GSSB summary of the virtual meeting held on 25-26 March 2019

Approved by the GSSB on 25 June 2019
## Contents

Participants .............................................................................................................. 3  
List of abbreviations ............................................................................................ 3  
Decisions and action items .................................................................................. 4  
Day 1 – Monday, 25 March 2019 ......................................................................... 5  
Session 1: Welcome ............................................................................................... 5  
Session 1.2: General update Standards Division .................................................. 5  
Session 1.3: Update – Tax and payments to governments disclosures .................... 6  
Session 1.4: Update – Review of GRI waste disclosures ....................................... 6  
Session 1.5: Update – Sector Program ................................................................... 6  
Oil, Gas, and Coal Sector Standard ........................................................................ 7  
Sessions 1.6 and 1.7: Review recommendations of the Human Rights Technical Committee ................................................................. 6  
Session 1.8: Universal Standards Project Proposal .................................................. 9  
Session 1.9: Summary and close of day 1 .............................................................. 10  
Day 2 – Tuesday, 26 March 2019 ......................................................................... 10  
Session 2.1: Welcome ............................................................................................ 11  
Session 2.2: Universal Standards project proposal .................................................. 11  
Session 2.3: Private session .................................................................................... 12  
Session 2.4: Private session .................................................................................... 12  
Session 2.5: GSSB work program .......................................................................... 12  
Session 2.6: Any other business / Summary and close of day 2 ............................... 13
Participants

Present:

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<thead>
<tr>
<th>Name</th>
<th>Constituency</th>
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<tbody>
<tr>
<td>Corli le Roux</td>
<td>Mediating institution</td>
</tr>
<tr>
<td>Evan Harvey</td>
<td>Investment institution</td>
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<tr>
<td>Gustavo Sinner</td>
<td>Mediating institution</td>
</tr>
<tr>
<td>Jennifer Princing</td>
<td>Business enterprise</td>
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<tr>
<td>Judy Kuszewski</td>
<td>Chair</td>
</tr>
<tr>
<td>Kent Swift</td>
<td>Civil society organization</td>
</tr>
<tr>
<td>Kirsten Margrethe Hovi</td>
<td>Business enterprise</td>
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<tr>
<td>Loredana Carta</td>
<td>Labor</td>
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<tr>
<td>Michel Washer</td>
<td>Business enterprise</td>
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<tr>
<td>Peter Colley</td>
<td>Labor</td>
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<tr>
<td>Robyn Leeson</td>
<td>Vice-chair</td>
</tr>
<tr>
<td>Tony Mo (present from session 1.7 on day 1)</td>
<td>Civil society organization</td>
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<tr>
<td>Vincent Kong (present on day 2)</td>
<td>Business enterprise</td>
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Apologies:

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<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Julia Wilson</td>
<td>Business enterprise</td>
</tr>
<tr>
<td>Rama Krishnan Venkateswaran</td>
<td>Investment institution</td>
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In attendance:

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<tr>
<th>Name</th>
<th>Constituency</th>
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<tbody>
<tr>
<td>Bastian Buck</td>
<td>Chief of Standards, Standards Division</td>
</tr>
<tr>
<td>Gillian Balaban</td>
<td>Assistant, Standards Division</td>
</tr>
<tr>
<td>Laura Espinach</td>
<td>Senior Manager, Standards Division</td>
</tr>
<tr>
<td>Madere Olivar</td>
<td>Senior Manager Sector Program, Standards Division</td>
</tr>
<tr>
<td>Mia D’Adhemar</td>
<td>Manager, Standards Division</td>
</tr>
<tr>
<td>Sarah-Jayne Dominic</td>
<td>Senior Manager, Standards Division</td>
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List of abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
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<td>PWG</td>
<td>Project Working Group</td>
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<td>SD</td>
<td>Standards Division</td>
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<tr>
<td>TC</td>
<td>Technical Committee</td>
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<td>GSSB</td>
<td>Global Sustainability Standards Board</td>
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<td>SC</td>
<td>Stakeholder Council</td>
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<td>SME</td>
<td>Small and Medium Enterprise</td>
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<td>TCFD</td>
<td>Task Force on Climate-related Disclosure</td>
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Decisions and action items

Decisions

**GSSB Decision 2019.08** The GSSB resolved to approve [Item 01 – Draft summary of the GSSB meeting held on 7 February 2019](#).

**GSSB Decision 2019.09** The GSSB resolved to approve [Item 04 - Exposure draft of GRI 306: Waste](#).

**GSSB Decision 2019.10** The GSSB resolved to approve [Item 05 – Project Proposal for an Oil, Gas, and Coal Sector Standard](#).

**GSSB Decision 2019.11** The GSSB resolved to approve [Item 08 - Project Proposal for the Review of GRI’s Universal Standards](#).

Action items

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<tr>
<th>GSSB</th>
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<tr>
<td><strong>Session 1.4</strong></td>
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<tr>
<td>• GSSB members to provide the SD with contacts that can be approached to participate in the public comment.</td>
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<td><strong>Session 1.5</strong></td>
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<td>• GSSB members to participate in an electronic vote on the agriculture project proposal in April 2019.</td>
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<tr>
<td><strong>Sessions 1.6 and 1.7</strong></td>
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<tr>
<td>• GSSB members to send any further comments on the proposed set of human rights disclosures to the SD by email by 19 April 2019.</td>
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<tr>
<td><strong>Session 2.2</strong></td>
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<tr>
<td>• GSSB members to review survey questions and send their feedback to the SD by 26 April 2019.</td>
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<td><strong>Session 2.5</strong></td>
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<td>• GSSB members to participate in an electronic vote on the exposure draft of the GSSB work program 2019-2021 in April 2019.</td>
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<td><strong>Session 1.3</strong></td>
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<tr>
<td>• SD to aggregate and analyze the public comments received and share with the Technical Committee (TC) for their consideration.</td>
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<tr>
<td>• SD to present the analysis of the public comments and the TC responses to these at the GSSB meeting on 27 June 2019, and present any updates to the project timeline going forward.</td>
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<tr>
<td><strong>Session 1.4</strong></td>
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<td>• SD to format the draft Standard, including underlining of terms, and prepare and launch the public comment period.</td>
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<td><strong>Session 1.5</strong></td>
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<td>• SD to roll out call for nominations for the Project Working Group (PWG) for the oil, gas, and coal project between 4 April and 4 May 2019, and for the agriculture project in June 2019.</td>
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</table>
- SD to investigate and report to the GSSB on the availability of usage data for G4 Sector Supplements.
- SD to present the oil, gas, and coal PWG membership proposal to the GSSB for approval at its meeting on 27 June 2019.

**Sessions 1.6 and 1.7**
- SD to approach the Stakeholder Council (SC) for clarification on their feedback on mandating the proposed set of human rights disclosures for all organizations.
- SD to develop mock-ups of the different scenarios to include the proposed set of human rights disclosures in the universal Standards and present to the GSSB for discussion.
- SD to develop criteria to identify topics for the development of topic-specific Standards and present to the GSSB for review.

**Session 2.2**
- SD to share draft of survey questions with the GSSB for their review in the week of 15-19 April.
- SD to present updates on the timeline, status, and findings of the project at the GSSB meeting on 27 June 2019.

**Session 2.5**
- SD to draft GSSB work plan for 2019-2021 and share with the GSSB for electronic approval, before publishing for public comment.
- SD to review if spills and leaks can be subsumed under the previously prepared project proposal on emergency preparedness, and to present the proposal to the GSSB for discussion at its in-person meeting on 24-25 September 2019.

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**Day 1 – Monday, 25 March 2019**

**Session 1: Welcome**

GSSB Chair Judy Kuszewski (henceforth the Chair) welcomed the GSSB and attending GRI Secretariat staff and presented an overview of the meeting agenda.

The GSSB was presented with [Item 01 – Draft summary of the GSSB meeting held on 7 February 2019](#) for approval.

No comments were raised and the decision to approve Item 01 was deferred to a later session awaiting a quorum.

**Session 1.2: General update Standards Division**
The GSSB was presented with general updates from the Standards Division (SD), including the planned timeline for projects underway.

The GSSB was informed about Item 02 – Stakeholder Council response to the GSSB’s Sector Standard Proposals and Proposal for Review of Universal Standards and Item 03 – 2018 SC Recommendations to the GSSB to be discussed during later sessions.

Session 1.3: Update – Tax and payments to governments disclosures

The SD presented an update to the GSSB on its activities and outreach during the public comment period for the draft Standard on tax and payments to governments, which closed on 15 March 2019.

The SD has received 85 submissions signed off directly by more than 110 organizations. The majority of these organizations were investment institutions (55%), followed by civil society organizations (12%), labor (9%), businesses (9%), mediating institutions (4%), and others (11%). The SD will publish all public comments received on its website.

A few additional submissions were received after the deadline. The SD will provide these submissions to the Technical Committee (TC) and the GSSB with a clear label informing they were received after the deadline. The SD will also aggregate and anonymize feedback received during the webinars and consultation sessions and present it to the TC for their information.

Actions:

• SD to aggregate and analyze the public comments received and share with the Technical Committee (TC) for their consideration.

• SD to present the analysis of the public comments and the TC responses to these at the GSSB meeting on 27 June 2019, and present any updates to the project timeline going forward.

Session 1.4: Update – Review of GRI waste disclosures

The GSSB was presented with Item 04 - Exposure draft of GRI 306: Waste for approval.

GSSB sponsor on the project Michel Washer, reflected on the draft development process, and highlighted the importance of the process flow included in the draft Standard, noting this could serve as useful reference for application to other Standards going forward.

GSSB members expressed their support for the draft Standard, mentioning that it addresses the needs of large organizations as well as small and medium-sized enterprises (SMEs).

A concern was raised about the concept of due diligence used in the draft Standard, which might be confusing to new reporters, and the underlining of terms. It was also mentioned that relative figures (i.e., percentages) might be useful in Disclosure 306-3. However, the Project Working Group
(PWG) decided it was difficult to determine a common denominator for relative figures on waste. Reporting organizations can disclose their targets in percentages if this is most appropriate to them.

The SD responded to other feedback provided by GSSB members and explained that the decision to not emphasize a specific material classification or waste stream initiative was to ensure wider applicability of the Standard across different sectors and in the context of both current as well as possible future initiatives.

The SD presented an outline of the planned public comment period on the draft Standard proposed to be held between May and July 2019 and requested the GSSB to provide any contacts that could be approached to participate.

No further comments were raised and the decision to approve Item 04 for public comment was deferred to a later session awaiting a quorum.

**Actions:**
- SD to format the draft Standard, including underlining of terms, and prepare and launch the public comment period.
- GSSB members to provide the SD with contacts that can be approached to participate in the public comment.

**Session 1.5: Update – Sector Program**

The SD presented an overview of the timelines for the proposed Sector Program projects. The approval and timeline for the agriculture project has been adjusted to ensure the smooth delivery of the oil, gas, and coal project. The textiles and apparel, and mining projects will be reintroduced for approval when capacity allows in 2020.

GSSB members requested clarification on the relationship between the Sector Standards and the G4 Sector Supplements, and between the Sector Standards and the GRI Standards. A GSSB member noted that the G4 Sector Supplements are still in use and contain contents of value that should be carried forward within the Sector Program. Another GSSB member requested data to better understand the current use of G4 Sector Supplements.

The SD confirmed that the Sector Standards will carry the same level of authority as the GRI Standards. Sector Standards will represent an authoritative pronouncement on issues material to a sector. The development of Sector Standards will follow Due Process Protocol and may confer a requirement on reporters; however, the focus of a Sector Standard will be issues and descriptions rather than disclosures.

The SD also clarified that Sector Standards will supersede existing G4 Sector Supplements, and that the G4 contents not superseded by Sector Standards should be left in place.

A GSSB member requested clarification on Sector Standard industry classifications. The SD clarified that a comparison of industry classification systems was discussed at an earlier GSSB meeting. The existing classification systems were found to be inconsistent and not fit for purpose. The Sector Standards will instead include a key that links to external classification systems.

**Oil, Gas, and Coal Sector Standard**
The GSSB was presented with Item 05 – Project Proposal for an Oil, Gas, and Coal Sector Standard for approval, and Item 02 - Stakeholder Council response to the GSSB's Sector Standard Proposals and Proposal for Review of Universal Standards for discussion.

**Project proposal**

GSSB members requested clarification on the inclusion of coal in the project name. It was recommended that the rationale for the inclusion of coal be clearly described in the proposal because this is not a common grouping and because the technologies for the mining sector differ from those of the oil and gas sector.

The SD explained that a particular industry may link to multiple Sector Standards, for example, the coal industry, may link to Mining as well as Oil, Gas, and Coal Sector Standards.

A GSSB member commented that all projects within the Sector Program are likely to have differences of opinion on which types of business belong together within a Sector Standard, but that it is important to move forward on these projects. It was acknowledged that representation from industry associations could assist with defining the boundary of Sector Standards, and that if a reporter needs to use more than one Sector Standard, this should be clearly communicated.

A GSSB member raised a question whether the International Council on Mining & Metals (ICMM) is also to be involved in this project as it pertains to coal; however, another member mentioned that coal is not a primary focus of the ICMM.

The SD informed the GSSB on feedback received on the proposal from the GRI Board and the Stakeholder Council (SC), and the changes that have been implemented or taken under advisement.

No further comments were raised and the decision to approve Item 05 was deferred to a later session awaiting a quorum.

**Terms of reference for project working group**

The GSSB was presented with Item 06 – Terms of Reference: GRI Project Working Group for the Oil, Gas, and Coal Sector Standard, for GSSB discussion.

GSSB members recommended including greater representation from the business enterprise constituency. It was also mentioned that industry associations could provide an aggregated perspective for the business enterprise constituency. The SD proposed 40% business enterprise representation for the oil, gas, and coal project.

A GSSB member suggested that representation from BHP, which has involvement in oil, gas, and coal operations, be included in the PWG. The GSSB was requested to send the SD any further suggestions for potential PWG membership.

GSSB members also proposed an amendment to the Terms of Reference to include standard setters in the PWG composition. The SD will take this under advisement.

**Actions:**

- SD to roll out call for nominations for the Project Working Group (PWG) for the oil, gas, and coal project between 4 April and 4 May 2019, and for the agriculture project in June 2019.
- SD to investigate and report to the GSSB on the availability of usage data for G4 Sector Supplements.
• SD to present the oil, gas, and coal PWG membership proposal to the GSSB for approval at its meeting on 27 June 2019.

• GSSB members to participate in an electronic vote on the agriculture project proposal in April 2019.

Sessions 1.6 and 1.7: Review recommendations of the Human Rights Technical Committee

The GSSB was presented with Item 07 - Recommendations of the Human Rights Technical Committee for discussion.

Proposed set of human rights disclosures

Former GSSB member Dwight Justice, now a member on the TC on Human Rights Disclosure, presented the motivation for the TC’s recommendation to make the proposed set of human rights disclosures mandatory for all organizations.

Mandating these disclosures will have implications for all three universal Standards: GRI 101, 102, and 103. As a next step, the SD proposed a review of the universal Standards aimed at incorporating these recommendations as well as other changes deemed appropriate by the GSSB.

Some GSSB members expressed concerns about mandating these disclosures for all organizations. It was also mentioned that this might be perceived as a shift in the GRI framework to overstating the importance of reporting on human rights as compared to environmental and other social issues.

At the same time, GSSB members acknowledged that the current state of underreporting on social topics calls for mandating some level of human rights disclosures. A hybrid approach was suggested by some members, which would look at having a mandatory basic level of disclosure, with more detail required if human rights are material (e.g., in the topic-specific Standards).

The GSSB requested more clarity on how these disclosures could be included in the universal Standards, including overlaps with other disclosures and implications for other parts of the Standards, to be able to make an informed decision.

The GSSB also requested clarity on the Stakeholder Council (SC) feedback: “there is not agreement … making human rights disclosures mandatory for all reporting organizations, regardless materiality”.

Recommendations on revising the Reporting Principles

GSSB members discussed whether the concept of materiality used in the Standards needed revision or whether the focus should be on education on the concept.

A concern was raised whether the universal Standards should be opened up for review given the GSSB’s current priorities and their time frame; however, it was pointed out that the GSSB
recognized this as a priority when mandating the TC on Human Rights Disclosure to give these recommendations.

The discussion was parked till the session on universal Standards (see Session 2.2).

**Recommendations on the development of topic-specific Standards**

The SD proposed to develop criteria to determine topics that need topic-specific Standards, and to bring these criteria back to the GSSB for discussion. Once agreed on by the GSSB, the criteria will be used to recommend whether existing human rights related topics should be revised, deleted, or converted into guidance, and whether new topics should be added.

**Actions:**

- **GSSB members** to send any further comments on the proposed set of human rights disclosures to the SD by email by 19 April 2019.
- **SD** to approach the Stakeholder Council (SC) for clarification on their feedback on mandating the proposed set of human rights disclosures for all organizations.
- **SD** to develop mock-ups of the different scenarios to include the proposed set of human rights disclosures in the universal Standards and present to the GSSB for discussion.
- **SD** to develop criteria to identify topics for the development of topic-specific Standards and present to the GSSB for review.

**Session 1.8: Universal Standards project proposal**

The discussion on the universal Standards review was deferred to Session 2.2 on day 2.

The Chair called for a vote on the pending approval decisions in the presence of a quorum.

**GSSB Decision 2019.08** The GSSB resolved to approve Item 01 – Draft summary of the GSSB meeting held on 7 February 2019.

**GSSB Decision 2019.09** The GSSB resolved to approve Item 04 - Exposure draft of GRI 306: Waste.

**GSSB Decision 2019.10** The GSSB resolved to approve Item 05 – Project Proposal for an Oil, Gas, and Coal Sector Standard.

**Session 1.9: Summary and close of day 1**

The Chair gave a summary of day 1 and closed the meeting at 16.40 Central European Time (CET).

**Day 2 – Tuesday, 26 March 2019**
Session 2.1: Welcome

The Chair welcomed everyone to the meeting and reviewed the agenda for day 2.

Session 2.2: Universal Standards project proposal

The GSSB was presented with Item 08 - Project Proposal for the Review of GRI's Universal Standards for approval, and Item 02 - Stakeholder Council response to the GSSB's Sector Standard Proposals and Proposal for Review of Universal Standards for discussion.

The SD presented the GSSB with the objectives and scope of the project for the review of universal Standards, along with an overview of the proposed work streams.

It was suggested that the review of in accordance options as well as Reporting Principles be included within the project scope. GSSB members asked for more user research to inform further GSSB discussion in relation to this review.

The SD presented the planned approach for gathering evidence for each of the proposed work streams. The approach makes use of diverse methods, including report reviews, a survey, and follow-up interviews, workshops and forums.

The survey will be open to everyone and will seek to gather tailored input from all GRI constituencies. The survey will be sent out to the SD's existing contact base. The SD requested the GSSB to send any further suggestions for stakeholders and contacts that could be engaged.

The SD presented a timeline for the review of human rights related disclosures and universal Standards, and requested the GSSB for volunteers to form a subcommittee for the universal Standards project.

There was no specific feedback from the Stakeholder Council (SC) on the universal Standards project.

GSSB Decision 2019.11 The GSSB resolved to approve Item 08 - Project Proposal for the Review of GRI’s Universal Standards.

Actions:

- SD to share draft of survey questions with the GSSB for their review in the week of 15-19 April.
- SD to present updates on the timeline, status, and findings of the project at the GSSB meeting on 27 June 2019.
- GSSB members to review survey questions and send their feedback to the SD by 26 April 2019.
Session 2.3: Private session

This was a private session.

Session 2.4: Private session

This was a private session.

Session 2.5: GSSB work program

The SD presented an overview of the GSSB work program for 2019-2021. At the current SD capacity, the first opportunity to take on new projects will be in 2020. The work program will be reviewed on a yearly basis to consider any changes in resource capacity.

Review of pending projects

The SD presented the list of pending projects to the GSSB.

GSSB members agreed with the SD’s proposal to first undertake projects made necessary by knock-on effects from other Standards review projects.

It was suggested that the review of economic performance Standards should be taken up in a broader context, similar to the human rights related disclosures, and that feedback should be invited during public consultation on what stakeholders would like to see the GSSB do in this space.

A GSSB member suggested that spills and leaks should be subsumed under the broader topic of emergency preparedness, which includes accidents, emergencies, and crisis management; such a Standard would be applicable to a wider range of sectors.

Review of priority topics

The SD presented the list of priority topics for GSSB consideration.

The GSSB deemed both biodiversity and data privacy as priority topics to pursue. It was decided to invite feedback during public consultation on which of these priority topics stakeholders would like the GSSB to pursue first.

Sector Program scale up

The SD presented the Priority 1 sectors for the Sector Program to the GSSB and discussed the envisioned scale-up of the program.

Given current resource capacity, it was decided that the SD should focus on the following four sectors: oil, gas, and coal; agriculture; textiles and apparel; and mining, and review which Priority 1 sectors to take up next in 2020.
Stakeholder Council recommendations to the GSSB

The GSSB discussed the specific recommendations of the Stakeholder Council (SC) for the GSSB work program, presented in Item 03 - 2018 SC Recommendations to the GSSB.

Alignment with Task Force on Climate-related Financial Disclosures (TCFD): The SD’s ongoing work on the Corporate Reporting Dialogue (CRD) is already exploring alignment between different reporting frameworks on the recommendations of the TCFD. The SD aims to publish a summary of its findings under the umbrella of this program in Q3 2019.

Financial resources sector-based standards: The banking sector is part of the SD’s list of Priority 1 sectors for the Sector Program. This will serve as an opportunity to widen the scope of the discussion to financial services once work begins to develop a Sector Standard for banking.

Standards for green sustainability bonds: The GSSB is not looking to engage on the topic at the program level, given its current priorities.

Actions:
- SD to draft GSSB work plan for 2019-2021 and share with the GSSB for electronic approval, before publishing for public comment.
- SD to review if spills and leaks can be subsumed under the previously prepared project proposal on emergency preparedness, and to present the proposal to the GSSB for discussion at its in-person meeting on 24-25 September 2019.
- GSSB members to participate in an electronic vote on the exposure draft of the GSSB work program 2019-2021 in April 2019.

Session 2.6: Any other business / Summary and close of day 2

No other business was raised. The Chair summarized the discussions of day 2 and closed the meeting at 14.30 CET.