



GSSB Global
Sustainability
Standards Board

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Transition to GRI Standards

Item 05 – Summary of key changes to the exposure drafts

For GSSB information

Date	22 March 2016
Meeting	5-7 April 2016
Project	Transition to GRI Standards
Description	As part of the move to become a standard setter, the Global Sustainability Standards Board (GSSB) has decided that the G4 Guidelines need to be transitioned to GRI Sustainability Reporting Standards. This paper presents a high-level summary of the most recent changes made in the six 'Group 1' standards which will be exposed for public comment beginning on 19 April. These drafts include SRS 101: Foundation, SRS 201: General disclosures, SRS 301: Management approach, SRS 403: Indirect economic impacts, SRS 505: Emissions, and SRS 615: Public policy.

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15 About this paper

16 This paper presents a summary of the most recent changes made in the six 'Group I' standards
17 which will be exposed for public comment beginning on 19 April 2016. These drafts include:

- 18 • SRS 101: Foundation (Item 07)
- 19 • SRS 201: General disclosures (Item 08)
- 20 • SRS 301: Management approach (Item 09)
- 21 • SRS 403: Indirect economic impacts (Item 10)
- 22 • SRS 505: Emissions (Item 11)
- 23 • SRS 615: Public policy (Item 12)

24 In addition, the GRI Standards Glossary of terms for the 'Group I' Standards is presented for the
25 GSSB review (Item 13).

26 This paper highlights only the significant changes that have been made in each draft since the
27 latest GSSB discussion on that topic. Earlier changes that were previously communicated to the
28 GSSB, or discussed in conference calls, have not been included in this paper. These changes are,
29 however, indicated throughout the documents within comment boxes, and summarized at the
30 end of each document.

31 These draft Standards also incorporate changes related to the employee/worker terminology
32 revision project. These changes are recorded in the summaries at the end of each draft. More
33 background on these changes can be found in Item 06 – List of suggested revisions for
34 'employee', 'worker' terminology for first set of public exposure drafts.

35 [Annex I](#) provides an overview of the project objectives, revision principles and content
36 clarifications.

37 *GSSB feedback requested*

38 The Standards Division has identified three specific areas for further GSSB discussion at the in-
39 person meeting on 5th April 2016:

- 40 1. New introduction text added to the Foundation standard (Background on sustainability
41 reporting). [See Item 07 lines 18-39.](#)
- 42 2. Additional text added to the definition of topic Boundary to help clarify the context around
43 defining Boundaries outside the organization. [See Item 07 lines 560-565.](#)
- 44 3. Slightly revised structure for SRS 301: Management approach. [See Item 09.](#)

45 For these areas, GSSB members are asked to **please raise any significant comments or**
46 **concerns ahead of the meeting.**

47 ***Any other feedback:***

48 Following the project timelines, the Standards Division will have just over a week between the
49 close of the GSSB meeting and the opening of the consultation period. Therefore, the GSSB is
50 requested to **please raise ahead of the meeting any other critical issues or substantive**
51 **concerns** related to the draft GRI Standards. This includes any points that GSSB members feel
52 must be addressed before the documents can be approved as public exposure drafts.

53 Summary of significant changes

54 Overarching changes to the template/structure

55 a) New subsections have been included, as per the follow-up to GSSB meeting on 3 March
56 2016. There are now three 'categories' of text in the Standards:

- 57 • **Reporting requirements** – these sections include all 'shall' statements, both
58 disclosures and methodology
- 59 • **Reporting recommendations** – these include all 'should' statements
- 60 • **Guidance** – background context, examples, and 'can' statements

61 This new structure aims to make it clear to reporters exactly which content is required and
62 which content is recommended.

63 b) The wording around the 'Effective date' (in the Introduction sections) has been adjusted to
64 clarify that earlier adoption of the Standards is encouraged.

65 c) The wording around 'Normative references' (in the Introduction sections) has been revised
66 to be clearer and aligned with ISO guidance on standard setting.

67 SRS 101: Foundation

68 Based on feedback from the latest GSSB call on 3 March, the following changes have been made:

69 a) An additional introduction section on sustainability reporting is now included. This was
70 drafted by Bastian Buck, Standards Director, and has been discussed with selected reporters
71 and other stakeholders. This text is intended to be a high-level overview on sustainability
72 reporting. A 'foreword' for the GRI Standards can be prepared later in the process and will
73 be discussed separately with the GSSB. [See Item 07, lines 18-39.](#)

74 b) The Reporting Principles section has been moved up front, so this is now the first section of
75 the Standard (after the Introduction content). [See Item 07, line 127.](#)

76 c) Additional clarification text has been added to the explanation of topic Boundary, based on
77 comments during the GSSB call and received afterwards. The explanation now includes
78 selected text from the UN Guiding Principles to better describe the concept of Boundaries
79 outside the organization. [See Item 07, lines 560-565.](#)

80 d) Minor changes have been made in the 'General reporting process' section based on
81 comments from GSSB members after the 3 March call. There is now one 'shall' statement
82 related to aggregating information at the appropriate level, and the remaining clauses in the
83 section are all 'should' statements (recommendations). [See Item 07, lines 607-615.](#)

84 e) Guidance in the 'claims' section has been revised and now emphasizes that organizations
85 should only use and reference the GRI Standards in line with these three specific claim
86 options. [See Item 07, lines 675-679.](#)

- 87 f) The 'in accordance' section now makes it explicit that organizations need to comply with all
88 relevant reporting requirements (i.e., 'shall' methodology as well as disclosures) in order to
89 use an 'in accordance' claim. [See Item 07, Table 2 \(line 724\) and lines 719-722.](#)
- 90 g) Additional guidance text is now included on how to select one disclosure for each material
91 topic, for organizations using the 'in accordance' core option. This is based on text
92 previously approved by the GSSB for the G4 FAQ. [See Item 07, lines 730-732.](#)
- 93 h) Revised guidance text is included around 'SRS-referenced' claims to make this concept
94 clearer, and with an example claim statement now provided in guidance. [See Item 07, lines](#)
95 [746-753.](#)

96 SRS 201: General disclosures

97 Based on feedback from the latest GSSB call on 25 February, the following changes have been
98 made:

- 99 a) Disclosure 201-2 (*primary brands, products and services...*) has been revised to include 'core
100 activities' and also to include content from the previous Indicator G4-PR6 (*banned products*
101 *and services...*). The relocation of Indicator G4-PR6 was discussed with the GSSB in
102 December 2015. [See Item 08, line 91.](#)
- 103 **Note:** One GSSB member strongly recommends retaining Indicator G4-PR6 within the
104 Marketing communications Standard.
- 105 b) Disclosure 201-9 (*description of the reporting organization's supply chain*) has been revised and
106 expanded to include text that was previously in the methodology section. The disclosure
107 now reads: *A description of the reporting organization's supply chain, including its main elements as*
108 *they relate to the organization's core activities, as well as its primary brands, products, and services.*
109 [See Item 08, line 145.](#)
- 110 c) General Disclosure 201-13 (*memberships of industry associations...*) has been updated to
111 require only main memberships to be reported. With this change in the disclosure text, the
112 methodology has also been updated from a 'shall' statement to a 'should' statement (as per
113 GSSB input). [See Item 08, line 191.](#)
- 114
- 115 d) The Strategy and Analysis section has been revised based on GSSB comments and internal
116 Standards Division discussions. These disclosures were very lengthy and the majority of
117 content served, in effect, as recommendations about how the disclosures should be
118 reported. Therefore, the majority of content has been moved out of disclosures 201-14 and
119 201-15 and has been kept as recommended methodology. This will make the disclosures
120 more consistent with the new format and template of the Standards. The section has also
121 been moved farther upfront in the Standard, and it now sits directly after Organizational
122 Profile section. [See Item 08, lines 200-274.](#)
- 123 e) The Guidance of General Disclosure 201-22 (*collective bargaining agreements*) has been
124 updated to clarify the intent of this disclosure. [See Item 08, lines 353-362.](#)
- 125
- 126 f) The Methodology section around Disclosure 201-46 (*defining the report content and topic*
127 *Boundaries, and an explanation of how the reporting principles have been applied*) has been
128 revised to be more clear and logical. [See Item 08, lines 576-585.](#)

129 g) The content index section has been further revised to be less prescriptive and specific – the
130 section now includes more minimal requirements about the content that needs to be
131 included in a content index, and gives one example table in guidance. The methodology
132 related to the content index has also now been revised to be a ‘should’ statement
133 (recommendation). *See Item 08, lines 670-719.*

134 *Further work pending:*

135 Please note that the content in 201-8 (formerly G4-10) is still under review by the Employee/
136 worker Technical Committee, which has not yet reached agreement on revisions for this
137 disclosure. The Technical Committee will continue reviewing this content with the aim of
138 presenting suggested revisions for GSSB discussion at the April meeting.

139 **SRS 301: Management approach**

140 The GSSB made a number of recommendations on the Management approach Standard during the
141 11 March 2016 meeting. For more background, please consult the [meeting summary](#) and/or
142 [recording](#).

143 The Standards Division implemented these recommendations in an interim version of this Standard.
144 However, when all these changes were made together, the final outcome appeared significantly
145 more complicated than the simple and concise DMA section in G4. Therefore, to reduce the
146 perception of major content changes, and to keep the Management approach requirements clear,
147 the Standards Division has slightly revised the draft Standard. The following changes have been
148 made:

149 a) The disclosures are now structured into three sections: ‘Why and where the topic is material’;
150 ‘The management approach and its components’; and ‘Evaluation of the management
151 approach’. The Division hopes this grouping will help preserve the clear and concise structure
152 of the original G4 management approach disclosures and encourage a better articulation of
153 the management approach.

154 b) The disclosure requirements for [Boundary](#) have been updated to reflect the revised definition,
155 which was discussed in the GSSB meeting on 25 February 2016. *See Item 09, Disclosure 301-1-*
156 *b and c, and lines 107-127.*

157 c) The recommendation (‘should’) to ‘describe whether the management approach is intended
158 to avoid, mitigate, or remediate negative impacts, or enhance positive impacts’ has been re-
159 worded as a reporting requirement (‘shall’), as follows: ‘A statement of the management
160 approach purpose’. *See Item 09, Disclosure 301-2-b.*

161 d) For the grievance mechanisms content, the Standards Division has:

- 162 • consolidated all content within just one section of this Standard;
- 163 • removed the term ‘formal’ in ‘formal grievance mechanisms’. The disclosure now
164 requests information on any grievance mechanism, whether an operational-level
165 mechanism, or a collaborative mechanism established by, or formally involving, other
166 organizations;

167 • moved the requirement to report quantitatively on the number of grievances
168 (previously Indicators G4-EN34, G4-LA16, G4-HR12, and G4-SO11) to the Guidance
169 section; and [See Item 09, lines 196-205](#).

170 • added Guidance on describing the purpose and quality of the grievance mechanisms,
171 in line with the UN Guiding Principles on Business and Human Rights. [See Item 09,](#)
172 [lines 161-195](#).

173 e) Relevant content from the ‘Overall’ and ‘Investment’ Aspects has been added as Guidance:

174 *Background:* The Standards Division had previously proposed to discontinue the Aspects
175 ‘Overall’ (Environmental Category) and ‘Investment’ (Human Rights sub-Category), meaning
176 these Aspects would not be developed as individual Standards. The content of these Aspects
177 had been proposed to be transitioned as Guidance, where relevant.

178 Relevant content from the ‘Overall’ Aspect has been transitioned into this Standard as
179 guidance. [See Item 09, lines 218-221](#). Additional relevant content from the ‘Overall’ Aspect will
180 be transitioned into other Standards, namely: ‘Emissions’ (see next section), ‘Effluents and
181 waste’ and ‘Compliance’ (the last two to be developed in the next stage of the project).

182 Relevant content from the ‘Investment’ Aspect has been transitioned into this Standard as
183 guidance. [See Item 09, lines 213-214](#).

184 **Note:** One GSSB member strongly recommends retaining the Aspect of ‘Investment’ and
185 related Indicator G4-HR1, with additional clarification.

186 The following are previously recommended changes that have not been implemented in the latest
187 version of this Standard due to the concerns outlined earlier:

188 f) Requiring a description of the process to identify impacts:

189 The GSSB had recommended making the following statement a required disclosure: ‘describe
190 any processes [the organization] used to identify its impacts, such as due diligence’. This has
191 been preserved as Guidance within the latest version of this Standard, for the reasons outlined
192 at the beginning of this section.

193 g) Requiring a description of certain characteristics of the grievance mechanisms (e.g., purpose,
194 intended users, effectiveness):

195 The GSSB had recommended replacing the quantitative measure about grievances with a
196 narrative requirement for describing the grievance mechanisms’ purpose and quality. The
197 latest version of this Standard *does* include a requirement to describe grievance mechanisms
198 where they exist for a material topic ([See Item 09, Disclosure 301-2-c-iii](#)). However, the more
199 detailed description of the purpose and quality of the mechanism has been developed as
200 Guidance ([See Item 09, lines 161-195](#)), also for the reasons outlined at the beginning of this
201 section.

202 h) Changing the status of G4 Guidance (from ‘can’ to ‘should’):

203 GSSB feedback on the previous iteration of this Standard recommended elevating some of the
204 original G4 Guidance on specific components of the management approach (i.e., policies,
205 commitments, goals and targets, resources, responsibilities and specific actions) into a
206 reporting recommendation (‘should’). The GSSB highlighted the guidance for ‘resources’ and
207 ‘responsibilities’ in particular as worth elevating into a recommendation. The GSSB was then

208 asked to consider the same for the other components. To support some of this decision-
209 making, the Standards Division offered to conduct research on the extent to which this
210 guidance gets reported on. The outcomes of this research can be found in [Annex 2](#).

211 **SRS 403: Indirect economic impacts**

- 212 a) The 'Background context' section has been updated following GSSB feedback. In particular,
213 mentions of risks to the organization (such as reputation) have been removed; and wording
214 around risks of adverse impacts happening with regards to this topic has been improved. [See](#)
215 [Item 10, lines 76-91](#).
- 216 b) The G4 management approach guidance has been elevated into a reporting recommendation
217 ('should'). [See Item 10, lines 105-111](#).
- 218 c) Content from the introductory text to the Economic Category of G4 has been added to this
219 Standard as guidance. This text asks organizations to compile data for economic disclosures
220 using relevant international financial reporting standards. This guidance is currently proposed
221 to be included in each Economic Standard. [See Item 10, lines 113-120](#).

222 **SRS 505: Emissions**

- 223 a) Updated methodology for Scope 2 Emissions: Disclosure 505-2 has been updated to align
224 with changes to the GHG Protocol Scope 2 Guidance, published in January 2015 by World
225 Resources Institute (WRI) and World Business Council for Sustainable Development
226 (WBCSD). The updated Scope 2 Guidance asks organizations to provide two distinct Scope
227 2 values: a location-based and a market-based value. These are calculated with different
228 emissions factors that vary according to how the organization obtained the energy
229 associated with those emissions. The Standards Division is in contact with WRI to ensure
230 the changes are fully in line with the updated Scope 2 Guidance. This change has been
231 indicated in this draft Standard as a 'content update' change and will be explained in the
232 summary of changes at the back of the document. [See Item 11, Disclosure 505-2-a and b, and](#)
233 [lines 245-248, 257-263, and 265-270](#).
- 234 b) Previous G4 management approach guidance on GHG emissions targets and offsets has been
235 elevated into a reporting recommendation ('should'). [See Item 11, lines 154-156](#).
- 236 c) Relevant content from the 'Overall' Aspects has been added as Guidance:
- 237 *Background:* The Standards Division had previously proposed to discontinue the Aspect
238 'Overall' (Environmental Category), meaning that the Aspect would not be developed as an
239 individual Standard. The content of this Aspect had been proposed to be transitioned as
240 Guidance, where relevant.
- 241 Relevant content from the 'Overall' Aspect has been transitioned into this Standard as
242 guidance. [See Item 11, lines 161-162](#).
- 243 Additional relevant content from the 'Overall' Aspect will be transitioned into other
244 Standards, namely: Management approach (see earlier section), 'Effluents and waste' and
245 'Compliance' (the last two to be developed in the next stage of the project).

246 **SRS 615: Public policy**

- 247 a) The 'Background context' section has been updated following GSSB feedback. In particular,
248 mentions of risks to the organization (such as reputation) have been removed; and wording
249 around risks of adverse impacts happening with regards to this topic has been improved. [See](#)
250 [Item 12, lines 76-86](#).
- 251 b) The G4 management approach guidance has been elevated into a reporting recommendation
252 ('should'). [See Item 12, lines 100-104](#).

253 **Glossary of terms (for the 'Group I' Standards)**

254 For an overview of changes to definitions of terms, see Item 13 – Exposure draft of the GRI
255 Standards Glossary: Group I terms and key terms.

256 The final designed versions of the GRI Standards will indicate which of the terms used are defined
257 in the Glossary.

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258 Annex I. Project objectives, revision 259 principles, and content clarifications

260 This Annex summarizes the key objectives pursued and content revision principles applied in the
261 transition of the G4 Guidelines to GRI Standards. It also includes a table explaining the content
262 clarification issues that have been incorporated throughout the draft GRI Standards. For more
263 background on the Transition to GRI Standards, visit the GSSB webpages:

264 [https://www.globalreporting.org/information/about-gri/governance-bodies/Global-Sustainability-](https://www.globalreporting.org/information/about-gri/governance-bodies/Global-Sustainability-Standard-Board/Pages/default.aspx)
265 [Standard-Board/Pages/default.aspx](https://www.globalreporting.org/information/about-gri/governance-bodies/Global-Sustainability-Standard-Board/Pages/default.aspx)

266 The following objectives have been pursued during the transition to GRI Standards:

- 267 • Designing a format that allows the GRI Standards to be updated independently when the
268 need arises and that facilitates continuous improvement
- 269 • Preserving the Reporting Principles and the focus on materiality
- 270 • improving the overall user-friendliness and technical quality and robustness of the GRI
271 Standards
- 272 • Ensuring minimal changes to the G4 disclosure requirements and their methodologies
- 273 • Allowing for flexibility in reporting options and formats

274 *Revision principles*

275 The following principles have been applied to the G4 Guidelines' content in the transition to GRI
276 Standards:

- 277 • Relocating G4 content – to make it easier to find and improve its usability
- 278 • Reviewing the use of instructive verbs within G4 guidance – to clarify the intent of guidance
279 text that comes from the G4 Implementation Manual
- 280 • Clarifying G4 content, to improve clarity and ensure the correct understanding and use
281 of the GRI Standards
- 282 • Eliminating unnecessary duplication of content – to reduce complexity and volume
- 283 • Removing unnecessary guidance – which is deemed of little value or unnecessary for
284 correctly applying the GRI Standards, thus shortening the text and helping users focus on
285 relevant information
- 286 • Updating text – to reflect the new format, structure and terminology of the GRI Standards

Issue Name	Summary of content clarification issue and proposed changes
Issue A1: Clarifying the use of the term 'impacts'	<ul style="list-style-type: none"> The term 'impacts' has been clarified throughout the GRI Standards to help users understand that, in the context of these standards, the term relates to impacts <i>on the economy, the environment, or society</i> (not to impacts on the organization itself). Examples have been provided in guidance where appropriate. This is to address previous confusion in which some users of G4 interpreted the term 'impacts' as impacts on the organization itself (e.g. reduced profits) In specific cases where text refers to impacts <i>on the organization</i>, the term 'impacts' has been replaced with other suitable words depending on the context (e.g. <i>effects on the organization, or consequences for the organization</i>) to improve clarity
Issue A2: Relating other topics to GRI Standards	<ul style="list-style-type: none"> The GRI Standards now clarify that reporting organizations should relate their material topics to the existing list of topics in the GRI Standards where possible. This clarification has been proposed due to confusion from G4 users about how to report on topics that are similar to, but not identical to, the topics (Aspects) covered in G4. Within the Foundation standard, it is now explained that topic descriptions within the GRI Standards are intentionally broad and are designed to encompass numerous other related or more specific subjects. For example, if an organization identifies 'Water conservation' as a material topic, this should be related to the broader GRI topic on 'Water'. The organization should use disclosures from the 'Water' Standard where possible, or if not relevant they can use reasons for omission or include other more appropriate disclosures.
A3: Clarifying topic descriptions	<ul style="list-style-type: none"> Revised descriptions of each topic (Aspect) will be included in each topic-specific Standard. This should make it easier for reporting organizations to understand the nature of each topic and which related topics could be grouped together under the same standard for the purposes of reporting.
Issue A4: Reporting on other material topics	<ul style="list-style-type: none"> The GRI Standards now clarify that the report should include all material topics listed under 201-47 (formerly G4-19, the list of material topics), even if they are not covered by a topic-specific GRI Standard. This clarification addresses questions from G4 reporters who were not clear on how to include material topics that didn't have a corresponding Aspect (topic) within the G4 Guidelines. <i>SRS 101: Foundation</i> now explains that if a material topic is not covered by an existing topic-specific Standard (and cannot reasonably be linked to an existing Standard), the reporting organization is expected to use <i>SRS 301: Management Approach</i> to report on its management approach. It can also use other disclosures, although it is recommended that these disclosures are subject to the same technical rigor as disclosures in the GRI Standards, and can come from other established standards or reporting frameworks where possible.
Issue A5: Reporting the process for defining report content	<ul style="list-style-type: none"> Additional guidance text has been added into the Foundation standard (section 2) and <i>SRS 201: General disclosures</i> to clarify the expectations for organizations reporting disclosure 201-46 (formerly G4-18) An additional 'How-to-guide' will be developed based on the previous G4-18 guidance text from the G4 Implementation manual. This will be made available to reporters as a non-mandatory reference that can be used along with the GRI Standards
Issue A6: Clarifying the	<ul style="list-style-type: none"> Text in the GRI Standards has been clarified to help reporting organizations understand the concept of topic Boundaries, especially when Boundaries are

Issue Name	Summary of content clarification issue and proposed changes
definition of Boundary	<p>defined as outside the organization. This clarification is due to common misinterpretations of the Boundary concept amongst G4 reporters.</p> <ul style="list-style-type: none"> The revised description of a topic Boundary is now included in <i>SRS 101: Foundation</i>, <i>SRS 301: Management approach</i>, and the <i>GRI Standards Glossary of terms</i>. This revised description is as follows: <p><i>The concept of the topic Boundary refers to the entities that cause the impacts related to a material topic. These entities can be within the organization (i.e., the entities included in the organization’s consolidated financial statements or equivalent documents, as reported under Disclosure 201-45 of SRS 201: General disclosures), outside of the organization (e.g., suppliers or clients), or both.</i></p> <p><i>The Boundary of a material topic is defined as within the organization if the organization or an entity it owns or controls (e.g., subsidiary) has caused a significant impact on the economy, the environment or society.</i></p> <p><i>The Boundary of a material topic is defined as outside of the organization if an outside entity (e.g., supplier, client) has caused a significant impact on the economy, the environment or society that the reporting organization has either contributed to, or is linked to, via a business relationship.</i></p> <p><i>The concept of defining topic Boundaries outside of the organization is due to the fact that organizations are increasingly expected to take responsibility for impacts where:</i></p> <ul style="list-style-type: none"> <i>the organization has contributed to, or is seen as contributing to, an impact through its activities or decisions, but this impact has been caused directly by another party; and</i> <i>the organization is involved solely because the impact is directly linked to its operations, products or services by a business relationship (even if it has not contributed to that impact).</i>
Issue A7: Reporting impacts outside the organization	<ul style="list-style-type: none"> The GRI Standards now clarify the expectations for how organizations should report on a topic if the Boundary is outside their own organization (e.g. the impacts occur in the supply chain, which means it is not always possible to obtain information needed to report on the disclosures). This clarification was due to previous confusion If the Boundary for a topic extends beyond the organization, the reporting organization is still expected to include this material topic in the sustainability report. To make an in accordance claim, the organization is required to report on its management approach using <i>SRS 301: Management approach</i>. If the topic-specific disclosures cannot be reported due to insufficient information, the reporting organization can use reasons for omission.
A8: Expectations for reporting on the supply chain	<ul style="list-style-type: none"> The text for disclosure 201-9 (formerly G4-I2) has been expanded to be more specific on the reporting expectations. This clarification was due to inconsistent reporting and questions from G4 users about how to report this disclosure. The original wording for the disclosure was: <i>Describe the main elements of the supply chain in relation to the organization’s primary activities, products, and services.</i> The revised disclosure now specifies that the organization shall report: <i>‘a description of the reporting organization’s supply chain, including its main elements as they relate to the reporting organization’s core activities, as well as its primary brands, products, and services.’</i>
Issue A9: Clarifying use of GRI Sector Disclosures	<ul style="list-style-type: none"> To improve clarity about how the GRI sector guidance is to be used, a new section of guidance has been included in <i>SRS 101: Foundation</i>. This text explains that GRI sector guidance can be consulted, where available, to help organizations identify their material topics.

Issue Name	Summary of content clarification issue and proposed changes
<p>Issue A11: Clarifying the 'in accordance' criteria</p>	<ul style="list-style-type: none"> • The GRI Standards still have two options (core and comprehensive) for users that wish to prepare a report in accordance with the GRI Standards and make a public claim (statement) to that effect. • However, it has been clarified in the new structure of the standards that in order to use an 'in accordance' claim, the organization is required to not only report the relevant disclosures, but also to comply with all related reporting requirements ('shall' statements). This includes the process requirements in the Foundation standard, which require, for example, that all Reporting Principles are applied. A revised table (Table 2) has been incorporated into SRS 101: Foundation with the minimum criteria to make each in accordance claim. • A third claim option (SRS-referenced) exists for organizations that use the GRI Standards but are not preparing an in accordance report. This is based on the concept of a 'GRI-referenced' report in G4, but the concept and requirements have been made more clear in the transition to GRI Standards. The aim is to have better transparency about how the GRI Standards are used in practice, while allowing flexibility for reporters to individual standards or their contents for reporting specific sustainability information. • Further clarification has also been included in the Foundation standard about using reasons for omission, including revised explanations about how and when these reasons can be used

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288 Annex 2. Management approach research

289 The Standards Division analyzed a sample of management approach disclosures for 60 Aspects
290 (with an equal mix of economic, environmental and social topics) across 20 G4-based reports
291 (with a mix of regions, sizes and sectors) to find out whether these components are typically
292 reported for each material topic. The Division then did a more in depth review of the reported
293 information for those components found to be more frequently reported, to assess how much of
294 the detailed G4 guidance was actually followed. The ultimate aim was to find out whether elevating
295 some of this guidance would be raising the bar for reporters – also given the concern that the G4
296 Implementation Manual is not as widely consulted.

297 Through this research, the Standards Division found the following:

- 298 • The more commonly reported components were found to be: *policies* (97%), *commitments*
299 (97%), and *specific actions* (87%). Whilst the amount of information provided varied for
300 each topic, nearly all management approach disclosures for the 60 Aspects consulted
301 included some reference to or information for these three components. It should be noted
302 that a certain degree of interpretation went into deciding whether the information
303 belonged to one of these categories. This is due to the fact that organizations used
304 different terminology and structured the information differently than G4.
- 305 • The other components were reported as follows: *responsibilities* (73%), *goals and targets*
306 (65%), and *resources* (58%).
- 307 • For *specific actions*, *commitments* and *policies*, the Division found that the G4 guidance
308 available for those components was largely followed by reporters.

309 Despite limitations around the size of the sample and the degree of subjectivity involved in such
310 analysis, it could be concluded that *specific actions*, *commitments* and *policies* are generally very well
311 reported, and thus could be elevated into a recommendation. Elevating the other components
312 might be raising the bar for some reporters. However, because of the reasons outlined earlier in
313 the paper, the Standards Division would recommend preserving this content as Guidance for the
314 time being. In addition, it could also be concluded that all these components are generally well
315 reported, despite them not being required in G4.