GRI Universal Standards public comment

Explanatory memorandum for the exposure draft

11 June 2020
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Introduction

The Global Sustainability Standards Board (GSSB), the independent standard setting body of GRI, has published an exposure draft of the Universal Standards for public comment between 11 June and 9 September 2020.

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

Objectives for the review of the Universal Standards

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

Overall, the project aims to:

- provide greater clarity on key concepts, reporting principles and disclosures in the Universal Standards and ensure they are aligned with recent developments in the area of responsible business conduct;
- integrate the expectation of due diligence into the GRI Standards;
- assist reporting organizations in understanding the reporting requirements and how they demonstrate compliance in a transparent way;
- drive consistent application of the GRI Standards;
- encourage more relevant and comprehensive reporting for experienced reporting organizations;
- enable first time reporters and SMEs to more easily apply the GRI Standards;
- improve overall usability of the GRI Standards.

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

The review of the Universal Standards has been informed by the recommendations of the GRI Technical Committee on Human Rights Disclosure, a stakeholder group on labor-related disclosures, a public stakeholder survey that attracted over 240 responses, targeted preliminary consultations with experts and stakeholders, and various research activities.
The project to review the Universal Standards follows the GSSB Due Process Protocol. For more information, consult the project proposal.

Significant changes in the Universal Standards exposure draft are summarized in the next sections. A detailed mapping of changes is available on the GRI Standards website.

**Significant changes to the Universal Standards structure**

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

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

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

As explained in the following three sections, certain content has been relocated from one Standard to another. The proposed relocation of content between the existing Universal Standards and the exposure draft is visually represented in Appendix 1.

The disclosure codes used in the exposure draft (e.g., REP-1, ACT-1, GOV-1, RBC-1, SE-1, MT-1) are not the final disclosure codes. They are intended for the purpose of the public comment, to help users distinguish these disclosures from the existing disclosures in GRI 102 and GRI 103.

**Significant proposals and changes to GRI 101**

**Section 1. Introduction**

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

- The Sector Standards have been added to the system of GRI Standards. GRI Sector Program information sheet helps reviewers understand references to the GRI Sector Standards included in the exposure draft of the Universal Standards. It is expected that the Sector Standard for oil and gas will be released for public comment in July 2020, subject to GSSB approval.
The Topic Standards are now grouped together under one series instead of the separate economic, environmental, and social series.

Reporting recommendations (‘should’ statements) have been incorporated into the guidance sections, in order to simplify the structure of the GRI Standards.

Section 2. Key concepts in the GRI Standards

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

Impact

This section re-emphasizes the fact that the GRI Standards focus on an organization’s impacts outward: on the economy, environment, and people, including impacts on human rights. These impacts indicate an organization’s contribution, negative or positive, to sustainable development. The phrase ‘economic, environmental, and social impacts’ has been replaced with ‘impacts on the economy, environment, and people, including impacts on human rights’ to more accurately reflect the different dimensions of sustainable development and to reinforce the approach to reporting impacts outward.

Material topic

The definition of ‘material topic’ has been revised to focus on impact. In the exposure draft, a material topic is defined as a ‘topic that reflects the organization’s most significant impacts on the economy, environment, and people, including impacts on human rights’. Engagement with relevant stakeholders forms part of identifying an organization’s impacts, and so informs the process of identifying material topics. However, ‘influence on the assessments and decisions of stakeholders’ is no longer a standalone factor that determines whether a topic is material. Stakeholder feedback indicates that separating impact assessment from the identification of stakeholder views leaves materiality assessments particularly vulnerable to biases based on stakeholder selection, given that this approach leads organizations to prioritize impacts only if the consulted stakeholders highlight them. Therefore, this revision also addresses the issues associated with the application of the materiality matrix that is provided in the guidance to the Materiality principle in the existing GRI 101, where only topics that rank high on both dimensions are prioritized in practice.

Due diligence

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

Stakeholder

The definition of ‘stakeholder’ has been aligned with the OECD Due Diligence Guidance for Responsible Business Conduct. In the exposure draft, a stakeholder is defined as an ‘individual or group that has an interest that is, or could be, affected by the organization’s activities and decisions’. The revised definition does not include the second part of the previous definition (‘entity or individual whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives’). This change has been made to be
consistent with the GRI Standards’ focus on an organization’s most significant impacts outwards: on
the economy, environment, and people, including impacts on human rights.

Section 3. Sustainability reporting using the GRI Standards

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

- Reporting in accordance with the GRI Standards.
- Reporting with reference to the GRI Standards.

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

Approach A: Reporting in accordance with the GRI Standards

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

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

- report all the disclosures in the GRI 102 and GRI 103 exposure draft (with no omissions
  permitted);
- use the GRI Sector Standard(s) that apply to its sector(s), where available, when identifying
  its material topics;
- report appropriate disclosures from the GRI Topic Standards. Appropriate disclosures are
  those that adequately capture the impacts related to the organization’s material topics. An
  organization will now be required to report the appropriate disclosures from a Topic
  Standard, but not those disclosures that do not capture the organization’s impacts. This is a
  change from having to report at least one or all topic-specific disclosures as per the existing
  Core or Comprehensive options respectively.

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

Other revisions include:

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

Approach B: Reporting with reference to the GRI Standards

The exposure draft now clearly states two reasons for reporting with reference to the GRI
Standards. An organization can use selected GRI Standards, or parts of their content:
• to report information to meet the needs of specific information users for specific purposes
e.g., to comply with a specific reporting regulation on climate change; or
• if it is unable to meet all the requirements for reporting in accordance with the Standards.

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

**Statement of use**

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

• The wording of the statements for both ‘reporting in accordance with the GRI Standards’ and ‘reporting with reference to the GRI Standards’ has changed.

• The statement of use is required to be included in the GRI content index.

• The highest governance body or most senior executive of the organization is now required to acknowledge in the statement their responsibility for the reported information being prepared in accordance with, or with reference to, the GRI Standards.

**Section 4. Reporting principles**

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

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

**Section 5. Additional recommendations for sustainability reporting**

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

**Aligning sustainability reporting with other reporting**

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

**Enhancing the credibility of sustainability reporting**

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

**Significant proposals and changes to GRI 102**

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

**Reporting all disclosures with no omissions**

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

**Changes to the structure**

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

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

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

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

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

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

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

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

**Combining disclosures**

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

An overview of which disclosures have been combined can be found in Appendix 2.
New and revised disclosures and requirements

The GRI 102 exposure draft includes the following new requirements:

- **REP-2 Organization's entities included in its sustainability reporting** now requires reporting the entities included in the organization's sustainability reporting, rather than the entities included in its consolidated financial statements, and any differences between the entities included in the organization's sustainability reporting and financial reporting. It includes an additional requirement for the organization to explain its approach to consolidating the information when the organization consists of multiple entities that form a consolidated group.

- **REP-3 Reporting period and frequency** includes an additional requirement for the organization to specify the reporting period for its financial reporting and to explain if its reporting periods for financial reporting and sustainability reporting do not align.

- **ACT-1 Activities, value chain, and other business relationships** combines requirements from Disclosures 102-6, 102-7, 102-9, and 102-10 in the existing GRI 102 and includes additional requirements for the organization to report on the characteristics of entities in its value chain (both upstream and downstream from the organization) and their related activities, and any other relevant business relationships not included within its value chain.

- **ACT-2 Employees and other workers** includes additional requirements to report the total number of employees by employment type, by region; contextual information about its employee numbers; and the total number of workers who are not employees and whose work is controlled by the organization, including the most common types of worker and their contractual relationship with the organization.

- **GOV-3 Responsibilities for sustainable development topics and delegation** now requires further information on the role and responsibilities of the highest governance body with regard to decision-making for sustainable development topics, the internal resources that the organization has for managing these topics, and the process and frequency for reporting to the highest governance body on these topics.

- **GOV-10 Identification and management of impacts** now requires further information on the role of any committees of the highest governance body with specific development topics and their related impacts, and how the highest governance body considers and reviews the outcomes of these processes and how frequently it reviews the effectiveness of these processes.

- **GOV-14 Process for determining remuneration** now requires further information on the process for determining the organization's remuneration policies, and whether independent members of the highest governance body or an independent remuneration committee oversee the process.

- **SE-2 Collective bargaining agreements** includes an additional requirement for the organization to report whether it uses collective bargaining agreements to determine the working conditions and terms of employment for those employees who are not directly covered by a collective bargaining agreement.
The following disclosures incorporate the recommendations of the GRI Technical Committee on Human Rights Disclosure:

- **RBC-2 Policy commitments** includes Disclosures 102-11 and 102-16 from the existing GRI 102, and new requirements to report on the organization’s policy commitments for responsible business conduct, including its specific policy commitment to respect human rights and its commitment to conduct due diligence. It also requires further information about these policy commitments, such as how they are approved and communicated.

- **RBC-3 Embedding the policy commitments throughout the organization** is a new disclosure that requires the organization to describe how it embeds the policy commitments reported in RBC-2 throughout its activities and business relationships.

- **RBC-4 Grievance mechanisms and other remediation processes** includes Disclosure 103-2-c-vi from the existing GRI 103 and requires specific information on the grievance mechanisms and other remediation processes that the organization has established or participates in to provide for or cooperate in the remediation of negative impacts.

- **SE-1 Approach to stakeholder engagement** includes Disclosures 102-40, 102-42, and 102-43 from the existing GRI 102 and requires further information on meaningful stakeholder engagement.

A new disclosure on compliance with laws and regulations (RBC-6) has been included using content from existing Topic Standards: GRI 307: Environmental Compliance 2016 and GRI 419: Socioeconomic Compliance 2016. Currently, organizations only report these disclosures when they identify environmental and socioeconomic compliance as material topics. However, this disclosure is now required from all organizations, given that compliance with laws and regulations constitutes critical information for understanding an organization’s responsible business conduct practices. See Appendix 2 for an overview of how the revised disclosures in the GRI 102 exposure draft correspond to the existing disclosures in GRI 102.

Relocation of disclosures

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

- **102-54 Claims of reporting in accordance with the GRI Standards**, included in Section 3.1 as a requirement for reporting in accordance with the Standards.

- **102-55 GRI content index**, included in Sections 3.1 and 3.2 as a requirement for reporting in accordance with, or with reference to, the GRI Standards.

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

- **102-46 Defining report content and topic Boundaries and 102-49 Changes in reporting**, moved to Disclosure MT-1 Identification of material topics and related impacts.

- **102-47 List of material topics**, moved to Disclosure MT-2 Material topics and related impacts.
Removed disclosures

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

- 102-12 External initiatives
- 102-15 Key impacts, risks, and opportunities
- 102-44 Key topics and concerns raised
- 102-51 Date of most recent report
- 102-53 Contact point for questions regarding the report

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

Significant proposals and changes to GRI 103

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

Reporting all disclosures with no omissions

The introduction to the GRI 103 exposure draft confirms the requirement set out in Section 3.1 of the GRI 101 exposure draft, that information required by the disclosures in the GRI 103 exposure draft cannot be omitted. All information required by the disclosures in GRI 103 exposure draft is considered critical for information users to understand the organization’s approach to its material topics.

Section 1. Introduction

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

Section 2. Identifying material topics

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

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

In addition, the term ‘topic Boundary’ has been removed and the concept revised to address challenges in the understanding and application of this concept. The exposure draft of GRI 103 now makes clear that the organization should consider actual and potential negative impacts it causes or contributes to through its own activities, as well as those directly linked to its operations, products, or services by its business relationships. The concepts of ‘cause’, ‘contribute to’, and ‘directly linked to’ have been further explained, and they are used only in the context of negative impacts (not...
positive impacts), in line with the aforementioned instruments. The requirement to report the topic Boundary for each material topic – now within disclosure MT-2 – has also been revised (more details about this revision are provided in the next section).

Section 3. Reporting on material topics

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

MT-1 Identification of material topics and related impacts

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

MT-2 Material topics and related impacts

This disclosure covers content from Disclosure 102-47 (list of material topics) from the existing GRI 102 and Disclosure 103-1 (explanation of the material topic and its Boundary) from the existing GRI 103. In addition, it now requires a description of the impacts identified for each material topic. The requirement to report the ‘topic Boundary’ has been revised, and the term ‘topic Boundary’ is no longer used. It now requires the organization to report, for each material topic, whether it is involved with the negative impacts through its own activities or as a result of its business relationships.

MT-3 Management of material topics and related impacts

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

Superseded Standards

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

- GRI 307: Environmental Compliance 2016, the content has been incorporated into the exposure draft of GRI 102.
- GRI 412: Human Rights Assessment 2016, the content has been incorporated into the exposure draft of GRI 102 and GRI 103.
- GRI 419: Socioeconomic Compliance 2016, the content has been incorporated into the exposure draft of GRI 102.

This means that these three Standards will be withdrawn once the revised Universal Standards are published.
GSSB’s involvement and views on the development of the exposure draft

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

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

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

Meeting minutes and recordings of the public meetings can be accessed on the GSSB website.
Appendix I. Relocation of content between the Universal Standards

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

<table>
<thead>
<tr>
<th>Structure of existing Universal Standards: (2016)</th>
<th>Proposed structure in the exposure draft of the Universal Standards:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 101: Foundation 2016</strong></td>
<td><strong>GRI 101: Using the GRI Standards</strong></td>
</tr>
<tr>
<td>• Introduction</td>
<td>1. Introduction</td>
</tr>
<tr>
<td>• Reporting Principles</td>
<td>2. Key concepts in the GRI Standards</td>
</tr>
<tr>
<td>...for defining report content</td>
<td>3. Sustainability reporting using the GRI Standards [incorporates Disclosures 102-54 and 102-55]</td>
</tr>
<tr>
<td>...for defining report quality</td>
<td>4. Reporting principles [incorporates the principles for defining report quality and the Completeness and Sustainability Context principles]</td>
</tr>
<tr>
<td>• Using the GRI Standards for sustainability reporting</td>
<td>5. Additional recommendations for sustainability reporting</td>
</tr>
<tr>
<td>• Making claims related to the use of the GRI Standards</td>
<td>Appendix 1. GRI content index for reporting in accordance with the GRI Standards</td>
</tr>
<tr>
<td>• Reporting practice</td>
<td>Appendix 2. GRI content index for reporting with reference to the GRI Standards</td>
</tr>
</tbody>
</table>

| **GRI 102: General Disclosures 2016**          | **GRI 102: About the Organization**                              |
| • Organizational profile                       | 1. Introduction                                                  |
| • Strategy                                     | 2. Organizational details and reporting practices                |
| • Ethics and integrity                         | 3. Organizational activities                                    |
| • Governance                                   | 4. Governance                                                   |
| • Stakeholder engagement                      | 5. Responsible business conduct [incorporates Disclosure 103-2-c.vi and the content of Topic Standards GRI 307 and GRI 419] |
| • Reporting practice                           | 6. Stakeholder engagement                                       |

| **GRI 103: Management Approach 2016**         | **GRI 103: Material Topics**                                     |
| • General requirements for reporting the management approach | 1. Introduction                                                  |
| • Disclosure 103-1 Explanation of the material topic and its Boundary | 2. Identifying material topics [guidance based on principles for defining report content] |
| • Disclosure 103-2 The management approach and its components | 3. Reporting on material topics                                   |
| • Disclosure 103-3 Evaluation of the management approach |   • Disclosure MT-1 Identification of material topics and related impacts [incorporates Disclosures 102-46 and 102-49] |
|                                                 |   • Disclosure MT-2 Material topics and related impacts [incorporates Disclosure 102-47] |
|                                                 |   • Disclosure MT-3 Management of material topics and related impacts |
Appendix 2. Overview of how the revised disclosures in the GRI 102 and GRI 103 exposure draft correspond to existing disclosures in the GRI Standards

Note that this table provides an understanding of where the content from existing GRI Standards and disclosures can be found in the exposure draft, but it does not indicate new requirements, revised requirements, or requirements that have been removed. A detailed mapping of changes is available on the GRI Standards website.

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

<table>
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<td>102-2 Activities, brands, products, and services</td>
<td>102-7 Scale of the organization</td>
<td>1. Organizational profile</td>
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<tr>
<td>102-6 Markets served</td>
<td>(107-a, ii, iii and v – total number of operations, net sales or net revenues, and quantity of products/services provided – included in the guidance)</td>
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<td>102-8 Information on employees and other workers</td>
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### Section 4. Governance

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<th>GOV-2 Nomination and selection of the highest governance body</th>
<th>GOV-3 Responsibilities for sustainable development topics and delegation</th>
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</thead>
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| 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  
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102-16 Values, principles, standards, and norms of behavior | 1. Organizational profile  
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<p>| RBC-3 Embedding the policy commitments throughout the organization | - | - |
| RBC-4 Grievance mechanisms and other remediation processes | Requirement 103-2-c-vi from GRI 103 | - |
| RBC-5 Mechanisms for seeking advice and raising concerns | 102-17 Mechanisms for advice and concerns about ethics | 3. Ethics and integrity |</p>
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**Section 6. Stakeholder engagement**

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**GRI 103: Material Topics**

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## Appendix 3. Overview of removed disclosures

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<td>102-12 External initiatives</td>
<td>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. The Guidance to RBC-2-a-i states: ‘The organization can also make a reference to other standards or initiatives that it participates in.’</td>
</tr>
<tr>
<td>102-15 Key impacts, risks, and opportunities</td>
<td>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.</td>
</tr>
<tr>
<td>102-44 Key topics and concerns raised</td>
<td>This disclosure overlaps with requirements in other disclosures about the identification of material topics and the stakeholders that have informed the process.</td>
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<tr>
<td>102-51 Date of most recent report</td>
<td>This disclosure is unclear for first-time reporters, and previous reports are usually publicly available on corporate websites.</td>
</tr>
<tr>
<td>102-53 Contact point for questions regarding the report</td>
<td>This information can be found on the organization’s website and organizations can still report it if they wish.</td>
</tr>
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