

GRI 416: CUSTOMER HEALTH AND SAFETY 2016

GRI 416

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About this Standard

Responsibility	This Standard is issued by the Global Sustainability Standards Board (GSSB) . Any feedback on the GRI Standards can be submitted to standards@globalreporting.org for the consideration of the GSSB.
Scope	<i>GRI 416: Customer Health and Safety</i> sets out reporting requirements on the topic of customer health and safety. This Standard can be used by an organization of any size, type, sector or geographic location that wants to report on its impacts related to this topic.
Normative references	This Standard is to be used together with the most recent versions of the following documents. GRI 101: Foundation GRI 103: Management Approach GRI Standards Glossary In the text of this Standard, terms defined in the Glossary are <u>underlined</u> .
Effective date	This Standard is effective for reports or other materials published on or after 1 July 2018. Earlier adoption is encouraged.

Note: This document includes hyperlinks to other Standards. In most browsers, using **'ctrl' + click** will open external links in a new browser window. After clicking on a link, use **'alt' + left arrow** to return to the previous view.

Introduction

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 416: Customer Health and Safety is a topic-specific GRI Standard in the 400 series (Social 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.

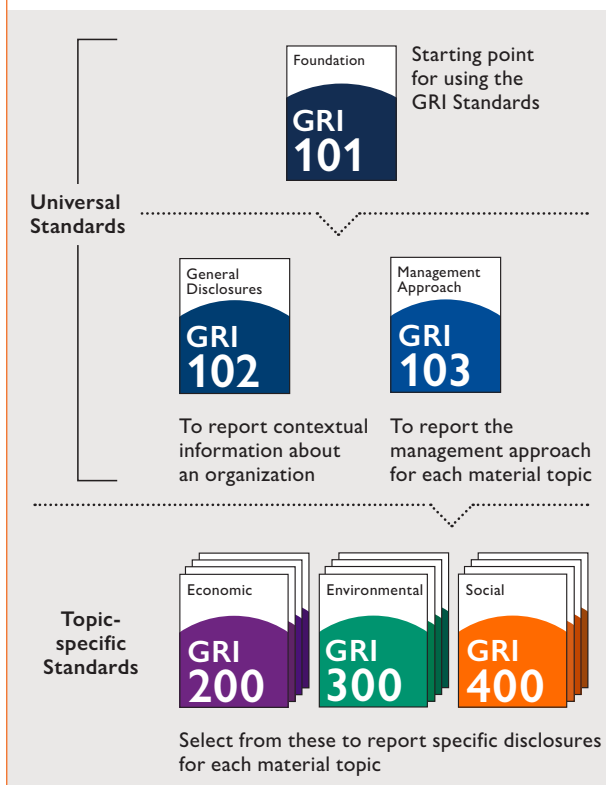
1. The GRI Standards can be used as a set to prepare a sustainability report that is in accordance with the Standards. There are two options for preparing a report in accordance (Core or Comprehensive), depending on the extent of disclosures included in the report.

An organization preparing a report in accordance with the GRI Standards uses this Standard, *GRI 416: Customer Health and Safety*, 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.

Figure 1
Overview of the set of GRI Standards



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 social dimension of sustainability concerns an organization's impacts on the social systems within which it operates.

GRI 416 addresses the topic of customer health and safety, including an organization's systematic efforts to address health and safety across the life cycle of a product or service, and its adherence to customer health and safety regulations and voluntary codes.

These concepts are covered in key instruments of the Organisation for Economic Co-operation and Development: see [References](#).

The disclosures in this Standard can provide information on an organization's impacts related to customer health and safety, and how it manages these impacts.

Additional disclosures that relate to this topic can also be found in:

- [GRI 417: Marketing and Labeling](#)

GRI 416: Customer Health and Safety

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 416-1 Assessment of the health and safety impacts of product and service categories
- Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

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 customer health and safety using [GRI 103: Management Approach](#).

Management approach disclosures

Continued

Guidance

When reporting its management approach for customer health and safety, the reporting organization can also disclose whether the health and safety impacts of products and services are assessed for improvement in each of the following life cycle stages:

- Development of product concept
- Research and development
- Certification
- Manufacturing and production
- Marketing and promotion
- Storage, distribution, and supply
- Use and service
- Disposal, reuse, or recycling

2. Topic-specific disclosures

Disclosure 416-1

Assessment of the health and safety impacts of product and service categories

Reporting requirements

Disclosure
416-1

The reporting organization shall report the following information:

- a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.

Guidance

Guidance for Disclosure 416-1

This measure helps to identify the existence and range of systematic efforts to address health and safety across the life cycle of a product or service. In reporting the information in Disclosure 416-1, the reporting organization can also describe the criteria used for the assessment.

Disclosure 416-2

Incidents of non-compliance concerning the health and safety impacts of products and services

Reporting requirements

The reporting organization shall report the following information:

- a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:
 - i. incidents of non-compliance with regulations resulting in a fine or penalty;
 - ii. incidents of non-compliance with regulations resulting in a warning;
 - iii. incidents of non-compliance with voluntary codes.
- b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.

Disclosure
416-2

2.1 When compiling the information specified in Disclosure 416-2, the reporting organization shall:

- 2.1.1 exclude incidents of non-compliance in which the organization was determined not to be at fault;
- 2.1.2 exclude incidents of non-compliance related to labeling. Incidents related to labeling are reported in [Disclosure 417-2](#) of *GRI 417: Marketing and Labeling*;
- 2.1.3 if applicable, identify any incidents of non-compliance that relate to events in periods prior to the reporting period.

Guidance

Guidance for Disclosure 416-2

The incidents of non-compliance that occur within the reporting period can relate to incidents formally resolved during the reporting period, whether they occurred in periods prior to the reporting period or not.

Background

Protection of health and safety is a recognized goal of many national and international regulations. Customers expect products and services to perform

their intended functions satisfactorily, and not pose a risk to health and safety. Customers have a right to non-hazardous products. Where their health and safety is affected, customers also have the right to seek redress.

This disclosure addresses the life cycle of the product or service once it is available for use, and therefore subject to regulations and voluntary codes concerning the health and safety of products and services.

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.

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

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.

product

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

product or service category

group of related products or services sharing a common, managed set of features that satisfy the specific needs of a selected market

reporting period

specific time span covered by the information reported

Note: Unless otherwise stated, the GRI Standards require information from the organization's chosen reporting period.

service

action of an organization to meet a demand or need

References

The following documents informed the development of this Standard and can be helpful for understanding and applying it.

Authoritative intergovernmental instruments:

1. Organisation for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises*, 2011.

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