awareness and the necessary capacity to combat corruption.
Disclosure 205-3
Confirmed incidents of corruption and actions taken

Reporting requirements

The reporting organization shall report the following information:

a. Total number and nature of confirmed incidents of corruption.

b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.

c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.

d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

Guidance

Guidance for Disclosure 205-3

For stakeholders, there is an interest in both the occurrence of incidents and an organization’s response to the incidents. Public legal cases regarding corruption can include current public investigations, prosecutions, or closed cases.
Glossary

This Glossary includes definitions for terms used in this Standard, which apply when using this Standard. These definitions 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.

**collective action to combat corruption**

voluntary engagement with initiatives and stakeholders to improve the broader operating environment and culture, in order to combat corruption

**Note:** Collective action to combat corruption can include proactive collaboration with peers, governments and the wider public sector, trade unions and civil society organizations.

**confirmed incident of corruption**

incident of corruption that has been found to be substantiated

**Note:** Confirmed incidents of corruption do not include incidents of corruption that are still under investigation in the reporting period.

**conflict of interest**

situation where an individual is confronted with choosing between the requirements of his or her function and his or her own private interests

**corruption**

‘abuse of entrusted power for private gain’,\(^1\) which can be instigated by individuals or organizations

**Note:** In the GRI Standards, corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the enterprise’s business.\(^2\) This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage.

**employee**

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

**employee category**

breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production)

**Note:** This information is derived from the organization’s own human resources system.

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1 Transparency International
**impact**

In the GRI Standards, unless otherwise stated, ‘impact’ refers to the effect an organization has on the economy, the environment, and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development.

**Note 1:** In the GRI Standards, the term ‘impact’ can refer to positive, negative, actual, potential, direct, indirect, short-term, long-term, intended, or unintended impacts.

**Note 2:** Impacts on the economy, environment, and/or society can also be related to consequences for the organization itself. For example, an impact on the economy, environment, and/or society can lead to consequences for the organization’s business model, reputation, or ability to achieve its objectives.

**material topic**

A topic that reflects a reporting organization’s significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders.

**Note 1:** For more information on identifying a material topic, see the Reporting Principles for defining report content in GRI 101: Foundation.

**Note 2:** To prepare a report in accordance with the GRI Standards, an organization is required to report on its material topics.

**Note 3:** Material topics can include, but are not limited to, the topics covered by the GRI Standards in the 200, 300, and 400 series.

**sector**

A subdivision of an economy, society or sphere of activity, defined on the basis of some common characteristic.

**Note:** Sector types can include classifications such as the public or private sector, and industry specific categories such as the education, technology, or financial sectors.
The following documents informed the development of this Standard and can be helpful for understanding and applying it.

**Authoritative intergovernmental instruments:**


**Other relevant references:**

Legal liability

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