GSSB meeting
4 February 2016
Meeting summary

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PARTICIPANTS

Present:

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<thead>
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<th>Name</th>
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<tr>
<td>Daniel Ingram</td>
<td>Investment Institutions</td>
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<tr>
<td>Daniel Taillant</td>
<td>Civil Society Organization</td>
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<td>Dwight Justice</td>
<td>Labor</td>
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<td>Eric Hespenheide (Chairman)</td>
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<td>Hidemi Tomita</td>
<td>Business</td>
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<tr>
<td>Judy Kuszewski</td>
<td>Mediating Institution</td>
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<td>Jürgen Buxbaum</td>
<td>Labor</td>
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<td>Kirsten Margrethe Hovi</td>
<td>Business</td>
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<td>Michael Nugent (Vice Chair)</td>
<td>Mediating Institution</td>
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<td>Stiaan Wandrag</td>
<td>Business</td>
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<td>Vadakepatth Nandkumar</td>
<td>Mediating Institution</td>
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<tr>
<td>David Russell</td>
<td>Business</td>
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<tr>
<td>Robin Edme</td>
<td>Mediating Institution (joined at 13h30 CET)</td>
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Apologies:

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<tr>
<td>Sulema Pioli</td>
<td>Mediating Institution</td>
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<td>Simeon Cheng</td>
<td>Business</td>
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In attendance:

<table>
<thead>
<tr>
<th>Name</th>
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<tr>
<td>Bastian Buck</td>
<td>Director, Standards Division</td>
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<tr>
<td>Chelsea Reinhardt</td>
<td>Deputy Director, Standards Division</td>
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<td>Jan te Roller</td>
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<td>Manager Reporting Standard</td>
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<td>Laura Espinach</td>
<td>Manager Reporting Standard</td>
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<td>Magdalena Steijger</td>
<td>Standards Division</td>
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<td>Pamela Carpio</td>
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<td>Tamara Bergkamp</td>
<td>Manager Reporting Standard</td>
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LIST OF ABBREVIATIONS

BoD  GRI Board of Directors
DMA Disclosure Management Approach
GSSB Global Sustainability Standards Board
ILO International Labour Organization
IOE International Organization of Employers
SRSs Sustainability Reporting Standards

SESSION 1 WELCOME AND OBJECTIVES FOR THIS CALL

Eric Hespenheide, Chairman (henceforth ‘The Chair’) of the Global Sustainability Standards Board (GSSB), welcomed the members of the GSSB and present GRI staff to the meeting. The Chair called the meeting to order at 13h00 CEST and closed the meeting at 15h00.

The Chair provided an overview of the meeting’s agenda and reminded the GSSB of the objective of reaching a decision on Items 01 and 02 and of providing a clear direction to the Standards Division on Item 03.

Revised timeline for the Transition to Standards project

Bastian Buck, Director Standards Division offered explanations on the two main changes to the Transition to Standards project timeline

- **Decision sequence revised:** the first set of draft SRSs will still be signed-off by the GSSB during the April in-person meeting; however the GSSB will be asked to agree upon the overall structure or format of the drafts during the scheduled calls during February and March. This earlier input is necessary to allow the Standards Division adequate time to develop the full set of consultation draft SRSs and supporting materials.

- **21 April GSSB meeting will be cancelled and not replaced by another meeting:** the Standards Division does not foresee any mature contents to propose in between a close series of GSSB meetings in April.

Buck invited questions from the GSSB members but none were raised.
ACTION ITEMS

Standards Division

- The Revised timeline for the Transition to Standards project will be posted on the GSSB webpages as part of the minutes of the present meeting.

SESSION 2 TRANSITION TO SRSS – REVIEW AND APPROVE TEM- PLATES FOR TOPIC-SPECIFIC SRSS AND GENERAL DISCLOSURES

Laura Espinach, Manager Reporting Standard presented this session. Agenda Item 1 and Item 2 were circulated and considered as read.

As earlier feedback was received by means of a survey circulated to the GSSB, Espinach requested specific feedback on the following:

1. Placement of ‘should’ statements


   1. Placement of should statements

   Espinach requested feedback on the following two options after exposing their advantages and potential pitfalls.

   a) Moving ‘should’ statements to a separate section (e.g. ‘recommended methodology’). Espinach explained that this appeared to be a preferable option but involving the addition of a layer of information that could be perceived as complex by reporters.

   b) Moving them to ‘Guidance’ sections. Espinach explained that this appeared as a simpler solution however with the potential risk of contents being overlooked.

The GSSB held a discussion relating to the status of ‘should’, ‘shall’, ‘can’ and ‘may’ statements used in the Standards to assess the placement possibilities and ensure that the right indications are clearly communicated to the reporters.

The GSSB requested the template to be updated so that within Methodology sections, all ‘should’ statements will be grouped together and will appear after the more prominently-featured ‘shall’ statements. This request was formulated by the majority of the GSSB although no full consensus was reached.

Espinach informed that the Standards team would test this approach and would include this change in the next version of draft SRSs to be submitted on the 11 February call.

2. Status of G4 Aspect-specific DMA guidance

The recommendation of the Standards Division to make all that guidance was largely supported and remains the most desirable option from the Standards Division point of view, even after the different options raised by the members of the GSSB through the survey were assessed.
The GSSB agreed that as a default option, the topic-specific DMA content should be included as guidance in the SRSs. However, the GSSB requested that the Standards Division review this matter when developing the Standards and highlight for GSSB discussion any specific cases where the topic-specific DMA guidance might warrant status as either ‘shall’ or ‘should’ statements.

**ACTION ITEMS**

**Standards Division**

- Update the next version of SRSs to ensure that all ‘should’ and ‘shall’ statements under Methodology are included in the same section but grouped separately, with ‘shall’ statements first
- In general, the Standards Division will transfer the existing topic-specific DMA content into guidance text in the new SRSs. However, the Standards Division will highlight for GSSB review any specific cases where topic-specific DMA guidance might need to be included as a ‘should’ or ‘shall’ statements, rather than in guidance

**SESSION 3 TRANSITION TO SRSS – REVIEW AND DISCUSS DRAFT SRS 101: FOUNDATION STANDARD**

Chelsea Reinhardt, Deputy Director of the Standards Division, presented this session. Agenda Item 03 was circulated and considered as read.

As earlier feedback was received by means of a survey circulated to the GSSB, Reinhardt requested specific feedback on the following:

1. Should the Foundation Standard require just to apply the reporting principles or also to document how they have been applied?
2. Should the Foundation Standard include an expanded G4-18 (with quality principles) or should it be a separate document without disclosures in it? Reference related disclosures would then remain in the general disclosures.

**1. Foundation Standard requirements**

Reinhardt requested feedback on the first question. The Standards Division’s perspective is that SRSs should be aiming for best practice. The Reporting Principles should be mandatory and reporting organizations also should be expected to explain how the principles have been applied, even if this is difficult to verify.

The GSSB had a discussion about the practicality of requiring reporting organizations to document how the Principles have been applied. One concern was raised that requiring organizations to document how they applied the Principles might limit the widespread use of the Standards.

The GSSB agreed that the intent of the SRSs should not be seen to be ‘lowering the bar’ of the existing G4 Guidelines; therefore at a minimum the content of G4-18 should be preserved in the SRSs (this disclosure requires an explanation of how the Principles for Defining Report Content have been applied).
The Standards Division agreed to maintain within the Foundation Standard a requirement that the organization applies all the Reporting Principles. However, in line with the existing content in G4-18, the SRSs will only require an explanation of how the Principles for Defining Report Content have been applied.

Furthermore, this discussion raised additional questions about whether the In Accordance criteria in the SRSs should also be reviewed as part of the Transition to Standards project. The GSSB recognized that this is a persistent issue since G4; however, undertaking this review would significantly expand the scope of work within the Transition to Standards project.

Buck agreed to solicit, via email, the views of the individual GSSB members on whether a separate review of the In Accordance criteria should be undertaken as part of the Transition project work. This feedback will be reviewed and discussed on the next GSSB call on 11 February 2016.

2. Expansion of G4-18 (incl. quality standards) and location in Foundation Standard

The GSSB held a discussion about whether it was better to locate G4-18 within the Foundation Standard or to keep it in the General Disclosures standard, with a cross-reference in the Foundation Standard. Feedback received from the GSSB ahead of the call was mixed. Several GSSB members emphasized the importance of the disclosures related to applying the Reporting Principles, and therefore felt that these disclosures belong in the Foundation Standard. Other GSSB members suggested that having the disclosures in the Foundation Standard might help make sure it was not overlooked.

Reinhardt therefore suggested to include the previous indicator G4-18 in the next version of the Foundation Standard, which will be reviewed by the GSSB during their scheduled call on 3rd March.

It was remarked that it will be critical to explain the new format and structure of the SRSs, and how they are used in conjunction, as part of the transition.

ACTION ITEMS

Standards Division:

- Consult each GSSB member via email about whether a separate review of In Accordance criteria should be carried out as part of the Transition to Standards project
- Standards Division to update the draft Foundation Standard to require that all Reporting Principles are applied, and to include the content from indicator G4-18

SESSION 4 ANY OTHER BUSINESS

Bastian Buck, Director of the Standards Division, presented this session and informed the GSSB of the following.

- Ad-Hoc technical committee on employee/worker terminology project: Following the recommendation of the ILO, the Standards Division will extend an invitation to a representative of the International Organization of Employers (IOE) to join this
committee. The Standards Division will revert to the GSSB with the complete membership of the ad-hoc committee for approval as per due process.

- **Post-meeting summary within a couple of weeks after the actual meetings:** In order to enhance the decision-making process as well as to improve the public disclosure of the Standards activities, a short summary will be circulated to the GSSB very shortly after the call for which the Standards Division will consider silence as consent. The summary will, however, remain a draft until it is approved at the next GSSB meeting.

### ACTION ITEMS

#### Standards Division

- Include the decision on the composition of the technical ad-hoc committee on the GSSB meeting agenda once the names of the potential members are known.
- Circulate a short summary of each meeting shortly after the meeting for provisional approval and disclosure purposes.

### ACTION ITEMS

#### Standards Division

- The Revised timeline for the Transition to Standards project will be posted on the GSSB webpages as part of the minutes of the present meeting.
- Standards Division to update the next version of SRSs to ensure that all 'should' and 'shall' statements under Methodology are included in the same section but grouped separately, with 'shall' statements first.
- Standards Division to transfer the existing topic-specific DMA content into guidance text in the new SRSs as a general rule. However, the Standards Division will highlight for GSSB review any specific cases where topic-specific DMA guidance might need to be included as a 'should' or 'shall' statements, rather than in guidance.
- Consult each GSSB member via email about whether a separate review of In Accordance criteria should be carried out as part of the Transition to Standards project.
- Standards Division to update the draft Foundation Standard to require that all Reporting Principles are applied, and to include the content from indicator G4-18.
- Include the decision on the composition of the technical ad-hoc committee on the GSSB meeting agenda once the names of the potential members are known.
- Circulate a short summary of each meeting shortly after the meeting for provisional approval and disclosure purposes.