



Barbara Strozzi 336  
1083 HN Amsterdam  
The Netherlands  
[gssbsecretariat@globalreporting.org](mailto:gssbsecretariat@globalreporting.org)

# Item 02 – Exposure draft of Universal Standards: GRI 101, 102, and 103

## Annex I – Explanatory Memorandum

### For GSSB information

<b>Date</b>	6 May 2020
<b>Meeting</b>	20 May 2020
<b>Project</b>	Review of GRI's Universal Standards
<b>Description</b>	The explanatory memorandum sets out the objectives for the review of GRI's Universal Standards, the significant proposals contained in the exposure draft, and a summary of the GSSB's involvement and views on the development of the draft.

This document has been prepared by the GRI Standards Division. It is provided as a convenience to observers at meetings of the Global Sustainability Standards Board (GSSB), to assist them in following the Board's discussion. It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard setting body of GRI. For more information visit [www.globalreporting.org](http://www.globalreporting.org).

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## 14 Introduction

15 This explanatory memorandum sets out the objectives for the review of GRI's Universal Standards  
16 (*GRI 101: Foundation 2016*, *GRI 102: General Disclosures 2016* and *GRI 103: Management Approach*  
17 *2016*). It also covers the significant proposals contained in the Universal Standards exposure draft,  
18 and a summary of the Global Sustainability Standards Board (GSSB)'s involvement and views on the  
19 development of the draft.

## 20 Objectives for the review of the Universal 21 Standards

22 The primary objective in reviewing the Universal Standards is to address the recommendations from  
23 the GRI Technical Committee on Human Rights Disclosure. Feedback received from the GSSB  
24 during the transition from the GRI G4 Guidelines to the GRI Standards and from reporting  
25 organizations and other stakeholders, as well as information gathered through reviews of  
26 sustainability reports using the GRI Standards, have provided further areas of the Universal  
27 Standards to be addressed.

28 Overall, the project aims to:

- 29 • provide greater clarity on key concepts, reporting principles and disclosures in the Universal  
30 Standards and ensure they are aligned with recent developments in the area of responsible  
31 business conduct;
- 32 • integrate the expectation of due diligence into the GRI Standards;
- 33 • assist reporting organizations in understanding the reporting requirements and how they  
34 demonstrate compliance in a transparent way;
- 35 • drive consistent application of the GRI Standards;
- 36 • encourage more relevant and comprehensive reporting for experienced reporting  
37 organizations;
- 38 • improve overall usability of the GRI Standards.

39 The content of the Universal Standards has been revised in line with these project objectives. A sub-  
40 committee of four GSSB members was convened to provide overall advice and direction for this  
41 project. The content and proposed revisions presented in the exposure draft have been discussed  
42 with all members of the GSSB over the course of several meetings in 2019 and 2020.

43 The review of the Universal Standards has been informed by the recommendations of the [GRI](#)  
44 [Technical Committee on Human Rights Disclosure](#), a stakeholder group on labor-related  
45 disclosures, a public stakeholder survey that attracted over 240 responses, targeted preliminary  
46 consultations with experts and stakeholders, and various research activities.

47 The project to review the Universal Standards follows the [GSSB Due Process Protocol](#). For more  
48 information, consult the [project proposal](#).

49 Significant changes in the Universal Standards exposure draft are summarized in the next sections. A  
50 detailed mapping of changes is available on the [GRI website \[link to be added\]](#).

# 51 Significant changes to the Universal 52 Standards structure

53 The content of the Universal Standards has been re-structured for clarity:

- 54 • The first Standard (*GRI 101: Using the GRI Standards*) introduces the system of GRI Standards  
55 and explains how they are to be used.
- 56 • The second Standard (*GRI 102: About the Organization*) contains disclosures for contextual  
57 information about the organization.
- 58 • The third Standard (*GRI 103: Material Topics*) includes guidance for identifying material topics,  
59 and contains disclosures about the organization's material topics and related impacts, how it  
60 identifies its material topics, and how it manages each material topic.

61 The new structure aims to clarify the elements of the GRI Standards and their use, and to group  
62 contents in a more coherent way. Presenting all content related to material topics in one Standard  
63 gives this concept greater visibility.

64 As explained in the following three sections, certain content has been relocated from one Standard  
65 to another. The proposed relocation of content between the existing Universal Standards and the  
66 exposure draft is visually represented in Appendix I.

67 The disclosure codes used in the exposure draft (e.g., REP-I, ACT-I, GOV-I, RBC-I, SE-I, MT-I)  
68 are not the final disclosure codes. They are intended for the purpose of the public comment, to help  
69 users distinguish these disclosures from the existing disclosures in *GRI 102* and *GRI 103*.

## 70 Significant proposals and changes to GRI 71 101

### 72 Section I. Introduction

73 The Introduction has been updated to reflect the changes to the structure of the Universal  
74 Standards outlined in the previous section, as well as the following changes that apply to the entire  
75 system of GRI Standards:

- 76 • The **Sector Standards** have been added to the system of GRI Standards. *Annex 2 – GRI*  
77 *Sector Program information sheet* helps reviewers understand references to the GRI Sector  
78 Standards included in the exposure draft of the Universal Standards. It is expected that the  
79 Sector Standard for oil and gas will be released for public comment in quarter 3 of 2020.
- 80 • The **Topic Standards** are now grouped together under one series instead of the separate  
81 economic, environmental, and social series.
- 82 • Reporting **recommendations** ('should' statements) have been incorporated into the  
83 guidance sections, in order to simplify the structure of the GRI Standards.

## 84 Section 2. Key concepts in the GRI Standards

85 This **new section** explains key concepts that are used throughout the GRI Standards and are critical  
86 to understanding how to prepare and report information with the Standards. The section covers the  
87 following concepts: impact, material topic, due diligence, and stakeholder.

### 88 Impact

89 This section re-emphasizes the fact that the GRI Standards focus on an organization's **impacts**  
90 **outward**: on the economy, environment, and people, including impacts on human rights. These  
91 impacts indicate an organization's contribution, negative or positive, to sustainable development.

92 The phrase 'economic, environmental, and social impacts' has been replaced with 'impacts on the  
93 economy, environment, and people, including impacts on human rights' to more accurately reflect  
94 the different dimensions of sustainable development.

### 95 Material topic

96 The **definition of 'material topic' has been revised to focus on impact**. In the exposure  
97 draft, a material topic is defined as a 'topic that reflects the organization's most significant impacts on  
98 the economy, environment, and people, including impacts on human rights'. Engagement with  
99 relevant stakeholders forms part of identifying an organization's impacts, and so informs the process  
100 of identifying material topics. However, 'influence on the assessments and decisions of stakeholders'  
101 alone no longer determines whether a topic is material.

102 Stakeholder feedback indicates that separating impact assessment from the identification of  
103 stakeholder views leaves materiality assessments particularly vulnerable to biases based on  
104 stakeholder selection. This revision also addresses the issues associated with the application of the  
105 materiality matrix that is provided in the guidance to the Materiality principle in the existing *GRI 101*,  
106 where only topics that rank high on both dimensions are prioritized in practice.

### 107 Due diligence

108 Relevant disclosures in the GRI 102 and GRI 103 exposure draft, as well as the guidance on  
109 identifying material topics in the GRI 103 exposure draft, have been **more closely aligned with**  
110 **the expectation of due diligence** elaborated in key instruments such as the United Nations (UN)  
111 *Guiding Principles on Business and Human Rights*, the Organisation for Economic Co-operation and  
112 Development (OECD) *OECD Guidelines for Multinational Enterprises*, and the *OECD Due Diligence*  
113 *Guidance for Responsible Business Conduct*. This section explains the concept of due diligence.

### 114 Stakeholder

115 The **definition of 'stakeholder' has been aligned with the OECD Due Diligence Guidance for**  
116 *Responsible Business Conduct*. In the exposure draft, a stakeholder is defined as an 'individual or group  
117 that has an interest that is, or could be, affected by the organization's activities and decisions'.

118 The revised definition does not include the second part of the previous definition ('entity or  
119 individual whose actions can reasonably be expected to affect the ability of the organization to  
120 successfully implement its strategies and achieve its objectives'). This change has been made to be  
121 consistent with the GRI Standards' focus on an organization's most significant impacts outwards: on  
122 the economy, environment, and people, including impacts on human rights.

### 123 Section 3. Sustainability reporting using the GRI Standards

124 Changes have been made to the two approaches for using the GRI Standards:

- 125 • Reporting in accordance with the GRI Standards.
- 126 • Reporting with reference to the GRI Standards.

127 The changes are intended to improve the quality and consistency of reporting and increase  
128 transparency in the way that the GRI Standards are used.

#### 129 Approach A: Reporting in accordance with the GRI Standards

130 There **is now only one option to report in accordance with the GRI Standards.** (The  
131 previous 'Core' and 'Comprehensive' options are being removed.) This makes the reporting model  
132 commensurate with other corporate reporting frameworks, which clearly indicate the requirements  
133 for being compliant. It also immediately signals to information users the type and extent of reported  
134 information they can expect to find, and the basis upon which it has been prepared.

135 When reporting in accordance with the GRI Standards, key changes have been made to the  
136 requirements. An organization will now be required to:

- 137 • report all the disclosures in the GRI 102 and GRI 103 exposure draft (with no omissions  
138 permitted);
- 139 • use the GRI Sector Standard(s) that relate(s) to its sector(s), where available, to identify its  
140 material topics;
- 141 • report appropriate disclosures from the GRI Topic Standards. Appropriate disclosures are  
142 those that adequately capture the impacts related to the organization's material topics. An  
143 organization will now be required to report the appropriate disclosures from a Topic  
144 Standard, but not those disclosures that do not capture the organization's impacts. This is a  
145 change from having to report at least one or all topic-specific disclosures as per the existing  
146 Core or Comprehensive options respectively.

147 **The reasons for omission now apply to requirements, not disclosures, and omissions are**  
148 **not permitted for any requirements in the GRI 102 and GRI 103 exposure draft.** An  
149 organization is permitted to use reasons for omission only if it cannot comply with requirements  
150 within the appropriate disclosures in a Topic Standard. For disclosures in a Topic Standard that an  
151 organization has determined as not appropriate, a reason for omission is not required.

152 Other revisions include:

- 153 • The first reason – 'Not applicable' now renamed 'Not appropriate'– only applies to  
154 instances when a requirement does not contribute towards explaining the impacts related  
155 to the organization's material topic.
- 156 • The fourth reason – 'Information unavailable' – has been revised to emphasize that it also  
157 applies to situations where the information is incomplete or is not of adequate quality to  
158 report.

#### 159 Approach B: Reporting with reference to the GRI Standards

160 The exposure draft now clearly states **two reasons for reporting with reference to the GRI**  
161 **Standards.** An organization can use selected GRI Standards, or parts of their content:

- 162 • to report information to meet the needs of specific information users for specific purposes  
163 e.g., to comply with a specific reporting regulation on climate change; or
- 164 • if it is unable to meet all the requirements for reporting in accordance with the Standards.

165 An organization reporting with reference to the GRI Standards is now **required to publish a GRI**  
166 **content index**, which includes the statement of use, and the GRI Standards and disclosures the  
167 organization has used.

#### 168 Statement of use

169 Each approach for using the GRI Standards has a corresponding **statement of use that the**  
170 **organization is required to provide** (referred to as a ‘claim’ in the existing *GRI 101* and *GRI*  
171 *102*). The changes include:

- 172 • The wording of the statements for both ‘reporting in accordance with the GRI Standards’  
173 and ‘reporting with reference to the GRI Standards’ has changed.
- 174 • The statement of use is required to be included in the GRI content index.
- 175 • The highest governance body or most senior executive of the organization is now required  
176 to acknowledge in the statement their responsibility for the reported information being  
177 prepared in accordance with, or with reference to, the GRI Standards.

### 178 Section 4. Reporting principles

179 This section includes the following reporting principles from the existing *GRI 101*: **Accuracy,**  
180 **Balance, Clarity, Comparability, Completeness, Sustainability Context, Reliability and**  
181 **Timeliness.** The principles focus on ensuring the quality and proper presentation of the reported  
182 information; this section no longer includes reporting principles for defining report content (i.e.,  
183 material topics). The principles **have been revised** to improve their clarity and to align them with  
184 other corporate reporting frameworks. The Reliability principle has been renamed ‘Verifiability’.

185 The existing principles of **Stakeholder Inclusiveness and Materiality** are no longer presented as  
186 standalone principles. Section 2 of the GRI 103 exposure draft includes guidance on how to identify  
187 material topics based on the Reporting Principles for defining report content in the existing *GRI 101*.  
188 An organization is still required to identify its material topics, and to report under Section 3 of the  
189 GRI 103 exposure draft how it has identified its material topics, including the stakeholders that  
190 informed the process, and the material topics identified. More details about these revisions are  
191 provided in the section ‘Significant proposals and changes to GRI 103’.

### 192 Section 5. Additional recommendations for sustainability reporting

193 This **new section** includes additional recommendations on aligning sustainability reporting with  
194 other types of reporting and on methods for enhancing the credibility of reporting.

#### 195 Aligning sustainability reporting with other reporting

196 This section recommends **aligning sustainability reporting with other statutory and**  
197 **regulatory reporting, in particular, financial reporting.** This includes reporting information  
198 for the same reporting period and for the same group of entities.

#### 199 Enhancing the credibility of sustainability reporting

200 This section describes various methods that an organization can use to enhance the credibility of its  
201 sustainability reporting. The section does not introduce new content but incorporates the existing  
202 guidance from Disclosure 102-56 in *GRI 102* on the use of external assurance, internal controls, and  
203 stakeholder or expert panels. This includes a **recommendation for** an organization to put in place  
204 **internal controls** to strengthen the overall integrity and credibility of its sustainability reporting  
205 and to seek **external assurance** for its sustainability reporting.

# 206 Significant proposals and changes to GRI 207 102

208 The GRI 102 exposure draft contains disclosures for contextual information about the organization.  
209 These include disclosures that provide details about the organization and its reporting practices,  
210 activities, governance, responsible business conduct policies and practices, and stakeholder  
211 engagement.

## 212 Reporting all disclosures with no omissions

213 The introduction to the GRI 102 exposure draft confirms the requirement set out in Section 3.1 of  
214 the GRI 101 exposure draft, that information required by the disclosures in the GRI 102 exposure  
215 draft cannot be omitted. All information required by the disclosures in GRI 102 exposure draft is  
216 considered critical for information users to understand the organization and its context.

## 217 Changes to the structure

218 The content of the existing *GRI 102* has been restructured into the following sections:

219 **Section 1. Introduction**, which reminds the organization that omissions are not permitted for the  
220 disclosures in the GRI 102 exposure draft, and directs the organization on what to do if it does not  
221 have a committee, policy, practice or other process required by a disclosure.

222 **Section 2. Organizational details and reporting practices** contains five disclosures, which  
223 provide an overview of the organization, its sustainability reporting practices, and the entities  
224 covered in its sustainability reporting.

225 **Section 3. Organizational activities** contains two disclosures which cover the organization's  
226 activities, and its employees and other workers.

227 **Section 4. Governance** contains fifteen disclosures, which provide an overview of the  
228 organization's governance structure, composition, roles, and remuneration.

229 **Section 5. Responsible business conduct** contains seven disclosures, which provide an overview  
230 of the organization's policies and practices for responsible business conduct, including new  
231 requirements to report on human rights.

232 **Section 6. Stakeholder engagement** contains two disclosures, which cover the organization's  
233 stakeholder engagement practices, including how it engages in collective bargaining with employees.

234 This restructuring provides a more coherent order and grouping for the organization to work  
235 through the disclosures.

## 236 Combining disclosures

237 Existing disclosures have been combined where possible to group similar items together.

238 An overview of which disclosures have been combined can be found in Appendix 2.

## 239 New and revised disclosures and requirements

240 The GRI 102 exposure draft includes the following **new requirements**:

- 241 • **REP-2 Organization's entities included in its sustainability reporting** now includes  
242 an additional requirement for the organization to explain its approach to consolidating the  
243 information when the organization consists of multiple entities that form a consolidated  
244 group.
- 245 • **REP-3 Reporting period and frequency** includes an additional requirement for the  
246 organization to explain if its reporting periods for financial reporting and sustainability  
247 reporting do not align.
- 248 • **ACT-1 Activities, value chain, and other business relationships** combines  
249 requirements from Disclosures 102-6, 102-7, 102-9, and 102-10 in the existing *GRI 102* and  
250 includes additional requirements for the organization to report on entities in its value chain  
251 (both upstream and downstream from the organization) and their related activities, and any  
252 other relevant business relationships not included within its value chain.
- 253 • **ACT-2 Employees and other workers** includes additional requirements to report on  
254 the total number of employees by employment type by region, additional contextual  
255 information about its employee numbers, and the total number of workers who are not  
256 employees and whose work is controlled by the organization.
- 257 • **SE-2 Collective bargaining agreements** includes an additional requirement for the  
258 organization to report whether it uses collective bargaining agreements to determine the  
259 working conditions and terms of employment for those employees who are not directly  
260 covered by a collective bargaining agreement.

261 The following disclosures **incorporate the recommendations of the GRI Technical**  
262 **Committee on Human Rights Disclosure**:

- 263 • **RBC-2 Policy commitments** includes Disclosures 102-11 and 102-16 from the existing  
264 *GRI 102*, and new requirements to report on the organization's policy commitment to  
265 respect human rights and its commitment to conduct due diligence. It also includes further  
266 requirements about these policy commitments, such as how they are approved and  
267 communicated.
- 268 • **RBC-3 Embedding the policy commitments throughout the organization** is a new  
269 disclosure, which requires the organization to describe how it embeds the policy  
270 commitments reported in RBC-2 throughout its activities and business relationships.
- 271 • **RBC-4 Grievance mechanisms and other remediation processes** includes  
272 Disclosure 103-2-c-vi from the existing *GRI 103* and requires information on the grievance  
273 mechanisms and other remediation processes that the organization has established or  
274 participates in to provide for or cooperate in the remediation of negative impacts.
- 275 • **SE-1 Approach to stakeholder engagement** includes Disclosures 102-40, 102-42, and  
276 102-43 from the existing *GRI 102* and requires further information on meaningful  
277 stakeholder engagement.

278 A **new disclosure on compliance with laws and regulations (RBC-6)** has been included using  
279 content from existing Topic Standards: [GRI 307: Environmental Compliance 2016](#) and [GRI 419:](#)  
280 [Socioeconomic Compliance 2016](#). Currently, organizations only report these disclosures when they  
281 identify environmental and socioeconomic compliance as material topics. However, this disclosure is  
282 now required from all organizations, given that compliance with laws and regulations constitutes  
283 critical information for understanding an organization's responsible business conduct practices.

284 See Appendix 2 for an overview of how the revised disclosures in the GRI 102 exposure draft  
285 correspond to the existing disclosures in *GRI 102*.

## 286 Relocation of disclosures

287 The following disclosures have been removed from the existing *GRI 102* and the  
288 requirements included in the *GRI 101* exposure draft:

- 289 • **102-54 Claims of reporting in accordance with the GRI Standards**, included in  
290 Section 3.1 as a requirement for reporting in accordance with the Standards.
- 291 • **102-55 GRI content index**, included in Sections 3.1 and 3.2 as a requirement for  
292 reporting in accordance with, or with reference to, the GRI Standards.

293 The following disclosures have been moved from the existing *GRI 102* to the *GRI 103*  
294 exposure draft:

- 295 • **102-46 Defining report content and topic Boundaries and 102-49 Changes in**  
296 **reporting**, moved to Disclosure MT-1 Identification of material topics and related impacts.
- 297 • **102-47 List of material topics**, moved to Disclosure MT-2 Material topics and related  
298 impacts.

## 299 Removed disclosures

300 The following existing disclosures have been removed from the exposure draft:

- 301 • 102-7 Scale of the organization
- 302 • 102-12 External initiatives
- 303 • 102-15 Key impacts, risks, and opportunities
- 304 • 102-44 Key topics and concerns raised
- 305 • 102-51 Date of most recent report
- 306 • 102-53 Contact point for questions regarding the report

307 An explanation for why these disclosures have been removed can be found in Appendix 3.

# 308 Significant proposals and changes to GRI 309 103

310 The GRI 103 exposure draft includes guidance for identifying material topics, and contains  
311 disclosures about the organization's material topics and related impacts, how it identifies its material  
312 topics, and how it manages each material topic.

## 313 Reporting all disclosures with no omissions

314 The introduction to the GRI 103 exposure draft confirms the requirement set out in Section 3.1 of  
315 the GRI 101 exposure draft, that information required by the disclosures in the GRI 103 exposure  
316 draft cannot be omitted. All information required by the disclosures in GRI 103 exposure draft is

317 considered critical for information users to understand the organization’s approach to its material  
318 topics.

## 319 Section 1. Introduction

320 This section reminds the organization that omissions are not permitted for the disclosures in the  
321 GRI 103 exposure draft, and directs the organization on what to do if it has not developed or  
322 implemented a policy, practice or other process required by a disclosure.

## 323 Section 2. Identifying material topics

324 This section clarifies how to identify material topics, based on the expectations contained in the  
325 Reporting Principles for defining report content in the existing *GRI 101*.

326 This section provides further guidance for identifying impacts, assessing their significance, and  
327 prioritizing them for reporting – in line with the expectations included in key instruments such as  
328 the *UN Guiding Principles on Business and Human Rights*, the *OECD Guidelines for Multinational  
329 Enterprises*, and the *OECD Due Diligence Guidance for Responsible Business Conduct*.

330 In addition, the term ‘**topic Boundary**’ has been removed and the concept revised to address  
331 challenges in the understanding and application of this concept. It is made clear that the organization  
332 should consider actual and potential negative impacts it causes or contributes to through its own  
333 activities, as well as those directly linked to its operations, products, or services by its business  
334 relationships. The concepts of ‘cause’, ‘contribute to’, and ‘directly linked to’ have been further  
335 explained, and they are used only in the context of negative impacts (not positive impacts), in line  
336 with the aforementioned instruments. The requirement to report the topic Boundary for each  
337 material topic – now within disclosure MT-2 – has also been revised (more details about this  
338 revision are provided in the next section).

## 339 Section 3. Reporting on material topics

340 This section contains three disclosures, which are based on the disclosures in the existing *GRI 102*  
341 and *GRI 103* that relate to reporting on material topics. These disclosures have been revised in line  
342 with the recommendations of the GRI Technical Committee on Human Rights Disclosure, in order  
343 to align them more closely with the expectation of due diligence.

### 344 *MT-1 Identification of material topics and related impacts*

345 This disclosure covers content from Disclosures 102-46 (defining report content and topic  
346 Boundaries) and 102-49 (changes to the list of material topics) from the existing *GRI 102*. It now  
347 requires further information on how the organization has identified its impacts, how it has  
348 prioritized them for reporting based on their significance, and the stakeholders and experts whose  
349 views have informed the identification of material topics.

### 350 *MT-2 Material topics and related impacts*

351 This disclosure covers content from Disclosure 102-47 (list of material topics) from the existing *GRI*  
352 *102* and Disclosure 103-1 (explanation of the material topic and its Boundary) from the existing *GRI*  
353 *103*. In addition, it now requires a description of the impacts identified for each material topic.

354 The requirement to report the ‘topic Boundary’ has been revised, and the term ‘topic Boundary’ is  
355 no longer used. It now requires the organization to report, for each material topic, whether it is  
356 involved with the negative impacts through its own activities or as a result of its business  
357 relationships.

358 MT-3 Management of material topics and related impacts

359 This disclosure covers content from Disclosures 103-2 (the management approach and its  
360 components) and 103-3 (evaluation of the management approach) from the existing *GRI 103*. It now  
361 requires additional information on actions taken to prevent, mitigate, and remediate negative impacts  
362 (in line with the expectation of due diligence), as well as information on engagement with  
363 stakeholders.

## 364 Superseded Standards

365 The following Topic Standards will be superseded by the revised Universal Standards:

- 366 • GRI 307: Environmental Compliance 2016, the content has been incorporated into the  
367 exposure draft of GRI 102.
- 368 • GRI 412: Human Rights Assessment 2016, the content has been incorporated into the  
369 exposure draft of GRI 102 and GRI 103.
- 370 • GRI 419: Socioeconomic Compliance 2016, the content has been incorporated into the  
371 exposure draft of GRI 102.

372 This means that these three Standards will be withdrawn once the revised Universal Standards are  
373 published.

## 374 GSSB's involvement and views on the 375 development of this exposure draft

376 The proposed revisions to the Universal Standards were discussed by the GSSB during their in-  
377 person meeting in September 2019, and during public and private sessions organized between  
378 August 2019 and April 2020.

379 A sub-committee of four GSSB members was convened to provide overall advice and direction for  
380 this project.

381 The GSSB confirmed its support for the revisions to the Universal Standards when it voted to  
382 approve the draft for public exposure at its meeting on 20 May 2020 [subject to GSSB approval].

383 Meeting minutes and recordings of the public meetings can be accessed on the GSSB website [here](#).

384 **Appendix I. Relocation of content between the Universal Standards**

385 The following diagram shows the proposed relocation of content between the existing Universal Standards and the exposure draft. To facilitate reading, the  
 386 diagram does not show instances where content has been revised but remains in the same Standard.

Structure of existing Universal Standards: (2016)

<p><i>GRI 101: Foundation 2016</i></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Reporting Principles               <ul style="list-style-type: none"> <li>...for defining report content</li> <li>...for defining report quality</li> </ul> </li> <li>• Using the GRI Standards for sustainability reporting</li> <li>• Making claims related to the use of the GRI Standards</li> </ul>
<p><i>GRI 102: General Disclosures 2016</i></p> <ul style="list-style-type: none"> <li>• Organizational profile</li> <li>• Strategy</li> <li>• Ethics and integrity</li> <li>• Governance</li> <li>• Stakeholder engagement</li> <li>• Reporting practice</li> </ul>
<p><i>GRI 103: Management Approach 2016</i></p> <ul style="list-style-type: none"> <li>• General requirements for reporting the management approach</li> <li>• Disclosure 103-1 Explanation of the material topic and its Boundary</li> <li>• Disclosure 103-2 The management approach and its components</li> <li>• Disclosure 103-3 Evaluation of the management approach</li> </ul>

Proposed structure in the exposure draft of the Universal Standards:

<p><i>GRI 101: Using the GRI Standards</i></p> <ol style="list-style-type: none"> <li>1. Introduction</li> <li>2. Key concepts in the GRI Standards</li> <li>3. Sustainability reporting using the GRI Standards [incorporates Disclosures 102-54 and 102-55]</li> <li>4. Reporting principles [incorporates the principles for defining report quality and the Completeness and Sustainability Context principles]</li> <li>5. Additional recommendations for sustainability reporting</li> </ol> <p>Appendix 1. GRI content index for reporting in accordance with the GRI Standards        Appendix 2. GRI content index for reporting with reference to the GRI Standards</p>
<p><i>GRI 102: About the Organization</i></p> <ol style="list-style-type: none"> <li>1. Introduction</li> <li>2. Organizational details and reporting practices</li> <li>3. Organizational activities</li> <li>4. Governance</li> <li>5. Responsible business conduct [incorporates Disclosure 103-2-c-vi and the content of Topic Standards GRI 307 and GRI 419]</li> <li>6. Stakeholder engagement</li> </ol>
<p><i>GRI 103: Material Topics</i></p> <ol style="list-style-type: none"> <li>1. Introduction</li> <li>2. Identifying material topics [guidance based on principles for defining report content]</li> <li>3. Reporting on material topics           <ul style="list-style-type: none"> <li>• Disclosure MT-1 Identification of material topics and related impacts [incorporates Disclosures 102-46 and 102-49]</li> <li>• Disclosure MT-2 Material topics and related impacts [incorporates Disclosure 102-47]</li> <li>• Disclosure MT-3 Management of material topics and related impacts</li> </ul> </li> </ol>

387 **Appendix 2. Overview of how the revised disclosures in the**  
 388 **GRI 102 and GRI 103 exposure draft correspond to existing**  
 389 **disclosures in the GRI Standards**

390 Note that this table provides an understanding of where the content from existing GRI Standards  
 391 and disclosures can be found in the exposure draft, but it does not indicate new requirements.

<i>GRI 102: About the Organization</i>	<i>Disclosures in existing GRI Standards</i>	
<b>Revised disclosures in the GRI 102 exposure draft</b>	<b>Existing disclosures</b>	<b>Section in existing GRI 102</b>
<b>Section 2. Organizational details and reporting practices</b>		
REP-1 Organizational details	102-1 Name of the organization 102-3 Location of headquarters 102-4 Location of operations 102-5 Ownership and legal form	1. Organizational profile
REP-2 Organization’s entities included in its sustainability reporting	102-45 Entities included in the consolidated financial statements	6. Reporting practice
REP-3 Reporting period and frequency	102-50 Reporting period 102-52 Reporting cycle	6. Reporting practice
REP-4 Restatements of information	102-48 Restatements of information	6. Reporting practice
REP-5 External assurance	102-56 External assurance <i>(The guidance on internal controls, external assurance, and stakeholder panels has moved to GRI 101 Section 5.2)</i>	6. Reporting practice

<b>Section 3. Organizational activities</b>		
ACT-1 Activities, value chain, and other business relationships	102-2 Activities, brands, products, and services 102-6 Markets served 102-7 Scale of the organization (107-a-iii – net sales or net revenues – included in the guidance) 102-9 Supply chain 102-10 Significant changes to the organization and its supply chain	I. Organizational profile
ACT-2 Employees and other workers	102-7 Scale of the organization (102-7-a-i – total number of employees – moved to ACT-2-a) 102-8 Information on employees and other workers	I. Organizational profile
<b>Section 4. Governance</b>		
GOV-1 Governance structure and composition	102-18 Governance structure 102-22 Composition of the highest governance body and its committees	4. Governance
GOV-2 Nomination and selection of the highest governance body	102-24 Nominating and selecting the highest governance body	4. Governance
GOV-3 Responsibilities for sustainable development topics and delegation	102-19 Delegating authority 102-20 Executive-level responsibility for economic, environmental, and social topics	4. Governance
GOV-4 Stakeholder consultation on sustainable development topics	102-21 Consulting stakeholders on economic, environmental, and social topics	4. Governance
GOV-5 Chair of the highest governance body	102-23 Chair of the highest governance body	4. Governance
GOV-6 Conflicts of interest	102-25 Conflicts of interest	4. Governance
GOV-7 Role of the highest governance body in setting purpose, values, and strategy	102-26 Role of highest governance body in setting purpose, values, and strategy	4. Governance
GOV-8 Collective knowledge of the highest governing body	102-27 Collective knowledge of highest governance body	4. Governance

GOV-9 Evaluation of the performance of the highest governance body	102-28 Evaluating the highest governance body's performance	4. Governance
GOV-10 Identification and management of impacts	102-29 Identifying and managing economic, environmental, and social impacts 102-30 Effectiveness of risk management processes 102-31 Review of economic, environmental, and social topics	4. Governance
GOV-11 Role of the highest governance body in sustainability reporting	102-32 Highest governance body's role in sustainability reporting	4. Governance
GOV-12 Communication of critical concerns	102-33 Communicating critical concerns 102-34 Nature and total number of critical concerns	4. Governance
GOV-13 Remuneration policies	102-35 Remuneration policies	4. Governance
GOV-14 Process for determining remuneration	102-36 Process for determining remuneration 102-37 Stakeholders' involvement in remuneration	4. Governance
GOV-15 Annual total compensation ratio	102-38 Annual total compensation ratio 102-39 Percentage increase in annual total compensation ratio	4. Governance
<b>Section 5. Responsible business conduct</b>		
RBC-1 Statement on sustainable development strategy	102-14 Statement from senior decision-maker	2. Strategy
RBC-2 Policy commitments	102-11 Precautionary Principle or approach 102-16 Values, principles, standards, and norms of behavior	1. Organizational profile 3. Ethics and integrity
RBC-3 Embedding the policy commitments throughout the organization	-	-
RBC-4 Grievance mechanisms and other remediation processes	Requirement 103-2-c-vi from <i>GRI 103</i>	-
RBC-5 Mechanisms for seeking advice and raising concerns	102-17 Mechanisms for advice and concerns about ethics	3. Ethics and integrity

RBC-6 Compliance with laws and regulations	307-1 from GRI 307: <i>Environmental Compliance 2016</i> 419-1 from GRI 419: <i>Socioeconomic Compliance 2016</i>	-
RBC-7 Membership associations	102-13 Membership of associations	1. Organizational profile
<b>Section 6. Stakeholder engagement</b>		
SE-1 Approach to stakeholder engagement	102-40 List of stakeholder groups 102-42 Identifying and selecting stakeholders 102-43 Approach to stakeholder engagement	5. Stakeholder engagement
SE-2 Collective bargaining agreements	102-41 Collective bargaining agreements	5. Stakeholder engagement

<b>GRI 103: Material Topics</b>	<b>Disclosures in existing GRI Standards</b>	
<b>Revised disclosures in the GRI 103 exposure draft</b>	<b>Existing disclosures</b>	<b>Section in existing GRI 102</b>
MT-1 Identification of material topics and related impacts	102-46 Defining report content and topic Boundaries 102-49 Changes in reporting	6. Reporting practice
MT-2 Material topics and related impacts	102-47 List of material topics 103-1 Explanation of the material topic and its Boundary	6. Reporting practice -
MT-3 Management of material topics and related impacts	103-2 The management approach and its components 103-3 Evaluation of the management approach	-

392 **Appendix 3. Overview of removed disclosures**

<b>Existing GRI 102 disclosure</b>	<b>Explanation for removal</b>
102-7 Scale of the organization	<p>The following requirements have been removed:</p> <ul style="list-style-type: none"> <li>• 102-7-a-ii (total number of operations).</li> <li>• 102-7-a-iv (total capitalization broken down in terms of debt and equity).</li> <li>• 102-7-a-v (quantity of products or services provided).</li> </ul> <p>Feedback received showed that the terms used and the data required are unclear. In addition, some of the required information is not meaningful by itself without the organization providing further narrative.</p>
102-12 External initiatives	<p>This information does not necessarily provide contextual information for understanding an organization’s impacts and how the organization is managing them. Organizations can still report external initiatives if they wish.</p>
102-15 Key impacts, risks, and opportunities	<p>This disclosure overlaps with requirements in other disclosures. In addition, feedback showed that there was confusion over the use of the term ‘key impacts’ when compared with significant impacts, which organizations are required to consider when identifying material topics.</p>
102-44 Key topics and concerns raised	<p>This disclosure overlaps with requirements in other disclosures about the identification of material topics and the stakeholders that have informed the process.</p>
102-51 Date of most recent report	<p>Unclear for first-time reporters, and previous reports are usually publicly available on corporate websites.</p>
102-53 Contact point for questions regarding the report	<p>This information can be found on the organization's website and organizations can still include it if they wish.</p>