



Item 01 – Draft summary of the GSSB meeting held on 17-18 October 2023

For GSSB approval

Date	2 November 2023
Meeting	16 November 2023
Description	This document presents the summary of the GSSB in-person meeting held on 17-18 October 2023.

This document does not represent an official position of the GSSB

This document has been prepared by the GRI Standards Division and is made available to observers at meetings of the Global Sustainability Standards Board (GSSB). 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.

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1 Participants

2 Present:

Name	Constituency
Carol Adams	Chair
Chulendra De Silva	Mediating institution
Deborah Ng	Investment Institution
Gangaa Charan Sharma	Business enterprise
Galya Tsonkova	Business enterprise
Giulia Genuardi	Business enterprise
Jeff Robertson	Vice-Chair
Jennifer Princing	Business enterprise
Joseph Martin	Business enterprise
Kim Schumacher (joined online joined online at 09.55 until 11.30 on 17/10, and on 18/10 10.00-12.00 and 13.00-14.00)	Civil society organization
Loredana Carta (joined at 13:00)	Labor
Peter Colley	Labor
Vincent Kong	Business enterprise

3 Apologies:

Name	Constituency
Anna Nefedova	Mediating institution
Corli le Roux	Mediating institution

4 In attendance from GRI:

Name	Position
Bastian Buck	Chief of Standards
Elodie Chêne	Sr. Manager, Standards
Gillian Balaban	Sr. Coordinator Governance Relations
Harold Pauwels	Director Standards
Izzy Ensor	Manager, Standards
Júlia Ontañón Benguerel	Sr. Standards Officer
Laura Espinach	Head of Technical Development
Margherita Barbieri	Manager, Standards
Piers Horner	Sr. Manager, Licensing Software and Tools

5 List of abbreviations

GRI Global Reporting Initiative
GSSB Global Sustainability Standards Board

SD	Standards Division
WG	Working group
TC	Technical committee
PCP	Public comment period

6 Decisions and action items

7 Decisions

8 The GSSB resolved to approve the following:

9 **GSSB Decision 2023.29** Item 01 – [Draft summary of the GSSB meeting held on 14 September 2023](#)

10 **GSSB Decision 2023.30** Item 02 – [GRI Sector Standard Project for Financial Services – Proposed](#)
 11 [member substitution for Banking Technical Committee](#)

12 Session 1.1: Welcome

13 The Global Sustainability Standards Board (GSSB) Chair Carol Adams (henceforth the Chair)
 14 welcomed the GSSB to the 2-day in-person meeting. The Chair presented an overview of the meeting
 15 agenda. A quorum was established, and the above items were presented to the GSSB for approval.

16 The Chair asked GSSB members to share key regional or stakeholder constituency developments. A
 17 summary of responses is listed as follows:

- 18 • In engagements with, regulators, standards setters, investors, and consulting firm partners,
 19 GRI has emphasized that significant impacts are important to identify a complete set of risks
 20 for investors. The assurance of the process for determining these impacts is also important.
 21 Feedback received from investors and consulting firms also highlights the importance of
 22 significant impacts.
- 23 • In discussions with companies and accounting bodies in Sri Lanka and South Asia, including
 24 the Colombo Stock Exchange, the takeaway was that impact reporting is considered the
 25 starting point for sustainability efforts. GRI's approach to "impact materiality" as a foundation
 26 before adopting other reporting frameworks was emphasized. However, there are concerns
 27 about the reporting burden and the need for simplification and interoperability among
 28 reporting standards. The focus is on making sustainability reporting more streamlined.
- 29 • The Canadian Sustainability Standards Board (CSSB) is working with ISSB for the Canadian
 30 context. The Canadian Securities Administrators (CSA) proposed climate disclosures in 2021
 31 and are now developing disclosures based on ISSB standards. GRI content – around 68-70%
 32 of reports in the last year – continues to be prevalent in Canadian sustainability reports.

- 33 • There has been a significant shift in the regulatory system in India, transitioning from BRR to
34 BRSR reporting based on a national guideline for responsible business conduct. The latest
35 development mandates the top 150 companies to provide reasonable assurance on core
36 BRSR indicators, posing challenges for corporations. Additionally, the market faces a
37 shortage of capacity to produce quality sustainability reports, allowing GRI to influence the
38 sustainability reporting ecosystem.
- 39 • News in Australia centers on the unsuccessful referendum to recognize Indigenous People in
40 the constitution and provide them a permanent parliamentary voice.
- 41 • The priority of the labor stakeholder group is to consider stakeholder impacts over financial
42 materiality. GRI labor standards are being revised with an initial focus on work quality and
43 remuneration, followed by workplace human rights in the second stage.
- 44 • In the US, ESG factors remain relevant, but there is an emerging debate about their
45 significance, while investors exercise caution in their ESG interpretations. The persistence of
46 the ESG movement, driven by fiduciary responsibilities, is emphasized.
- 47 • In Europe, many regulatory acronyms like CSRD, ESRS, and EU Taxonomy complicate
48 compliance for companies. Furthermore, companies with US investors must adapt to
49 reporting frameworks like ISSB and TCFD, with ongoing discussions about employees' ideal
50 location and background in sustainability reporting departments.
- 51 • In Hong Kong, TCFD will be mandatory for listed companies starting in January 2025. This is
52 of concern due to its high-level reporting standards and the need for adaptation. There is an
53 anticipated need for IFRS S1 and S2 reporting. Companies seek guidance from GRI to
54 integrate TCFD requirements into their existing reporting framework, as they value GRI's
55 impact identification, which IFRS S1 and S2 do not address.

56 Chief of Standards, Bastian Buck, provided the Standards Division update as follows:

- 57 • Companies are waking up to the mandatory nature of ESG requirements across various
58 jurisdictions. Multinational corporations are facing multiple overlapping reporting requirements
59 in different jurisdictions. Financial reporting also faces similar challenges. GRI is a reference
60 point for best practices and must stay ahead of regulatory developments.
- 61 • GRI is working on linkage documents and a digital taxonomy to help practitioners navigate
62 reporting requirements. The focus is prioritizing work and proactively addressing
63 interoperability with other standards and regulations.
- 64 • GRI continues to hire new staff to expand capacity to deliver on its work program.

65 The Chief of Standards proposed the additional member to the Capital Markets Technical Committee
66 for approval.

67 The GSSB approves the following:

GSSB Decision **Item number**

2023.29	01 – Draft summary of the GSSB meeting held on 14 September 2023
2023.30	02 – GRI Sector Standard Project for Financial Services – Proposed member substitution for Banking Technical Committee

68 **Session 1.2: GRI Topic Standard**

69 **Project for Labor update**

70 Izzy Ensor, Manager Standards, presented an update on the topic standard project for labor with a
71 focus on content development, just transition, and ‘control of workers’ standard interpretation.

72 The GSSB discussed these areas for clarification. General agreement on the direction the
73 development of the standard is taking. No decisions were made.

74 **Session 1.4: GRI 3 guidance update**

75 Chief of Standards, Bastian Buck, discussed the upcoming project to develop non-authoritative
76 guidance on identifying risks and opportunities that arise from impacts. The following points are for
77 consideration:

- 78 • The SD is developing the project’s proposal, which will be discussed at the GSSB meeting in
79 January 2024, allowing content development to begin shortly afterwards.
- 80 • The current goal is to publish the non-authoritative guidance by the end of 2024, depending
81 on the SD’s prioritization of projects next year, which will be discussed at the GSSB meeting
82 in November 2023.
- 83 • The project is expected to rely more on expert reviewers and a public consultation, rather
84 than a technical committee.
- 85 • The SD are in the process of identifying key stakeholders to participate in the project. Some
86 parties have expressed their willingness to collaborate. The TFND, which was invited to this
87 session, have expressed their willingness to collaborate on the development of biodiversity
88 related guidance.

89 TNFD Executive Director, Tony Goldner, presented their framework and guidance on nature-related
90 financial disclosures, which were published in September 2023. The following points are for
91 consideration:

- 92 • The TNFD welcomed the statements from GRI about the consistency between their new
93 framework and the GRI standards.

- 94 • In nature-related financial disclosures, the concept of ‘dependencies’ will become increasingly
95 important for organizations trying to understand related impacts, risks, and opportunities.
96 • The TNFD will test its impact materiality assessment with 200 pilot institutions and use this
97 information to align with ESRS requirements.
98 • Additional guidance will likely be developed on how TNFD’s framework aligns with other
99 jurisdictions.

100 In response to comments and questions from the GSSB, the TNFD highlighted the following issues as
101 important:

- 102 • There are now several terms for disclosures related to nature, and many need clearer
103 definitions. However, more effective collaboration and alignment among the main reporting
104 bodies can help provide the needed clarity.
105 • Reporting on both positive and negative impacts will remain critical for nature-related
106 disclosures, but the lack of clear thresholds for ecosystems will be an ongoing challenge for
107 organizations.
108 • More metrics are also needed to help organizations determine dependencies, impacts, risks,
109 and opportunities, which is why the TNFD has started to frame these aspects, including
110 through qualitative information.

111 **Session 1.5: Inter-alignment between** 112 **Biodiversity and Mining Standards**

113 Elodie Chêne, Júlia Ontañón Benguerel, Bastian Buck, and Harold Pauwels presented an update on
114 the ongoing effort to align the Biodiversity and Mining Standards prior to publication:

- 115 • The near-simultaneous publication of the biodiversity and mining projects marks a significant
116 milestone as it is the first time a topic standard is being revised since the introduction of the
117 sector program.
118 • The recommendation from the SD is to include biodiversity disclosures within the mining
119 sector standard. This aims to encourage the mining sector, which has considerable impacts
120 on biodiversity, to adopt the leading standard for reporting on biodiversity impacts.
121 • Importantly, this approach prevents the need for revising a recently launched standard, and it
122 allows organizations time to initiate data collection effectively.

123 GSSB comments and SD responses are as follows:

- 124 • A GSSB member asked about how the process of alignment with Sector Standard that are
125 already approved. SD responded that this is covered by the pilot project presented to the
126 GSSB at their September meeting.
- 127 • A GSSB member asked for an update on the adoption of the Oil and Gas Standard. SD
128 shared that there are 65 companies in the top 1000 that are classified as oil and gas
129 companies, of which 22 (one third) had already published in August a report that used GRI
130 11. This data indicates that certain sectors are more comfortable reporting on controversial
131 areas when they see their peers doing the same.
- 132 • A GSSB member noted that the International Council on Mining and Metals (ICMM) requires
133 its members to report using GRI standards, underlining the importance of industry adoption.

134 **Session 2.4: GRI Topic Standard**

135 **Project for Climate Change update**

136 Margherita Barbieri, Manager Standards, presented an update of the Topic Standard Project for
137 Climate Change with an overview of the proposed disclosures and their structure across the climate
138 and energy standards.

139 In response to questions from the GSSB, the following points were clarified:

- 140 • With regard to just transition disclosure and metrics, the aim is to develop more qualitative
141 metrics through further discussion with TC and feedback and testing.
- 142 • Guidance on referencing GHG protocols can be made clearer.
- 143 • Decided by TC to report the whole of Scope 3 in target setting; for reporting, Scope 3
144 accounting has existed for a long time, so it should be possible, and therefore, all categories
145 are required.
- 146 • Regarding just transition, the project team is collaborating with the labor project and meeting
147 with authoritative sources. More detail will be required under the just transition disclosure,
148 because it was deemed insufficient to report only jobs created/characteristics. What is
149 needed are better metrics and ratios for jobs lost, eliminated, and under training, as well as
150 how to measure the impact of transition on vulnerable groups, etc.

151 **Session 2.5: Introduction to XBRL**

152 Piers Horner, Senior Manager Licensing Software and Tools, and Laura Espinach, Director
153 Standards, provided an update on the project developing a taxonomy for GRI Standards using the
154 XBRL coding language. The following points are for consideration:

- 155 • The XBRL taxonomy is being retroactively applied to GRI Standards, which may see different
156 options emerge for tagging certain information. The SD expects the GSSB to advise on the
157 most appropriate tags or decide whether an interpretation of the Standards is needed when
158 codifying the Standards in XBRL.
- 159 • The project team is working with IFRS and EFRAG technical teams to ensure interoperability
160 among their different taxonomies, particularly around information that is not quantitative.
- 161 • A draft version of the taxonomy is expected in the coming months while organizations may be
162 able to use the system sometime in 2024.

163 In response to comments and questions from the GSSB, the SD clarified the following points:

- 164 • The project will create data points linked to the standards' requirements, which can then be
165 used to validate disclosures. The SD expects this will drive greater transparency and
166 alignment among sustainability disclosures worldwide.
- 167 • The SD expects widespread business-to-business application of the taxonomy, particularly
168 among multinationals that request sustainability information from their supply chain partners.
- 169 • Artificial Intelligence (AI) solutions are not being considered right now, but it will be an
170 important part of future discussions with software developers.
- 171 • GRI will not be responsible for how the taxonomy data will be incorporated into an
172 organization's reporting system, but the SD will work with partners to ensure integration
173 happens in the most effective way.

174 **Session 2.6: Feedback received on** 175 **GRI Standards**

176 Laura Espinach, Director Standards, presented the feedback received on GRI Standards. The
177 following points are for consideration:

- 178 • Six sets of feedback were received; the first three pertain to specific disclosures.
- 179 • Web FAQs and experts in the ongoing projects will address the feedback and suggestions.

180 GSSB comments and SD responses are as follows:

- 181 • The GSSB commented on the feedback regarding using revenue as a denominator to
182 evaluate energy intensity. Most members suggested that using revenue as a single
183 measurement would be problematic. The suggestion is to use revenue along with other
184 denominators, like the number of employees and unit of production. The SD confirmed that
185 this issue was discussed in climate TC meetings and that flexibility was preferred.
- 186 • The GSSB referred to 'feedback, item 1' and suggested considering using definitions from
187 organizations like the ILO or Human Rights groups, as there are no gender or sex definitions
188 in the current standards. The SD stated that the identification of an appropriate source should
189 be deferred to the labor TC. It indicated that the labor TC should address this issue for further
190 guidance.
- 191 • The GSSB asked if benchmarks like 'zero waste to landfill', which are internationally
192 accepted, can be referenced in the standards. The SD suggested that these benchmark
193 considerations can be explored within the context of a specific project. These considerations
194 are more suited for issue-specific exploration rather than applying them universally across all
195 GRI Standards.
- 196 • The GSSB asked how human rights requirements relate to the Russian invasion of Ukraine.
197 The SD responded that human rights requirements would indeed cover the issue. In 2021, the
198 Universal Standards were updated to include the concept of due diligence, which involves
199 reporting on due diligence for all impacts a company has, not just human rights. These
200 standards align with key international instruments like the UN and OECD. GRI offers some
201 guidance at the sector level, but further details from this feedback could be developed into
202 future guidance or standards. At the core, GRI provides the foundation for such reporting.

203 **Session 2.7: Project schedule for**

204 **2024**

205 Bastian Buck, Chief of Standards, and Harold Pauwels, Director Standards, provided an outline of the
206 project schedule for 2024, along with potential adjustments to the Work Program 2023-2025.

207 First, SD walked through the key updates about the Sector Program:

- 208 • Mining – expected to reach its final milestone with approval in December. 2024 will primarily
209 concentrate on the publication and rollout of the standard.
- 210 • Financial services – This project has recently commenced, with PCP scheduled for late 2024.
- 211 • Textile – Currently on hold, with hopes to resume activities in Q1 of 2024.
- 212 • Sector Program – Projects for Food and Beverages, Utilities, and Renewable Energy within
213 the work program are on hold as they search for program leadership. Priorities may change

214 due to alignment of the standard-setting agenda. The development of sector-specific
215 materials, including guidance, is ongoing.

216 Second, SD outlined key updates for the Topic Program:

- 217 • Biodiversity – Expected to conclude approval in December and publication in Q1 2024.
- 218 • Climate Change – An exposure draft is scheduled for presentation on November 16. The PCP
219 will run from November 2023 until the end of February 2024.
- 220 • Labor – The first set of standards is anticipated by early Q2.
- 221 • Economic impacts – The project has commenced and the manager is in the process of
222 recruiting a working group.
- 223 • Pollution – Research into scope and stakeholders is underway, with a draft proposal planned
224 during the GSSB meeting on December 14, 2023.
- 225 • Projects such as Indigenous Peoples and Local Communities, Digitalization, and Security
226 Practices may experience potential delays due to recruitment challenges.
- 227 • Other ongoing projects encompass XBRL taxonomy, research initiatives, recruitment efforts,
228 and alignment endeavors.

229 GSSB comments and SD responses are as follows:

- 230 • A GSSB member asked about the hiring of a Director for the Sector Program, and how the
231 delay affects the ongoing projects. Bastian promised a hiring update at the next meeting, and
232 reaffirmed that leadership is critical to drive future projects.
- 233 • A GSSB member asked about alignment with global standards. SD indicated ongoing
234 discussions with EFRAG about aligning priorities. Additionally, new information about
235 standards in development is expected.
- 236 • GSSB members also inquired about the potential need for sponsorship for various projects.

237 **Session 2.8: Close of meeting**

238 The Chair concluded by adding her thanks to all who contributed to a successful in-person meeting.
239 No other business was raised, and the Chair closed the final day of the in-person meeting at 15:50
240 Central European Time (CET).