



GSSB Global
Sustainability
Standards Board

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Transition to GRI Standards

Item 02 – Draft SRS 615: Public Policy

For GSSB Review and Agreement (with suggested amendments)

Date 11 February 2016

Meeting 25 February 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 Sustainability Reporting Standards (SRSs). This paper presents a draft of the SRS 615: Public Policy, for GSSB review and agreement (with suggested amendments).

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

About this version

This paper sets out a draft of the Sustainability Reporting Standard 615: Public Policy, formerly the G4 Public Policy Aspect.

Summary of changes

1. **Structure:** this SRS is structured as follows, based on the previously discussed template:
 - An **introduction** – which contains all background and ‘boilerplate information’. Please note that to assist with version control, this content is being developed only in the SRS: 505 Emissions, and will be re-introduced into the remaining Topic-Specific SRSs once the GSSB has signed off the content during the 5-7 April 2016 meeting.
 - The **standard itself** (i.e., requirements, recommendations and guidance):
 - Reporting on management approach: this section references the SRS 301: Management Approach and includes topic-specific management approach guidance, where applicable.
 - Topic disclosures: for each disclosure, the following is provided:
 - Disclosure requirements (‘indicators’): phrased with ‘shall’ statements;
 - Methodology: including a mix of ‘shall’ and ‘should’ statements; and
 - Guidance: including ‘can’ statements, examples, and context.
2. **Use of instructive verbs:** Following GSSB input during the 4 February 2016 meeting, the Methodology sections include both ‘shall’ and ‘should’ statements. However, these are organized with all ‘shall’ statements grouped together at the beginning of the section, followed by any ‘should’ statements.
3. **Status of management approach guidance:** Following GSSB input during the 4 February 2016 meeting, the Standards Division will keep most of the Aspect-specific management approach guidance from G4 as ‘guidance’ in the SRSs. However, any specific cases where the Standard Division believes this content should be elevated to a recommendation (‘should’ statement) or requirement (‘shall’ statement) will be highlighted to the GSSB for review. In this draft SRS, the existing Aspect-specific DMA guidance has been preserved as ‘guidance’.

Requested GSSB feedback

1. **Use of instructive verbs:** The GSSB is asked to *please review the Methodology section* in this SRS and indicate if it disagrees with any of the uses of instructive verbs (‘shall’ and ‘should’).
2. **Use of sub-headings:** The GSSB is asked to review the use of the headings ‘Disclosure requirements’ and ‘Methodology’ within this draft SRS, and indicate to the Standards Division whether it would prefer to be taken out.
3. **Any other changes requested:** The GSSB is asked to please identify any other changes or improvements that the Standards Division should incorporate into this draft before it is ready for public consultation.

37 Sustainability Reporting Standard 615:
38 Public Policy 2016

Discussion document - This document does not represent an official position of the GSSB

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51 Introduction

52 *A. About the Sustainability Reporting Standards (SRSs)*

53 [to be provided]

54 *B. Responsibility for this Standard*

55 [to be provided]

56 *C. Scope*

57 [...]

58 This SRS sets out disclosure requirements on the topic of public policy, including political
59 contributions.

60 [...]

61 *D. Normative References*

62 [to be provided]

63 *E. Effective Date*

64 [to be provided]

65 *F. Background Context*

66 An organization can be involved in the creation of public policy, or it can influence it by supporting
67 political causes. Although the resulting policies can benefit society, an organization also risks
68 putting its needs ahead of public welfare with its involvement.

69 Playing a part in policy development increases the risk that an organization has undue influence on
70 the political process, or participates in corruption, bribery, or unfair competition. Such
71 involvement also increases the risk that an organization will improperly channel political
72 contributions through lobbyists or other intermediaries. An organization can contribute to
73 sustainable development by avoiding such behavior.

74 Overall, an organization can contribute to sustainable development by aligning its public policy
75 initiatives with its sustainability goals. Additionally, disclosing support given to political causes,
76 positions on and participation in public policy development, and lobbying activities increases an
77 organization's transparency and credibility.

78 SRS 615: Public Policy

79 *1. Reporting on Management Approach*

80 1.1 The reporting organization shall report on its management approach for this topic using
81 SRS 301: Management Approach sections [XX].

82 **Guidance**

83 Organizations using the topic-specific SRSs (400, 500, and 600 series) to report their impacts for a specific
84 topic are expected to also disclose information on their management approach for that topic. Reporting on
85 the management approach as well as completing topic-specific Indicators for all material topics is required
86 for any organization that wishes to make a claim of being 'In Accordance' with the SRSs. The management
87 approach is a narrative explanation of how the organization manages the topic, associated impacts, and
88 stakeholders' reasonable expectations and interests.

89 This SRS is therefore designed to be used together with SRS 301: Management Approach in order to provide
90 a full disclosure of the organization's impacts for a given topic. SRS 301 specifies how to report on the
91 organization's management approach and what information to include.

92 *Specific guidance for reporting on the management approach related to public policy:*

93 When reporting its management approach for public policy, the organization can also disclose the lobbying
94 and public policy issues which have the organization's focus.

95 Additionally, the organization can disclose its stance on these issues, and describe any differences between
96 its lobbying positions and any stated policies, sustainability goals, or public positions.

97 **2. Topic Disclosures: Public Policy**98 **Political Contributions**99 **Disclosure requirements**

100 2.1 The reporting organization shall report disclosure 615-1 as follows:

Disclosure 615-1

- a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the reporting organization, with a breakdown by country and recipient/beneficiary.
- b. If applicable, how the monetary value of in-kind contributions was estimated.

101 **Guidance**102 The purpose of this disclosure is to identify the reporting organization's support for political policies and
103 causes.104 Disclosing this information shows integrity and transparency in an organization's political activities. It also
105 contributes to a stronger political system overall. Increased transparency reduces the risk to an
106 organization's reputation due to exposure of unknown, inappropriate, or illegal political activity.107 **Methodology**

- 108 2.2 The reporting organization shall:
- 109 2.2.1 calculate financial political contributions in compliance with national accounting
110 rules (where these exist); and
 - 111 2.2.2 estimate the value of in-kind political contributions.

112 3. References

113 **Guidance**

114 These documents informed the development of this SRS. Familiarity with them is recommended, as it can
115 improve understanding of the disclosure requirements.

- 116 • Organisation for Economic Co-operation and Development (OECD) Principles, 'Principles of
117 Corporate Governance', 2004.
- 118 • Organisation for Economic Co-operation and Development (OECD) Recommendation,
119 'Recommendation of the Council on Principles for Transparency and Integrity in Lobbying', 2010.

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