Item 22 – Transition to GRI Standards

Mock-up of Sustainability Reporting Standard 4: Reporting Organization

<table>
<thead>
<tr>
<th>Meeting</th>
<th>3-5 November 2015, Amsterdam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
<td>Transition to GRI Standards</td>
</tr>
<tr>
<td>Description</td>
<td>As part of the move to become a standard setter, the Global Sustainability Standards Board (GSSB) has decided that the G4 Guidelines need to be transitioned to Sustainability Reporting Standards (GRI Standards). This paper presents the mock-up of Sustainability Reporting Standard 4: Reporting Organization, formerly the General Standard Disclosures under the Organization Profile and Ethics and Integrity sections of the G4 Guidelines.</td>
</tr>
</tbody>
</table>
Contents

2 Clean version.......................................................................................................................... 3
3 Sustainability Reporting Standard 4: Reporting Organization.................................................. 4

4 Tracked version....................................................................................................................... 21
5 Summary of changes.............................................................................................................. 21
6 Sustainability Reporting Standard 4: Reporting Organization.................................................. 23
Clean version

**About this version**

This section presents a clean version of Sustainability Reporting Standard 4: Reporting Organization, formerly the General Standard Disclosures under the Organization Profile and Ethics and Integrity sections of the G4 Guidelines.

For an overview of the changes applied, see the ‘Summary of changes’ on page 21 of this paper. This summary is to be read in conjunction with Item 18 – Transition to GRI Standards – Proposals and mock-ups in development, available for download on the GRI website (www.globalreporting.org).

New text in the mock-ups is a work-in-progress, and will continue to evolve. It is not a final proposal for wording. Instead, it is intended to convey the type of information that users will need. It is also a place to ‘trial’ different terms and formulations.

Decisions about the text, and firm proposals for it, will be made during the forthcoming phase of editorial review. This will include decisions on the tone of voice to be used in the GRI Standards, and the preferred ways to construct sentences and express ideas.

The use of verbs in the GRI Standards will also be covered during the editorial review. In G4, verbs such as ‘can’, ‘may’ or ‘might’ are used interchangeably. In keeping with standard-setting practice, these verbs will be given fixed meanings in the GRI Standards. Each mock-up has a section where the proposed meanings are explained.

In the mock-ups, these meanings have not yet been applied throughout the original G4 text. The editorial review will include an assessment of the intended meaning behind each verb used interchangeably in G4, and any repercussions that might arise from changing it.

The mock-ups use the standard GRI branding. The GRI Standards will have distinct branding, design and layout, including visuals and infographics.

**GSSB decisions**

**Status of additional disclosure requirements contained within G4 guidance**

The GSSB is asked to decide whether the guidance of disclosure requirements G4-57 and G4-58 (see line numbers 382-401 and 407-429) should be mandatory or optional for this GRI Standard. If it is optional, it can be either presented within this GRI Standard (using formulations such as ‘organizations are encouraged to disclose…’) or in a separate guidance document.

**Eliminating the unnecessary duplication of G4 content**

The GSSB is asked to decide whether disclosure requirements G4-57 on mechanisms for seeking advice on ethical and lawful behavior and G4-58 on mechanisms for reporting concerns about unethical or unlawful behavior (see line numbers 378-401 and 402-429) can be merged into one disclosure requirement, to reduce the duplication within the guidance text.
Sustainability Reporting Standard 4: Reporting Organization: [Publication Year]
Summary information for users of this GRI Standard

This Sustainability Reporting Standard (GRI Standard) is issued by the Global Sustainability Standards Board (GSSB). It is part of the set of GRI Sustainability Reporting Standards, or SRSs.

The GSSB is an independent operating entity within GRI. It has responsibility for setting globally-accepted sustainability reporting standards, according to a formally-defined due process, exclusively in the public interest.

The GSSB also develops materials to support and improve the use of the SRSs. This includes Guidance publications, FAQ documents and Interpretations, with the latter also developed according to due process. As a component of the due process, Basis for Conclusions documents are created for each GRI Standard.

The SRSs are designed to be used by organizations for compiling and reporting sustainability information. The SRSs:

- set out disclosure requirements for sustainability information
- specify Reporting Principles, methods and practices to adhere to when formulating the disclosures

The SRSs are suitable for use by organizations of any size, type, sector or geographical location.

Using the SRSs in conjunction

Each GRI Standard in the set of SRSs has been designed to be used in conjunction with others. The exact combination of SRSs to be used by an organization depends on whether the organization is:

- preparing a report ‘in accordance’ with the SRSs, or
- making use of individual SRSs to report on a particular topic or topics

This GRI Standard is used in conjunction with the following SRSs, which are necessary for its application:

- SRS 1: Conceptual Framework
- SRS 2: Content Principles
- SRS 3: Quality Principles

SRS 1: Conceptual Framework gives essential information on using the SRSs. SRS 2: Content Principles and SRS 3: Quality Principles set out the Reporting Principles which underpin the practice of sustainability reporting, guiding choices on which information to report and how.

Therefore, organizations are required to be familiar with SRS 1, SRS 2 and SRS 3 before using any other GRI Standard.

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1 Where the term ‘sustainability’ is used in the SRSs, it is intended to be understood as sustainable development. See the World Commission on Environment and Development. Our Common Future. Oxford: Oxford University Press, 1987, p.43.
This GRI Standard is part of the group of SRSs which elicit information about the organization and its approaches to reporting. These SRSs are applicable to all organizations preparing sustainability reports. Therefore, this GRI Standard is likely to be used in conjunction with the other SRSs in this group, which are:

- SRS 5: Governance
- SRS 6: Stakeholder Engagement
- SRS 7: Reporting Practice (working title)
- SRS 8: Strategy and Analysis

Complete information on the combined use of SRSs is given in SRS 1: Conceptual Framework.
All text in a GRI Standard has equal authority.

Disclosure requirements in this GRI Standard are presented in **bold** font. Each disclosure requirement also has a unique identifier (e.g., SRS4-1, SRS4-2).

The specified methods and practices for formulating each disclosure are presented in regular font, following the disclosure requirements. Methods and practices that apply to all the Indicators in a GRI Standard are presented at the start of the Indicators section.

The verbs used in the text have the following meanings:

- **Can** = Capability: a particular scenario or course of action is achievable or applicable.
- **May** = Permission: a particular scenario or course of action is permitted when using the GRI Standard.
- **Might** = Possibility: a particular scenario or course of action is possible.
- **Should** = Recommendation: a particular scenario or course of action is recommended and encouraged.

Where a term is defined in the Terms and Definitions section of a GRI Standard, organizations are to adhere to that definition.

Where a document is referenced without its date of publication, the reference applies to the most recent edition.
Contents

105 Purpose ................................................................................................................................. 9
106 Terms and Definitions ............................................................................................................ 10
107 General Disclosures ............................................................................................................ 13
108 Organizational Profile .......................................................................................................... 13
109 Ethics and Integrity ............................................................................................................... 17
110 References ............................................................................................................................ 20
Purpose

112 1  This GRI Standard sets out disclosure requirements about the reporting organization. It specifies the methods and practices for formulating the disclosures, and gives background information to aid general understanding.

115 2  This GRI Standard is part of the group of SRSs which elicit information about the organization and its approaches to reporting.

117 3  The disclosures required by this GRI Standard give an overview of organizational characteristics, including ethics, in order to provide context for subsequent, more detailed reporting using other SRSs.
Terms and Definitions

Collective bargaining agreements

Binding collective bargaining agreements include those signed by the organization itself or by employer organizations of which it is a member. These agreements can be at the sector, national, regional, organizational, or workplace level.

Employee

An individual who is, according to national law or practices, recognized as an employee of the organization.

Employment contract

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

Indefinite or permanent contract: A permanent employment contract is a contract with an employee for full-time or part-time work for an indeterminate period.

Fixed term or temporary contract: A fixed term employment contract is an employment contract that ends when a specific time period expires, or when a specific task that has a time estimate attached is completed. A temporary employment contract is of limited duration and terminated by a specific event, including the end of a project or work phase or return of replaced personnel.

Employment types

Full-time: A ‘full-time employee’ is defined according to national legislation and practice regarding working time (such as national legislation defines that ‘full-time’ means a minimum of nine months per year and a minimum of 30 hours per week).

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

Mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to integrity

Systems and processes through which an individual or organization can report concerns about illegal, irregular, dangerous or unethical practices related to the organization’s operations. Individuals may include the organization’s governance body members, employees, business partners, and other stakeholders.

Precautionary Principle

The Precautionary Principle refers to the approach taken to address potential environmental impacts. See United Nations (UN) Declaration, ‘The Rio Declaration on Environment and Development’, 1992. ‘Principle 15: In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities.

Where there are threats of serious or irreversible damage, lack of full scientific certainty
shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.’

**Product**

13 Article or substance that is offered for sale or is part of a service delivered by an organization.

**Service**

14 Action of an organization to meet a demand or need.

**Supervised worker**

15 An individual who performs regular work on-site for, or on behalf of, the organization but is not recognized as an employee under national law or practice.

**Supplier**

16 Organization or person that provides a product or service used in the supply chain of the reporting organization.

17 The supplier can have a direct or indirect relationship with the organization.

18 Examples of suppliers are:

(a) Brokers: Persons or organizations that buy and sell products, services, or assets for others, including contracting agencies that supply labor

(b) Consultants: Persons or organizations that provide expert advice and services on a legally recognized professional and commercial basis. Consultants are legally recognized as self-employed or are legally recognized as employees of another organization

(c) Contractors: Persons or organizations working onsite or offsite on behalf of an organization with a relationship determined by a contract. A contractor may hire their own staff directly or hire sub-contractors or independent contractors

(d) Distributors: Agents that supply products to others

(e) Franchisees or licensees: Persons or organizations that are granted a franchise or license by the reporting organization. Franchises and licenses permit specified commercial activities (such as the production and sale of a product)

(f) Home workers: Persons at home or in other premises of their choice, other than the workplace of the employer, who perform work for remuneration and which results in a product or service as specified by the employer, irrespective of who provides the equipment, materials or other inputs used

(g) Independent contractors: Persons or organizations working for an organization, a contractor, or a sub-contractor, with a relationship determined by a contract. Independent contractors do not have an employment relationship with the organization

(h) Manufacturers: Persons or organizations that make products for sale
(i) Primary producers: Persons or organizations that grow, harvest, or extract raw materials

(j) Sub-contractors: Persons or organizations working onsite or offsite on behalf of an organization that have a direct contractual relationship with a contractor or sub-contractor but not necessarily with the organization. A sub-contractor may hire their own staff directly or hire independent contractors

(k) Wholesalers: Sellers of products in large quantities to be retailed by others

Supply chain
Sequence of activities or parties that provides products or services to the organization.

Total workforce
The total number of persons working for the organization at the end of the reporting period (that is, the sum of all employees and supervised workers).

Worker
Generic term for any person performing work, regardless of the contractual relationship.
General Disclosures

Organizational Profile

SRS2-1
(a) Report the name of the organization.

SRS2-2
(a) Report the primary brands, products, and services.

SRS2-3
(a) Report the location of the organization’s headquarters.

SRS2-4
(a) Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.

SRS2-5
(a) Report the nature of ownership and legal form.

SRS2-6
(a) Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).

SRS2-7
(a) Report the scale of the organization, including:
(i) Total number of employees
(ii) Total number of operations
(iii) Net sales (for private sector organizations) or net revenues (for public sector organizations)
(iv) Total capitalization broken down in terms of debt and equity (for private sector organizations)

(v) Quantity of products or services provided

In addition to the above, organizations are encouraged to provide additional relevant information, such as:

(a) Total assets

(b) Beneficial ownership (including identity and percentage of ownership of largest shareholders)

(c) Breakdowns by country or region of the following:

(i) Sales and revenues by countries or regions that make up 5% or more of total revenues

(ii) Costs by countries or regions that make up 5% or more of total costs

(iii) Employees

SRS2-8

(a) Report the total number of employees by employment contract and gender.

(b) Report the total number of permanent employees by employment type and gender.

(c) Report the total workforce by employees and supervised workers and by gender.

(d) Report the total workforce by region and gender.

(e) Report whether a substantial portion of the organization’s work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.

(f) Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

The size of a workforce provides insight into the scale of impacts created by labor issues. Breaking down the workforce by employment type, employment contract, and region (region refers to ‘country’ or ‘geographical area’) demonstrates how the organization structures its human resources to implement its overall strategy. It also provides insight into the organization’s business model, and offers an indication of job stability and the level of benefits the organization offers. Breaking down this data by gender enables an
understanding of gender representation across an organization, and of the optimal use of available labor and talent. As a basis for calculations in several Indicators, the size of the workforce is a standard normalizing factor for many other Indicators. A rise or fall in net employment, evidenced by data reported over the course of three or more years, is an important element of the organization’s contribution to the overall economic development and sustainability of the workforce.

24 Identify the total workforce (employees and supervised workers) by gender working for the organization at the end of the reporting period. Supply chain workers are not included in this General Disclosure.

25 Identify the contract type and full-time and part-time status of employees based on the definitions under the national laws of the country where they are based.

26 Combine country statistics to calculate global statistics and disregard differences in legal definitions. Although the definitions of what constitutes types of contract and a full-time or part-time employment relationship may vary between countries, the global figure will still reflect the relationships under law.

27 Employee numbers may be expressed as head count or Full Time Equivalent (FTE). The approach is disclosed and applied consistently in the period and between periods.

28 Unless there has been a material change in the reporting period, numbers as at the end of the reporting period are used.

SRS2-9

(a) Report the percentage of total employees covered by collective bargaining agreements.

29 The percentage of employees covered by collective bargaining agreements is the most direct way to demonstrate an organization’s practices in relation to freedom of association.

30 Use data from SRS2-8 as the basis for calculating percentages for this General Disclosure.

SRS2-10

(a) Describe the organization’s supply chain.

31 This General Disclosure sets the overall context for understanding an organization’s supply chain.
Describe the main elements of the supply chain in relation to the organization’s primary activities, products, and services.

Examples of elements that may define the structure and characteristics of an organization’s supply chain include:

(a) Sequence of activities or parties that provides products and services to the organization
(b) Total number of suppliers engaged by the organization and estimated number of suppliers in the supply chain
(c) Location of suppliers by country or region
(d) Types of suppliers (such as contractors, brokers, wholesalers, licensees). See the definition of supplier for examples of suppliers
(e) Estimated monetary value of payments made to suppliers
(f) Sector-specific characteristics of the supply chain (such as labor intensive)

SRS2-11

(a) Report any significant changes during the reporting period regarding the organization’s size, structure, ownership, or its supply chain, including:

(i) Changes in the location of, or changes in, operations, including facility openings, closings, and expansions
(ii) Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)
(iii) Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination

Identify only those changes with significant impacts regarding the supply chain.

Examples of changes with significant impacts in the supply chain are:

(a) Moving parts of the supply chain from one country to another
(b) Strategic decisions to change the structure of the supply chain (such as a decision to outsource a significant part of the organization’s activities)
Commitments to external initiatives

SRS2-12

(a) Report whether and how the precautionary approach or principle is addressed by the organization.

A response to this General Disclosure could address the organization's approach to risk management in operational planning or the development and introduction of new products.

SRS2-13

(a) List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.

Include date of adoption, countries or operations where applied, and the range of stakeholders involved in the development and governance of these initiatives (such as multi-stakeholder). Differentiate between non-binding, voluntary initiatives and those with which the organization has an obligation to comply.

SRS2-14

(a) List organizational-level memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:

(i) Holds a position on the governance body

(ii) Participates in projects or committees

(iii) Provides substantive funding beyond routine membership dues

(iv) Views membership as strategic

Ethics and Integrity

SRS2-15

(a) Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.
Identify how the organization's values, principles, standards and norms of behavior (such as codes of conduct, codes of ethics) have been developed, approved, and implemented, including:

(a) Whether training on them is provided regularly to all, and to new, governance body members, employees, and business partners

(b) Whether they need to be read and signed regularly by all, and by new, governance body members, employees, and business partners

(c) Whether the organization has appointed an executive-level position or positions with responsibility for them

(d) If applicable, whether they are available in different languages to reach all governance body members, employees, business partners and other stakeholders

The highest governance body’s and senior executives’ roles in the development, approval, and updating of the organization’s value statements is covered under G4-42.

SRS2-16

(a) Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.

The description of internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to integrity, may include:

(a) Who is assigned the overall responsibility for the mechanisms for seeking advice

(b) Whether there are mechanisms for seeking advice that are independent of the organization

(c) Whether and how employees, business partners and other stakeholders are informed of the mechanisms for seeking advice

(d) The availability and accessibility of the mechanisms for seeking advice to employees and business partners (such as the total number of hours per day, days per week, availability in local languages)

(e) Whether requests for advice are treated confidentially

(f) Whether the mechanisms for seeking advice allow for anonymous requests for advice

(g) The total number of requests for advice received during the reporting period through the organization’s mechanisms for seeking advice, including the percentage of requests that were answered during the reporting period and a description of the types of requests received
(h) The level of satisfaction of those that used the mechanisms for seeking advice

SRS2-17

(a) Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.

The description of internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to integrity, may include:

(a) Who is assigned the overall responsibility for the reporting mechanisms
(b) Whether there are reporting mechanisms that are independent of the organization
(c) The availability and accessibility of the reporting mechanisms to employees and business partners (such as total number of hours per day, days per week, availability in local languages)
(d) Whether and how employees, business partners, and other stakeholders are informed of the reporting mechanisms
(e) Whether training on the reporting mechanisms is provided to employees and business partners
(f) Whether concerns are treated confidentially
(g) Whether the mechanisms allow for reporting concerns anonymously, if permitted by laws
(h) Whether the organization has a non-retaliation policy
(i) The process through which concerns are investigated
(j) The total number of concerns expressed during the reporting period, including the percentage that were addressed, resolved and found to be unsubstantiated during the reporting period, and the types of misconduct reported
(k) The level of satisfaction of those that used the reporting mechanisms
References

The following documents informed the development of this GRI Standard. Organizations are encouraged to be familiar with these documents, as they can improve understanding of the disclosure requirements.


Tracked version

About this version

This section presents a tracked version of Sustainability Reporting Standard 4: Reporting Organization, formerly the General Standard Disclosures under the Organization Profile and Ethics and Integrity sections of the G4 Guidelines.

It includes a summary of the changes applied. This summary is to be read in conjunction with Item 18 – Transition to GRI Standards – Proposals and mock-ups in development, available for download on the GRI website (www.globalreporting.org).

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Summary of changes

Formatting legend

- **Blue underlined**: New, amended or combined text (i.e., several G4 texts remade into one)
- **Regular text**: Existing text or text that has been moved
- **Red strike through**: Text deleted permanently
- **Regular strike through**: Text deleted from its G4 location and moved elsewhere

Relocating G4 content

- Guidance text from the ‘Relevance’ section of G4-11 (see line numbers 791-799) will be relocated to the ‘Purpose’ section of SRS 32: Freedom of Association and Collective Bargaining, and repurposed to develop a description of this topic
Introductory text of sections ‘Organizational Profile’ and ‘Ethics and Integrity’ (see line numbers 685-686 and 914-918) has been relocated to the ‘Purpose’ section of this GRI Standard.

Definitions have been consolidated in the section ‘Terms and Definitions’.

References have been consolidated in the section ‘References’.

Content from ‘Linkages’ sections (see line numbers 783-785 and 831-837) will be provided as separate guidance documents.

In addition:

Disclosure requirements G4-10 on detailed employment data and G4-11 on employees covered by collective bargaining agreements (see line numbers 722-785 and 786-837) could be relocated, based on appropriate research and consultation to be conducted by the Standards Division.

Eliminating the unnecessary duplication of G4 content

Duplicated content has been deleted from G4-11 (see line numbers 805-806) and G4-14 (see line numbers 884-885).

Removing unnecessary G4 guidance

Section headings from guidance text have been removed (‘GUIDANCE’, ‘Relevance’, ‘Compilation’, ‘Definitions’, ‘Documentation sources’, ‘References’).

Content from ‘Documentation sources’ sections has been deleted.

Guidance text within G4-16 has been merged with the disclosure requirement (see line numbers 905-912).

Updating G4 content

The term ‘Standard Disclosure’ has been changed to ‘General Disclosure’ throughout this GRI Standard.

References to G4 disclosure requirements have been updated.
Sustainability Reporting Standard 4: Reporting Organization: [Publication Year]
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- SRS 6: Stakeholder Engagement
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Contents

580  Purpose ................................................................................................................................................. 28
581  Terms and Definitions ......................................................................................................................... 29
582  General Disclosures ......................................................................................................................... 32
583  Organizational Profile ...................................................................................................................... 32
584  Ethics and Integrity ............................................................................................................................ 38
585  References .......................................................................................................................................... 41
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This GRI Standard is part of the group of SRSs which elicit information about the organization and its approaches to reporting.

The disclosures required by this GRI Standard provide an overview of organizational characteristics, including ethics, in order to provide context for subsequent, more detailed reporting against other sections of the Guidelines using other SRSs.

These Standard Disclosures provide an overview of:

- The organization’s values, principles, standards and norms
- Its internal and external mechanisms for seeking advice on ethical and lawful behavior
- Its internal and external mechanisms for reporting concerns about unethical or unlawful behavior and matters of integrity
Terms and Definitions

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Systems and processes through which an individual or organization can report concerns about illegal, irregular, dangerous or unethical practices related to the organization’s operations. Individuals may include the organization’s governance body members, employees, business partners, and other stakeholders.

Precautionary Principle

The Precautionary Principle refers to the approach taken to address potential environmental impacts. See United Nations (UN) Declaration, ‘The Rio Declaration on Environment and Development’, 1992. ‘Principle 15: In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats..."
of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.'

**Product**

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

**Service**

Action of an organization to meet a demand or need.

**Supervised worker**

An individual who performs regular work on-site for, or on behalf of, the organization but is not recognized as an employee under national law or practice.

**Supplier**

Organization or person that provides a product or service used in the supply chain of the reporting organization.

The supplier can have a direct or indirect relationship with the organization.

Examples of suppliers are:

- Brokers: Persons or organizations that buy and sell products, services, or assets for others, including contracting agencies that supply labor
- Consultants: Persons or organizations that provide expert advice and services on a legally recognized professional and commercial basis. Consultants are legally recognized as self-employed or are legally recognized as employees of another organization
- Contractors: Persons or organizations working onsite or offsite on behalf of an organization with a relationship determined by a contract. A contractor may hire their own staff directly or hire sub-contractors or independent contractors
- Distributors: Agents that supply products to others
- Franchisees or licensees: Persons or organizations that are granted a franchise or license by the reporting organization. Franchises and licenses permit specified commercial activities (such as the production and sale of a product)
- Home workers: Persons at home or in other premises of their choice, other than the workplace of the employer, who perform work for remuneration and which results in a product or service as specified by the employer, irrespective of who provides the equipment, materials or other inputs used
- Independent contractors: Persons or organizations working for an organization, a contractor, or a sub-contractor, with a relationship determined by a contract. Independent contractors do not have an employment relationship with the organization
- Manufacturers: Persons or organizations that make products for sale
- Primary producers: Persons or organizations that grow, harvest, or extract raw materials
- Sub-contractors: Persons or organizations working onsite or offsite on behalf of an organization that have a direct contractual relationship with a contractor or sub-contractor but not necessarily with the organization. A sub-contractor may hire their own staff directly or hire independent contractors.

- Wholesalers: Sellers of products in large quantities to be retailed by others.

**Supply chain**

Sequence of activities or parties that provides products or services to the organization.

**Total workforce**

The total number of persons working for the organization at the end of the reporting period (that is, the sum of all employees and supervised workers).

**Worker**

Generic term for any person performing work, regardless of the contractual relationship.
General Disclosures

Organizational Profile

These Standard Disclosures provide an overview of organizational characteristics, in order to provide context for subsequent more detailed reporting against other sections of the Guidelines.

a. Report the name of the organization.

a. Report the primary brands, products, and services.

a. Report the location of the organization’s headquarters.

a. Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.

a. Report the nature of ownership and legal form.

a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).

a. Report the scale of the organization, including:
   - Total number of employees
   - Total number of operations
   - Net sales (for private sector organizations) or net revenues (for public sector organizations)
   - Total capitalization broken down in terms of debt and equity (for private sector organizations)
   - Quantity of products or services provided

GUIDANCE

In addition to the above, organizations are encouraged to provide additional relevant information, such as:
- Total assets
- Beneficial ownership (including identity and percentage of ownership of largest shareholders)
- Breakdowns by country or region of the following:
  - Sales and revenues by countries or regions that make up 5% or more of total revenues
  - Costs by countries or regions that make up 5% or more of total costs
  - Employees

**SRS2-8 G4-10**

a. Report the total number of employees by employment contract and gender.

b. Report the total number of permanent employees by employment type and gender.

c. Report the total workforce by employees and supervised workers and by gender.

d. Report the total workforce by region and gender.

e. Report whether a substantial portion of the organization’s work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.

f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

**GUIDANCE**

**Relevance**

The size of a workforce provides insight into the scale of impacts created by labor issues. Breaking down the workforce by employment type, employment contract, and region (region refers to ‘country’ or ‘geographical area’) demonstrates how the organization structures its human resources to implement its overall strategy. It also provides insight into the organization’s business model, and offers an indication of job stability and the level of benefits the organization offers. Breaking down this data by gender enables an understanding of gender representation across an organization, and of the optimal use of available labor and talent. As a basis for calculations in several Indicators, the size of the workforce is a standard normalizing factor for many other Indicators. A rise or fall in net employment, evidenced by data reported over the course of three or more years, is an important element of the organization’s contribution to the overall economic development and sustainability of the workforce.

**Compilation**

Identify the total workforce (employees and supervised workers) by gender working for the organization at the end of the reporting period. Supply chain workers are not included in this Standard General Disclosure.
Identify the contract type and full-time and part-time status of employees based on the definitions under the national laws of the country where they are based.

Combine country statistics to calculate global statistics and disregard differences in legal definitions. Although the definitions of what constitutes types of contract and a full-time or part-time employment relationship may vary between countries, the global figure will still reflect the relationships under law.

Employee numbers may be expressed as head count or Full Time Equivalent (FTE). The approach is disclosed and applied consistently in the period and between periods.

Unless there has been a material change in the reporting period, numbers as at the end of the reporting period are used.

**Definitions**

See Glossary in Implementation Manual, p. 244

- Employee
- Employment contract
- Employment types
- Supervised worker
- Total workforce
- Worker

**Documentation sources**

Potential sources of information include the payroll and human resources information available at the national or site level.

**References**


**Linkages**

United Nations Global Compact ‘Ten Principles’

a. Report the percentage of total employees covered by collective bargaining agreements.

**GUIDANCE**

**Relevance**

Freedom of association is a human right as defined by international declarations and conventions, particularly ILO Conventions 87 ‘Freedom of Association and Protection of the Right to Organise Convention’ and 98 ‘Right to Organise and Collective Bargaining Convention’. Collective bargaining is an important form of stakeholder engagement and particularly relevant for reporting guidelines. It is a form of stakeholder engagement that helps build institutional frameworks and is seen by many as contributing to a stable society. Together with corporate governance, collective bargaining is part of an overall framework that contributes to responsible management. It is an instrument used by parties to facilitate collaborative efforts to enhance the positive social impacts of an organization. The percentage of employees covered by collective bargaining agreements is the most direct way to demonstrate an organization’s practices in relation to freedom of association.

**Compilation**

Use data from [G4-10SRS2-8](#) as the basis for calculating percentages for this [Standard General](#) Disclosure.

Identify the total number of employees covered by collective bargaining agreements. Use this data to calculate the percentage.

**Definitions**

- Collective bargaining agreements
- Employee

**Documentation sources**

Records of formal recognition agreements and signed collective agreements with independent trade unions are normally held by the human resources or personnel department of the organization.

**References**

a. Describe the organization’s supply chain.

GUIDANCE

Relevance

This Standard Disclosure sets the overall context for understanding an organization’s supply chain.

Compilation

Describe the main elements of the supply chain in relation to the organization’s primary activities, products, and services.

Examples of elements that may define the structure and characteristics of an organization’s supply chain include:

- Sequence of activities or parties that provides products and services to the organization
- Total number of suppliers engaged by the organization and estimated number of suppliers in the supply chain
- Location of suppliers by country or region
- Types of suppliers (such as contractors, brokers, wholesalers, licensees). See the definition of supplier for examples of suppliers
- Estimated monetary value of payments made to suppliers
• Sector-specific characteristics of the supply chain (such as labor intensive)

Definitions

See Glossary in Implementation Manual, p. 244

- Product
- Service
- Supplier
- Supply chain

SRS2-11 G4-13

a. Report any significant changes during the reporting period regarding the organization’s size, structure, ownership, or its supply chain, including:

• Changes in the location of, or changes in, operations, including facility openings, closings, and expansions

• Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)

• Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination

GUIDANCE

Compilation

Identify only those changes with significant impacts regarding the supply chain.

Examples of changes with significant impacts in the supply chain are:

• Moving parts of the supply chain from one country to another

• Strategic decisions to change the structure of the supply chain (such as a decision to outsource a significant part of the organization’s activities)

Commitments to external initiatives

SRS2-12 G4-14

a. Report whether and how the precautionary approach or principle is addressed by the organization.

GUIDANCE

Principle 15 of ‘The Rio Declaration on Environment and Development’ introduced the precautionary approach. A response to this Standard General Disclosure could address the organization’s approach to risk management in operational planning or the development and introduction of new products.

Definitions
Precautionary Principle

References


SRS2-13G4-15

a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.

GUIDANCE

Compilation

Include date of adoption, countries or operations where applied, and the range of stakeholders involved in the development and governance of these initiatives (such as multi-stakeholder). Differentiate between non-binding, voluntary initiatives and those with which the organization has an obligation to comply.

SRS2-14G4-16

a. List organizational-level memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:

- Holds a position on the governance body
- Participates in projects or committees
- Provides substantive funding beyond routine membership dues
- Views membership as strategic

This refers primarily to memberships maintained at the organizational level.

Ethics and Integrity

These Standard Disclosures provide an overview of:

- The organization’s values, principles, standards and norms
- Its internal and external mechanisms for seeking advice on ethical and lawful behavior
- Its internal and external mechanisms for reporting concerns about unethical or unlawful behavior and matters of integrity

SRS2-15G4-56

a. Describe the organization’s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.

GUIDANCE
Compilation

Identify how the organization’s values, principles, standards and norms of behavior (such as codes of conduct, codes of ethics) have been developed, approved, and implemented, including:

- Whether training on them is provided regularly to all, and to new, governance body members, employees, and business partners
- Whether they need to be read and signed regularly by all, and by new, governance body members, employees, and business partners
- Whether the organization has appointed an executive-level position or positions with responsibility for them
- If applicable, whether they are available in different languages to reach all governance body members, employees, business partners and other stakeholders

The highest governance body’s and senior executives’ roles in the development, approval, and updating of the organization’s value statements is covered under G4-42.

SRS2-16G4-57

a. Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.

GUIDANCE

The description of internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to integrity, may include:

- Who is assigned the overall responsibility for the mechanisms for seeking advice
- Whether there are mechanisms for seeking advice that are independent of the organization
- Whether and how employees, business partners and other stakeholders are informed of the mechanisms for seeking advice
- The availability and accessibility of the mechanisms for seeking advice to employees and business partners (such as the total number of hours per day, days per week, availability in local languages)
- Whether requests for advice are treated confidentially
- Whether the mechanisms for seeking advice allow for anonymous requests for advice
- The total number of requests for advice received during the reporting period through the organization’s mechanisms for seeking advice, including the percentage of requests that were answered during the reporting period and a description of the types of requests received
- The level of satisfaction of those that used the mechanisms for seeking advice

SRS2-17G4-58
a. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.

**GUIDANCE**

The description of internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to integrity, may include:

- Who is assigned the overall responsibility for the reporting mechanisms
- Whether there are reporting mechanisms that are independent of the organization
- The availability and accessibility of the reporting mechanisms to employees and business partners (such as total number of hours per day, days per week, availability in local languages)
- Whether and how employees, business partners, and other stakeholders are informed of the reporting mechanisms
- Whether training on the reporting mechanisms is provided to employees and business partners
- Whether concerns are treated confidentially
- Whether the mechanisms allow for reporting concerns anonymously, if permitted by laws
- Whether the organization has a non-retaliation policy
- The process through which concerns are investigated
- The total number of concerns expressed during the reporting period, including the percentage that were addressed, resolved and found to be unsubstantiated during the reporting period, and the types of misconduct reported
- The level of satisfaction of those that used the reporting mechanisms

**Definitions**

See Glossary in Implementation Manual, p. 244

- Mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to integrity
The following documents informed the development of this GRI Standard. Organizations are encouraged to be familiar with these documents, as they can improve understanding of the disclosure requirements.