



Item 07 – Recommended option for incorporating human rights and due diligence disclosures in the GRI Standards (Paper A)

For GSSB discussion

Date	10 September 2019
Meeting	24-25 September 2019
Project	Review of GRI's universal Standards
Description	This document presents the GRI Standards Division's recommended option for incorporating human rights and due diligence disclosures in the GRI Standards, for the review of the Global Sustainability Standards Board (GSSB).

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.

Contents

2	Introduction	3
3	Section 1. Options explored.....	5
4	Option A – Human-rights specific disclosures incorporated into GRI 102	6
5	Option B – New universal Standard dedicated to human rights	7
6	Option C – New topic-specific Standard dedicated to human rights.....	8
7	Section 2. Recommended option.....	9
8	Rationale for recommended option.....	9
9	Addressing concerns associated with requiring human rights disclosure for all organizations	11
10	Implications for the GRI Standards	12
11	Overview of recommendations	15
12	Section 3. Mock-up of recommended option.....	16
13	Annex 1. Human rights disclosures developed by the Technical Committee	24

14 **Abbreviations used in this document:**

15 GSSB: Global Sustainability Standards Board

16 ILO: International Labour Organization

17 OECD: Organisation for Economic Co-operation and Development

18 SMEs: Small and medium enterprises

19 UN: United Nations

20 Introduction

21 *About this document*

22 This document presents the GRI Standards Division's recommended option for incorporating the
23 human rights and due diligence disclosures developed by the GRI Technical Committee on Human
24 Right Disclosure (Technical Committee) in the GRI Sustainability Reporting Standards (GRI
25 Standards). This recommended option has been developed in consultation with the Technical
26 Committee.

27 These recommendations form part of the [project to review GRI's universal Standards](#), as approved
28 by the Global Sustainability Standards Board (GSSB) at its meeting on 25-26 March 2019.

29 This **introduction** explains how the disclosures were developed and sums up the ensuing
30 discussion by the GSSB.

31 **Section 1** explains the set of options explored by the Standards Division.

32 **Section 2** presents the option recommended by the Standards Division and resulting implications
33 for the GRI Standards, along with questions addressed to the GSSB.

34 **Section 3** presents a mock-up of the recommended option.

35 It is advised to have the universal Standards available for reference when reading through the
36 recommended revisions:

- 37 • [GRI 101: Foundation 2016](#)
- 38 • [GRI 102: General Disclosures 2016](#)
- 39 • [GRI 103: Management Approach 2016](#)

40 *Background*

41 As part of the project to review the human rights-related GRI Standards, the Technical Committee
42 developed a set of recommended disclosures for organizations to report how they meet their
43 responsibility to respect human rights:

44 *Disclosures on policies and governance for addressing human rights*

45 **Disclosure 1** Policy commitment to respect human rights

46 **Disclosure 2** Embedding of the policy commitment to respect human rights throughout the
47 organization

48 *Disclosures on general processes for addressing human rights*

49 **Disclosure 3** Approach to stakeholder engagement in relation to respecting human rights

50 **Disclosure 4** Remediation processes and grievance mechanisms for human rights impacts

51 *Disclosures on human rights due diligence and remedy to address material human rights topics*

52 **Disclosure 5** Material human rights topics

53 **Disclosure 6** Actions to prevent, mitigate, and remediate human rights impacts

54 The requirements for these disclosures can be found in [Annex I](#), while guidance and other relevant
55 content can be found in the Technical Committee's report: [Recommendations of the GRI Technical
56 Committee on Human Rights Disclosure](#).

57 The Technical Committee has recommended that these disclosures be required for all organizations
58 preparing a report in accordance with the GRI Standards. The Technical Committee has presented a
59 number of arguments in favor of requiring human rights disclosures from all organizations, in Section
60 2.1 of their [report](#). The main argument is for the GRI Standards to reflect the expectation
61 introduced in the UN *Guiding Principles on Business and Human Rights* (UN Guiding Principles) that all
62 business enterprises have a responsibility to respect human rights and should communicate how
63 they do this in practice.

64 The Technical Committee has also indicated that some of the disclosures they have developed could
65 be adapted for reporting on how any economic, environmental, and social topic is managed. This
66 would be consistent with the approach introduced in the *OECD Guidelines for Multinational
67 Enterprises* (OECD Guidelines), and further elaborated in the *OECD Due Diligence Guidance for
68 Responsible Business Conduct* (OECD Due Diligence Guidelines), where the concept of due diligence
69 (that is, for organizations to identify, prevent, mitigate and account for how they address their
70 negative impacts) is applied to other areas of responsible business conduct beyond human rights.

71 Given the nature of the Technical Committee's recommendations, the Standards Division proposed,
72 and the GSSB subsequently approved at its meeting on 25-26 March 2019, a [project to review GRI's
73 universal Standards](#) with a view to incorporate:

- 74 • human rights disclosures in the Standards, to be required for all reporting organizations;
- 75 • the due diligence concept into *GRI 103*;
- 76 • other appropriate revisions to the universal Standards.

77 The GSSB discussed the proposed disclosures and recommendations of the Technical Committee,
78 and requested the Standards Division to research different options to achieve these
79 recommendations. The Standards Division was requested to take into account potential implications,
80 such as the feasibility of requiring these disclosures for SMEs, the risk of overstating the importance
81 of reporting on human rights as compared to environmental issues and other social issues, and
82 implications for other GRI Standards and disclosures.

83 This document presents the outcomes of the research carried out by the Standards Division,
84 describing the different options explored and the recommended option.

85 Section I. Options explored

86 The Standards Division has explored three different options for incorporating the human rights and
87 due diligence disclosures developed by the Technical Committee in the GRI Standards:

88 • Option A – **Human-rights specific disclosures incorporated into GRI 102**

89 • Option B – **New universal Standard** dedicated to human rights

90 • Option C – **New topic-specific Standard** dedicated to human rights

91 All three options propose incorporating the due diligence-related disclosures recommended by the
92 Technical Committee into *GRI 102 and GRI 103*, as generic disclosures on how organizations identify,
93 prevent, mitigate, and account for how they address their negative impacts.

94 *Option A – Human-rights specific disclosures*
 95 *incorporated into GRI 102*

	<p>The following disclosures would be included in <i>GRI 102</i>, under these sections:</p> <p><i>New responsible business conduct section:</i></p> <p>Disclosure 1 Policy commitment to respect human rights</p> <p>Disclosure 2 Embedding of the policy commitment to respect human rights throughout the organization</p> <p>Disclosure 4 Remediation processes and grievance mechanisms for human rights impacts</p> <p><i>Stakeholder engagement section:</i></p> <p>Disclosure 3 Approach to stakeholder engagement in relation to respecting human rights</p> <p><i>Report content section:</i></p> <p>Disclosures 5-a (material human rights topics) and 5-b (process to identify material topics)</p>
	<p>The following disclosures would be included as generic disclosures within <i>GRI 103</i>, and would be required for each material topic identified:</p> <p>Disclosures 5-a-i (impacts) and 5-a-ii (involvement with the impacts)</p> <p>Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts</p>

96 Under this option, Disclosures 1 and 2 regarding the policy commitment to respect human rights,
 97 and how this is embedded throughout the organization, would be incorporated into *GRI 102* (in a
 98 new sub-section dedicated to responsible business conduct) and be required for all organizations
 99 using the Standards.

100 Disclosures 3 and 4 would be adapted as general disclosures (not human rights-specific) about an
 101 organization’s approach to stakeholder engagement and remediation processes and grievance
 102 mechanisms. These disclosures would be included within the existing section on stakeholder
 103 engagement and the new section for responsible business conduct, respectively.

104 Disclosure 3 would replace the existing general disclosures on stakeholder engagement (Disclosures
 105 102-40, 102-42 and 102-43). See Item 10 – Recommended revisions to GRI 102: General
 106 Disclosures 2016 (Paper D), page 8.

107 The existing Disclosure 103-2-c-vi, to report grievance mechanisms for each material topic, would
 108 be replaced by Disclosure 4. See Item 10 – Recommended revisions to GRI 102: General
 109 Disclosures 2016 (Paper D), page 14, and Item 09 – Recommendations for changes to GRI 103
 110 Management Approach 2016 (Paper C), page 10.

111 The content of Disclosure 5-b would be incorporated into Disclosure 102-46 (Defining report
 112 content and topic Boundaries) as generic content on how impacts have been identified and
 113 prioritized. Disclosure 102-47 (List of material topics) would be expanded to include Disclosure 5-a

114 on the material topics that represent the organization’s significant actual and potential negative
 115 human rights impacts.

116 In addition, Disclosures 5-a-i and 5-a-ii on identified impacts and the organization’s involvement with
 117 these impacts, as well as Disclosure 6 on actions taken in relation to impacts, would be included as
 118 generic disclosures within *GRI 103*. These would be required for each material topic identified.

119 For disclosures that are proposed to be made generally applicable, the guidance sections would
 120 explain how these disclosures apply to human rights. For example, for the disclosure on remediation
 121 processes and grievance mechanisms, the guidance section would explain that this disclosure also
 122 covers mechanisms to deal with human rights-related complaints.

123 Section 3 presents a mock-up of this option.

124 *Option B – New universal Standard dedicated*
 125 *to human rights*

	<p>The following disclosures would be included in a new universal Standard dedicated to human rights:</p> <p>Disclosure 1 Policy commitment to respect human rights</p> <p>Disclosure 2 Embedding of the policy commitment to respect human rights throughout the organization</p> <p>Disclosure 3 Approach to stakeholder engagement in relation to respecting human rights</p> <p>Disclosure 4 Remediation processes and grievance mechanisms for human rights impacts</p> <p>Disclosure 5 Material human rights topics</p> <p>Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts</p>
	<p>The following disclosures would be included as generic disclosures within <i>GRI 102</i>:</p> <p><i>Report content section:</i></p> <p>Disclosures 5-b (process to identify material topics)</p>
	<p>The following disclosures would be included as generic disclosures within <i>GRI 103</i>, and would be required to be reported for each material topic identified:</p> <p>Disclosures 5-a-i (impacts) and 5-a-ii (involvement with the impacts)</p> <p>Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts</p>

126 Under this option, a new universal Standard dedicated to human rights would be created containing
 127 all disclosures developed by the Technical Committee (e.g., a new ‘GRI 104: Human Rights’).

128 In addition, similar to option A, the content of Disclosure 5-b would be incorporated into
 129 Disclosure 102-46 (Defining report content and topic Boundaries) as generic content on how
 130 impacts have been identified and prioritized. Further, Disclosures 5-a-i and 5-a-ii on identified

131 impacts and the organization’s involvement with these impacts, as well as Disclosure 6 on actions
 132 taken in relation to impacts, would be included as generic disclosures within *GRI 103*. These would
 133 be required for each material topic identified.

134 *Option C – New topic-specific Standard*
 135 *dedicated to human rights*

	<p>The following disclosures would be included in a new topic-specific Standard dedicated to human rights:</p> <p>Disclosure 1 Policy commitment to respect human rights</p> <p>Disclosure 2 Embedding of the policy commitment to respect human rights throughout the organization</p> <p>Disclosure 3 Approach to stakeholder engagement in relation to respecting human rights</p> <p>Disclosure 4 Remediation processes and grievance mechanisms for human rights impacts</p> <p>Disclosure 5 Material human rights topics</p> <p>Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts</p>
	<p>The following disclosures would be included as generic disclosures within <i>GRI 102</i>:</p> <p><i>Report content section:</i></p> <p>Disclosures 5-b (process to identify material topics)</p>
	<p>The following disclosures would be included as generic disclosures within <i>GRI 103</i>, and would be required to be reported for each material topic identified:</p> <p>Disclosures 5-a-i (impacts) and 5-a-ii (involvement with the impacts)</p> <p>Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts</p>

136 Under this option, a new topic-specific Standard dedicated to human rights would be developed
 137 containing all disclosures developed by the Technical Committee (e.g., similar to the existing *GRI*
 138 *412: Human Rights Assessment 2016*).

139 In addition, similar to options A and B, the content of Disclosure 5-b would be incorporated into
 140 Disclosure 102-46 (Defining report content and topic Boundaries) as generic content on how
 141 impacts have been identified and prioritized. Further, Disclosures 5-a-i and 5-a-ii on identified
 142 impacts and the organization’s involvement with these impacts, as well as Disclosure 6 on actions
 143 taken in relation to impacts, would be included as generic disclosures within *GRI 103*. These would
 144 be required for each material topic identified.

Section 2. Recommended option

The Standards Division has assessed the advantages and disadvantages of all three options, as well as resulting implications for the GRI Standards. Based on the evidence gathered, the Standards Division recommends implementing option A.

The following sections present the rationale for recommending option A, as well as recommendations for addressing concerns associated with requiring human rights disclosure for all organizations and the resulting implications for the GRI Standards.

Rationale for the recommended option

The main advantage of option A is that it prompts all reporting organizations to consider human rights when defining report content and to report how they respect human rights.

The proposal to include required human rights disclosure in the GRI Standards aims, first and foremost, to reflect the expectation introduced in the UN Guiding Principles.

These principles state that all business enterprises have a responsibility to respect human rights. In order to meet this responsibility, they are expected to have in place policies and processes appropriate to their size and circumstances. These include (as per Principle 15):

- a) a policy commitment to meet their responsibility to respect human rights;
- b) a human rights due diligence process to identify, prevent, mitigate, and account for how they address their impacts on human rights; and
- c) processes to enable the remediation of any adverse human rights impacts they cause or to which they contribute.

These policies and processes are expected to be in place, regardless of the specific human rights risks for a given enterprise. If enterprises cannot address all their negative human rights impacts simultaneously, they should first seek to prevent and mitigate those impacts that would be most severe.

In addition, the UN Guiding Principles make clear that all business enterprises should communicate how they respect human rights in practice, and that enterprises 'whose operations or operating contexts pose risks of severe human rights impacts' should report formally on how they address these impacts.

The proposed disclosures would enable organizations to fulfill this expectation to communicate and report on how they meet their responsibility to respect human rights.

It is important to note that with this approach it would still be up to each reporting organization to determine which specific human rights-related topics (e.g., discrimination, freedom of association) are material to report on, based on an assessment of their most severe human rights impacts. For the identified material topics, organizations would be required to report the management approach disclosures in *GRI 103* and the disclosures in relevant topic-specific Standards, if available for the identified topics.

The inclusion of required disclosure on human rights in the GRI Standards would not only be consistent with, and support organizations to implement, the UN Guiding Principles; it would also:

- support organizations to comply with (increasing) reporting requirements specified by national and regional regulations on mandatory human rights due diligence, and by investors and benchmarks;

186 • increase reporting on human rights (an area largely underreported to date). If an
187 organization is to report on its economic, environmental, and social impacts, as required by
188 the GRI Standards, the Technical Committee has stressed that it needs to be able to show
189 how it understands, identifies, and addresses its most acute impacts on people: its impacts
190 on their human rights;

191 • prompt organizations to report on human rights, even if they fail to identify specific human
192 rights topics as material. They might, for example, not think of their activities as having
193 human rights impacts due to lack of understanding of what a human rights impact is. Or they
194 might identify material topics solely from the perspective of risks to the business, and thus
195 omit severe human rights impacts if these are deemed to not have significant consequences
196 for the business.

197 Even if organizations do not identify specific human rights-related topics as material, they still
198 have a responsibility to respect human rights and should be able to communicate their
199 general approach to this.

200 While option B could help highlight human rights within the structure of the GRI Standards as
201 compared to option A (where human rights disclosures would be included among several other
202 general disclosures), option A is still preferable overall and could be more effective for driving
203 human rights reporting.

204 The main disadvantage of option B is that creating another universal Standard could result in the
205 need to split *GRI 102* into many more universal Standards (e.g., Governance) to ensure consistency,
206 thereby increasing complexity in the structure of the GRI Standards. In addition, the Disclosures 5-a-
207 i, 5-a-ii, 5-b, and 6 in *GRI 102* and *GRI 103* would overlap with the new GRI 104, which may be
208 confusing for users.

209 Option A is also preferable to option C (a topic-specific Standard for human rights). The topic-
210 specific Standards are designed to cover specific topics, such as anti-corruption, water and effluents,
211 or occupational health and safety. These Standards are selected by organizations based on their
212 identified material topics.

213 Human rights is not a specific topic but a subject area covering more than 30 different topics. These
214 include, for example, freedom of association and collective bargaining, non-discrimination, forced or
215 compulsory labor, child labor, privacy, and the rights of indigenous peoples or people with
216 disabilities. Many of these topics are already covered in the GRI Standards in the form of topic-
217 specific Standards.

218 Therefore, having a topic-specific Standard for human rights (option C) has the potential to:

219 • undermine the importance of human rights, by demoting a whole subject area to a topic (this
220 would be equivalent to creating a topic-specific Standard for the 'environment' as a whole).
221 Key instruments, such as the OECD Guidelines and the ISO standard on social responsibility
222 (ISO 26000:2010) already regard human rights as a subject area at the same level as the
223 environment;

224 • be inconsistent with the intent of the Materiality principle, as it would lead organizations to
225 state whether human rights are material to them in general; whereas the intent of this
226 principle is for organizations to identify which specific (human rights) topics, for example,
227 child labor or discrimination, are material, and for organizations to be clear about their
228 specific impacts on people;

229 • lead to less reporting on human rights, if organizations do not think of 'human rights' as a
230 topic and therefore omit it from their materiality assessment;

- 231 • lead to duplication, as the topic-specific Standards already cover specific human rights topics;
232 and to confusing and inconsistent reporting, if organizations identify specific human rights
233 topics as material but not the entire topic of 'human rights'.

234 In addition, human rights cut across the economic, environmental, and social dimensions. For
235 example, an organization's water use might affect the rights of local communities to access
236 freshwater. Or an organization's tax practices might affect people's rights to an adequate standard of
237 living (including access to education, healthcare, and cultural activities), as the amount of tax revenue
238 could affect a government's ability to ensure such rights.

239 This further supports the inclusion of human rights disclosures in the universal Standards, as it would
240 provide the framework for reporting on a wide range of topics. The human rights perspective is an
241 essential lens to apply when considering impacts, and option A would encourage and guide
242 organizations to do so.

243 In addition, when included in *GRI 102*, human rights disclosures would complement the existing
244 general disclosures on ethics and integrity, which require information about an organization's values,
245 principles, standards, and norms of behavior.

246 *Addressing concerns associated with* 247 *requiring human rights disclosure for all* 248 *organizations*

249 The proposal to require human rights disclosure for all organizations has raised concerns from GSSB
250 members about its feasibility for SMEs. GSSB members also noted that requiring human rights
251 disclosure for all organizations could be perceived as a shift in the GRI framework to focus on
252 reporting through the lens of human rights. This could lead to confusion or to overstating the
253 importance of reporting on human rights as compared to environmental issues and other social
254 issues. The GSSB asked the Standards Division to consider these concerns and the implications for
255 other Standards and disclosures.

256 The following sections describe these concerns, and how they could be addressed.

257 **Feasibility for small and medium sized enterprises**

258 The responsibility to respect human rights applies to all businesses, including SMEs.

259 To facilitate reporting by SMEs and other organizations, the Standards Division recommends in Item
260 11 – Recommended revisions to the GRI reporting model (Paper E), pages 18-19, that the reasons
261 for omission: 'confidentiality constraints', 'specific legal prohibitions', and 'information unavailable or
262 incomplete', be permitted for Disclosures 1-4 on the human rights policy commitment and
263 embedding, stakeholder engagement, and grievance mechanisms, among other general disclosures.

264 In addition, the Standards Division recommends that when an organization does not have policies or
265 processes required in these disclosures, a statement to clarify this is enough to satisfy the
266 requirements.

267 For example, Disclosure 1 requires the organization to describe its publicly available policy
268 commitment to respect human rights, or if it doesn't have a publicly available commitment, to report
269 the reason for not having one. The absence of a policy commitment to respect human rights would
270 not prevent an organization from reporting in accordance with the Standards, as long as the

271 organization reports why it does not have a policy commitment. Similarly, if the organization does
272 not have any grievance mechanisms or other remediation processes, as required by Disclosure 4, it
273 can simply state that in response to this disclosure.

274 Additionally, the Technical Committee suggested that a short guide could be developed for SMEs, as
275 well as for other organizations, on unpacking the new human rights disclosures.

276 **Overstating the importance of human rights compared to other areas**

277 The UN Guiding Principles and the OECD-related instruments stipulate that all businesses should
278 respect human rights and have a policy commitment, and due diligence and remedy processes in
279 place. In addition, human rights are not a topic but a subject area comprising multiple topics, which
280 cut across the economic, environmental, and social dimensions. All of this supports the inclusion of
281 human rights disclosures in the universal Standards, rather than in the topic-specific Standards.

282 Further, the Technical Committee has stressed that human rights sets a threshold in terms of the
283 acuteness of impacts on people. Human rights might be more important than some 'social' and even
284 some 'environmental' impacts that do not rise to the level of becoming impacts on basic human
285 dignity and equality. Thus, option A does not risk overstating the importance of human rights; it
286 expresses a need to recognize their importance relative to other issues.

287 It is also important to note that there is a precedence for a situation where topic-specific content is
288 included in *GRI 102*: the inclusion of a disclosure on the Precautionary Principle. This principle is
289 aimed primarily at protecting the environment, although it is increasingly being applied to other
290 areas, such as protecting human health.

291 The inclusion of human rights in the universal Standards also does not prevent the inclusion of other
292 generally applicable topics in the universal Standards in the future.

293 Additionally, the Standards Division has consulted with the OECD to understand how they address
294 this question in their Guidelines, which cover a broad range of areas (including human rights), as
295 compared to the UN Guiding Principles. Under the OECD Guidelines, enterprises are expected to
296 have, as a minimum, a general commitment to avoid/address negative impacts in line with
297 international standards such as the OECD Guidelines, which would include human rights, but also
298 other areas such as the environment, and employment and industrial relations.

299 To avoid overstating the importance of human rights compared to other areas, the GSSB could
300 consider including an additional general disclosure that asks organizations about their (policy)
301 commitment to avoid and address negative impacts on people, the environment, and the economy.

302 *Implications for the GRI Standards*

303 The following sections present implications for the GRI Standards resulting from integrating human
304 rights disclosures into *GRI 102* (option A), and the Standards Division's recommendations on how to
305 address them.

306 **Implications for the phrase 'economic, environmental, and social impacts'**

307 Certain practices, such as due diligence, which emerged in the context of business and human rights,
308 have now become the expectation for managing any economic, environmental, and social impact.
309 Therefore, option A (as well as option B and option C) proposes adapting certain disclosures
310 developed by the Technical Committee as generally applicable disclosures (not specific to human
311 rights).

312 For example, Disclosure 5-b-i requires organizations to report ‘how the organization has identified
313 actual and potential negative human rights impacts with which it is or could be involved either
314 through its own activities or as a result of its business relationships’. Option A proposes adapting
315 this disclosure to cover how any actual and potential negative economic, environmental, and social
316 impact, in addition to human rights, is identified. There is, however, a challenge with how to
317 implement this change in practice.

318 The Technical Committee has expressed the importance of keeping an explicit reference to human
319 rights in these general disclosures. If using the phrase ‘economic, environmental, and social impacts’
320 as in other general disclosures, the specific reference to human rights will be lost.

321 Technical Committee members have shared that the historic masking of human rights under the
322 economic, environmental, and social framing is a significant part of the reason why so many
323 organizations have continued to overlook human rights issues and why these issues have been
324 underreported by GRI reporting organizations.

325 The Technical Committee has discussed how to highlight human rights in the phrase ‘economic,
326 environmental, and social impacts’. Some Technical Committee members have warned that human
327 rights should not be viewed as a fourth dimension (economic, environmental, social, and human
328 rights), nor should they be viewed as a subset of the social dimension (economic, environmental,
329 social including human rights), since human rights cut across all three dimensions of sustainable
330 development.

331 To address this, the Standards Division, in consultation with the Technical Committee, recommends
332 replacing the phrase ‘economic, environmental, and social impacts’ in the Standards with ‘impacts on
333 people, the environment, and the economy, including impacts on human rights’, and adding guidance
334 to explain that ‘the most acute impacts an organization can have on people are those that impinge
335 on their human rights’.

336 Using ‘people’ would motivate users to think in terms of impacts on individuals (or groups), and not
337 some generic notion of ‘society’. This approach would drive organizations to focus on the category
338 of ‘people’, without having to categorize the type of impact as ‘social’, ‘environmental’, or other, and
339 would make it easier to embrace the fact that there can be environmental impacts on both people
340 and planet.

341 The Technical Committee suggested that guidance could be developed to explain how this proposed
342 language relates to the definition of sustainable development and the dimensions of ‘economic,
343 environmental, and social’, as well as to the dimensions of ‘people, planet and prosperity’ used by the
344 Sustainable Development Goals (SDGs).

345 Further, the Standards Division recommends that topic-specific Standards no longer be categorized
346 under the dimensions of ‘economic’, ‘environmental’, and ‘social’, but be grouped under one series
347 titled ‘topic-specific Standards’.

348 This would address the challenges associated with having to classify topics under one of these
349 dimensions, as in many cases topics will cut across two or more of these dimensions.

350 Implications for topic-specific Standards

351 The existing topic-specific Standard *GRI 412: Human Rights Assessment 2016* will need to be
352 withdrawn with the release of the new human rights disclosures, as the contents of this Standard will
353 be superseded by the new disclosures.

354 The content of the other existing topic-specific Standards on human rights¹ will need to be assessed
355 against the new disclosures, to identify if any content remains of value. If no contents remain of
356 value, a recommendation will be made to the GSSB to withdraw these Standards with the launch of
357 the new disclosures.

358 In addition, there could be some duplication between the new proposed disclosures in *GRI 103* and
359 the topic-specific management approach disclosures.

360 For example, Disclosure 403-2 in *GRI 403: Occupational Health and Safety 2018*, requires reporting
361 the processes to identify work-related hazards and to apply the hierarchy of controls to eliminate
362 hazards and minimize risks. The disclosure on 'Actions to prevent, mitigate, and remediate impacts',
363 which is proposed for inclusion in *GRI 103*, requires similar information; however, Disclosure 403-2
364 is more specific about the types of action (i.e., application of the hierarchy of controls).

365 This potential duplication can be addressed by developing guidance in each topic-specific Standard
366 that clarifies how to use the topic-specific management approach disclosures in conjunction with *GRI*
367 *103*.

¹ Namely, *GRI 406: Non-discrimination 2016*; *GRI 407: Freedom of Association and Collective Bargaining 2016*; *GRI 408: Child Labor 2016*; *GRI 409: Forced or Compulsory Labor 2016*; *GRI 410: Security Practices 2016*; *GRI 411: Rights of Indigenous Peoples 2016*.

368 *Overview of recommendations*

369 The Standards Division recommends the following revisions to the GRI Standards to incorporate the
370 human rights and due diligence disclosures developed by the Technical Committee:

371 **Recommendation 1:** Implementing option A (human-rights specific disclosures incorporated into
372 GRI 102).

373 **Recommendation 2:** Replacing the phrase ‘economic, environmental, and social impacts’ in the
374 Standards with ‘impacts on people, the environment, and the economy, including impacts on human
375 rights’, and adding guidance to explain that ‘the most acute impacts an organization can have on
376 people are those that impinge on their human rights’.

377 **Recommendation 3:** No longer categorizing topic-specific Standards under the dimensions of
378 ‘economic, environmental, and social’, but grouping them under one series titled ‘topic-specific
379 Standards’.

Questions for the GSSB:

1. Does the GSSB agree to implementing option A (Recommendation 1)?
2. Does the GSSB agree to replacing the phrase ‘economic, environmental, and social impacts’ in the Standards with ‘impacts on people, the environment, and the economy, including impacts on human rights’ (Recommendation 2)?
3. Does the GSSB agree to grouping all topic-specific Standards under one series, and to no longer categorize them under the dimensions of ‘economic, environmental, and social’ (Recommendation 3)?

380 Section 3. Mock-up of recommended 381 option

382 This section presents a mock-up of recommended option A. The mock-up shows how the
383 disclosures developed by the Technical Committee would be incorporated within GRI 102 and GRI
384 103.

385 Text in blue indicates new disclosures, or significant changes to disclosures, based upon
386 recommendations from the GRI Technical Committee on Human Rights Disclosure.

387 Text in red indicates text changes made to the disclosures developed by the Technical Committee,
388 compared to the version from 12 March 2019 shared with the GSSB ([Annex I](#)).

389 Text in green indicates a new disclosure, significant new content, or significant revisions to an
390 existing disclosure in GRI 102 or GRI 103 based on the research findings of the universal Standards
391 review project (but does not indicate content that has been consolidated but not significantly
392 revised).

393 **Note for the GSSB:** This mock-up should be read in conjunction with the revisions recommended
394 in Item 09 – Recommendations for changes to GRI 103 Management Approach 2016 (Paper C) and
395 Item 10 – Recommended revisions to GRI 102: General Disclosures 2016 (Paper D).

396 The numbering and titling of disclosures used in this mock-up is based on the revisions
397 recommended in Items 09 and 10.

398 Defined terms are not underlined in this mock-up for simplicity and readability.

399 GRI 102: General Disclosures

400 1. Organizational profile

401 [Organizational profile-related disclosures]

402 2. Strategy

403 [Strategy-related disclosures]

404 3. Responsible business conduct

405 102-16R Principles and values

406 102-HR1 Policy commitment to respect human rights

407 102-HR2 Embedding of the policy commitment to respect human rights throughout the organization

408 102-HR3 Remediation processes and grievance mechanisms ~~for human rights impacts~~

409 102-17R Mechanisms for advice and concerns about ethics

410 4. Stakeholder engagement

411 102-43R Approach to stakeholder engagement ~~in relation to respecting human rights impacts~~

412 102-14R Collective bargaining agreements

413 5. Governance

414 [Governance-related disclosures]

- 415 **6. Report content**
- 416 I02-47R List of material topics, topic-specific GRI Standards and appropriate disclosures [including
- 417 content from Disclosure 5-a]
- 418 I02-46R Process for identifying material topics [including content from Disclosure 5-b]

- 419 **7. Reporting practice**
- 420 [Reporting practice-related disclosures]

421 **3. Responsible business conduct**

422 **Disclosure 102-HRI** Policy commitment to respect human rights

423 **Reporting requirements**

Disclosure 102-HRI
<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. Whether the organization has a publicly available policy commitment to respect human rights, and if so: <ul style="list-style-type: none"> i. a summary of and/or link to the policy commitment; ii. the level at which the policy commitment was approved within the organization, including whether this is the most senior level, and the date of approval; iii. the internationally recognized human rights and multilateral human rights instruments covered in the policy commitment; iv. any specific stakeholder groups, including at-risk or vulnerable groups, that the organization gives particular attention to in the policy commitment; v. whether the policy commitment applies solely to the organization’s own activities or it also includes the organization’s expectations of its business relationships, and if so, what those expectations are; vi. how the policy commitment is communicated to workers, business partners, and other relevant parties. b. If the organization does not have a publicly available policy commitment, the reason for this.

424 **Disclosure 102-HR2** Embedding of the policy commitment to respect human
425 rights throughout the organization

426 **Reporting requirements**

Disclosure 102-HR2

The reporting organization shall report the following information:

- a. The means by which the policy commitment to respect human rights is embedded throughout the organization, including:
 - i. how responsibility for implementing the policy commitment is allocated across different levels within the organization;
 - ii. how the policy commitment is integrated into organizational strategies and operational policies and procedures;
 - iii. how the organization works with those with **which whom** it has business relationships, to implement the policy commitment;
 - iv. any training provided on implementing the policy commitment or **training** on human rights.

427 **Disclosure 102-HR3** Remediation processes and grievance mechanisms ~~for~~
428 ~~human rights impacts~~

429 **Reporting requirements**

Disclosure 102-HR3

The reporting organization shall report the following information:

- a. ~~Any~~ **A description of the** commitments the organization has made to provide for or cooperate in the remediation of negative **human rights** impacts that it identifies ~~it has to have~~ caused or contributed to.
- b. The approach taken to identify and address grievances **relating to human rights**, including **any the** grievance mechanisms that the organization has established or participates in.
- c. ~~Any o~~**Other** processes by which the organization provides for or cooperates in the remediation of negative **human rights** impacts that it identifies ~~it has to have~~ caused or contributed to.
- d. How stakeholders, **including in particular** affected and potentially affected stakeholders, are involved in the design, review, functioning, and improvement of ~~these~~ grievance mechanisms and other remediation processes.

Disclosure 102-HR3

- e. ~~Evidence, including stakeholder feedback, of the effectiveness of grievance mechanisms and other remediation processes.~~ How the organization tracks the effectiveness of the grievance mechanisms and other remediation processes and any evidence gathered of their effectiveness, including stakeholder feedback.

430 4. Stakeholder engagement

431 **Disclosure 102-43R** Approach to stakeholder engagement ~~in relation to~~
432 ~~respecting human rights~~

433 Reporting requirements

Disclosure 102-43R

The reporting organization shall report the following information:

- a. The organization's approach to engaging with stakeholders, ~~in~~ particularly affected and potentially affected stakeholders, ~~in relation to respecting human rights,~~ including:
 - i. the stakeholder groups it engages with, and how these groups are identified;
 - ii. the purpose of the stakeholder engagement;
 - iii. how the organization ensures meaningful engagement with stakeholders.

434 6. Report content

435 **Disclosure 102-47R** List of material topics, topic-specific GRI Standards and
436 appropriate disclosures

437 Reporting requirements

Disclosure 102-47R

The reporting organization shall report the following information:

- a. A list of the material topics identified ~~in the process for defining report content,~~ the material human rights topics identified and which of these material topics reflect the organization's significant actual and potential negative human rights impacts.

Disclosure 102-47R

- b. Which of the organization's material topics are covered by topic-specific GRI Standards and which are not.
- c. A list of appropriate disclosures for each of the material topics identified, including topic-specific disclosures where the material topic is covered by an existing GRI Standard (see clause 2.5.2 in GRI 101: Foundation 2016) or other appropriate disclosures where the material topic is not covered by an existing GRI Standard (see clause 2.5.3 in GRI 101: Foundation 2016).

Disclosure 102-46R Process for identifying material topics

438 Reporting requirements

Disclosure 102-46R

The reporting organization shall report the following information:

- a. An explanation of the process for ~~defining report content and the topic boundaries~~ identifying material topics, including:
 - i. how the organization has identified actual and potential negative ~~human rights~~ impacts on people, the environment, and the economy, including impacts on human rights, with which ~~it~~ the organization is or could be involved either through its own activities or as a result of its business relationships;
 - ii. where necessary, how the organization has prioritized ~~the material human rights topics~~ significant impacts, based on an assessment of the severity and likelihood of the identified impacts (with emphasis on severity ~~for impacts on human rights~~);
 - iii. the experts and stakeholders, ~~particularly in particular~~ affected and potentially affected stakeholders, whose ~~perspectives~~ views have informed the process;
 - iv. why any human rights ~~whether~~ topics that are commonly associated with the types of activities the organization carries out, or with the context in which the activities take place, have not been identified as material, and why.
- b. ~~An explanation of how the organization has implemented the Reporting Principles for defining report content.~~

439 *GRI 103: Management Approach*

440 **Contents**

441 ~~103-1 Explanation of the material topic and its Boundary~~

442 ~~103-2 The management approach and its components~~

443 ~~103-3 Evaluation of the management approach~~

444 **Revised contents**

445 103-1R Policies and commitments

446 103-2R Actions to prevent, mitigate, and remediate impacts [Disclosures 5-a-i, 5-a-ii, 6-a, and 6-b]

447 103-3R Tracking effectiveness [Disclosures 6-c and 6-d]

448 **Disclosure 103-1** ~~Explanation of the material topic and its Boundary~~

449 **Reporting requirements**

Disclosure 103-1

For each material topic, the reporting organization shall report the following information:

- a. ~~An explanation of why the topic is material.~~
- b. ~~The Boundary for the material topic, which includes a description of:~~
 - i. ~~where the impacts occur;~~
 - ii. ~~the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.~~
- c. ~~Any specific limitation regarding the topic Boundary.~~

450 **Disclosure 103-2** ~~The management approach and its components~~

451 **Reporting requirements**

Disclosure 103-2

For each material topic, the reporting organization shall report the following information:

- a. ~~An explanation of how the organization manages the topic.~~
- b. ~~A statement of the purpose of the management approach.~~
- c. ~~A description of the following, if the management approach includes that component:~~
 - i. ~~Policies~~
 - ii. ~~Commitments~~
 - iii. ~~Goals and targets~~

Disclosure 103-2

- ~~iv. Responsibilities~~
- ~~v. Resources~~
- ~~vi. Grievance mechanisms~~
- ~~vii. Specific actions, such as processes, projects, programs and initiatives~~

452 **Disclosure 103-3** Evaluation of the management approach

453 Reporting requirements

Disclosure 103-3

~~For each material topic, the reporting organization shall report the following information:~~

- ~~a. An explanation of how the organization evaluates the management approach, including:
 - ~~i. the mechanisms for evaluating the effectiveness of the management approach;~~
 - ~~ii. the results of the evaluation of the management approach;~~
 - ~~iii. any related adjustments to the management approach.~~~~

454 **Disclosure 103-IR** Policies and commitments

455 Reporting requirements

Disclosure 103-IR

For each material topic, the reporting organization shall report the following information:

- a. Policies **and procedures** in place to manage the topic.
- b. Any commitments, goals and targets for the topic.

456 **Disclosure 103-2R** Actions to prevent, mitigate, and remediate impacts

457 **Reporting requirements**

Disclosure 103-2R

For each material topic, the reporting organization shall report the following information:

- a. ~~Any severe~~ **A description of the** actual and potential **human rights negative** impacts identified, including how the organization is involved with these impacts, either through its own activities **and/or** as a result of its business relationships.
- b. **Actions taken to prevent and/or mitigate potential negative human rights impacts identified with which the organization could be involved through its own activities or as a result of its business relationships.**
- c. **Actions taken to address actual negative human rights impacts identified with which the organization is involved through its own activities or as a result of its business relationships, including actions to provide remedy to affected stakeholders.**
- d. **How engagement with stakeholders, including in particular affected and potentially affected stakeholders, has informed the actions to address prevent, mitigate, and remediate negative human rights impacts.**

458 **Disclosure 103-3R** Tracking effectiveness

459 **Reporting requirements**

Disclosure 103-3R

For each material topic, the reporting organization shall report the following information:

- a. **How the effectiveness of the actions taken to prevent, mitigate, and/or remediate negative human rights impacts is tracked, including:**
 - i. **any processes, targets, or indicators used to evaluate progress;**
 - ii. **evidence that the actions taken have been effective;**
 - iii. **how engagement with stakeholders, including in particular affected and potentially affected stakeholders, has informed how the effectiveness of these actions is tracked;**
 - iv. **key lessons learned and how these have been incorporated into the organization's operational policies and procedures.**

460 **Annex I. Human rights disclosures**
461 **developed by the Technical Committee**

462 *Disclosures on policies and governance for*
463 *addressing human rights*

464 **Disclosure 1 Policy commitment to respect human rights**

- 465 a. Whether the organization has a publicly available policy commitment to respect human rights,
466 and if so:
- 467 i. a summary of and/or link to the policy commitment;
 - 468 ii. the level at which the policy commitment was approved within the organization,
469 including whether this is the most senior level, and the date of approval;
 - 470 iii. the internationally recognized human rights and multilateral human rights instruments
471 covered in the policy commitment;
 - 472 iv. any specific stakeholder groups, including at-risk or vulnerable groups, that the
473 organization gives particular attention to in the policy commitment;
 - 474 v. whether the policy commitment applies solely to the organization's own activities or it
475 also includes the organization's expectations of its business relationships, and if so, what
476 those expectations are;
 - 477 vi. how the policy commitment is communicated to workers, business partners, and other
478 relevant parties.
- 479 b. If the organization does not have a publicly available policy commitment, the reason for this.

480 **Disclosure 2 Embedding of the policy commitment to respect human rights throughout**
481 **the organization**

- 482 a. The means by which the policy commitment to respect human rights is embedded throughout
483 the organization, including:
- 484 i. how responsibility for implementing the policy commitment is allocated across different
485 levels within the organization;
 - 486 ii. how the policy commitment is integrated into organizational strategies and operational
487 policies and procedures;
 - 488 iii. how the organization works with those with which it has business
489 relationships, to implement the policy commitment;
 - 490 iv. any training provided on implementing the policy commitment or on human rights.

491 *Disclosures on general processes for*
492 *addressing human rights*

493 **Disclosure 3 Approach to stakeholder engagement in relation to respecting human**
494 **rights**

- 495 a. The organization's approach to engaging with stakeholders, particularly affected and potentially
496 affected stakeholders, in relation to respecting human rights, including:
- 497 i. the stakeholder groups it engages with, and how these groups are identified;
 - 498 ii. the purpose of the stakeholder engagement;
 - 499 iii. how the organization ensures meaningful engagement with stakeholders.

500 **Disclosure 4 Remediation processes and grievance mechanisms for human rights**
501 **impacts**

- 502 a. Any commitments the organization has made to provide for or cooperate in the remediation of
503 negative human rights impacts that it identifies it has caused or contributed to.
- 504 b. The approach taken to identify and address grievances relating to human rights, including any
505 grievance mechanisms that the organization has established or participates in.
- 506 c. Any other processes by which the organization provides for or cooperates in the remediation
507 of negative human rights impacts that it identifies it has caused or contributed to.
- 508 d. How stakeholders, including affected and potentially affected stakeholders, are involved in the
509 design, review, functioning, and improvement of these grievance mechanisms and other
510 remediation processes.

511 *Disclosures on human rights due diligence*
512 *and remedy to address material human rights*
513 *topics*

514 **Disclosure 5 Material human rights topics**

- 515 a. The material human rights topics identified, and for each topic:
- 516 i. any severe actual and potential negative human rights impacts identified;
 - 517 ii. how the organization is involved with these impacts, either through its own
518 activities and/or as a result of its business relationships.
- 519 b. The process to identify the material human rights topics, including:
- 520 ii. how the organization has identified actual and potential negative human
521 rights impacts with which it is or could be involved either through its own activities or as
522 a result of its business relationships;

- 523 iii. where necessary, how the organization has prioritized the material human rights topics
524 based on an assessment of the severity and likelihood (with emphasis on severity) of the
525 identified impacts;
- 526 iv. the experts and stakeholders, particularly affected and potentially affected stakeholders,
527 whose perspectives have informed the process;
- 528 v. why any human rights topics that are commonly associated with the types of activities the
529 organization carries out, or with the context in which they take
530 place, have not been identified as material.

531 **Disclosure 6 Actions to prevent, mitigate, and remediate human rights impacts**

532 For each material human rights topic identified in Disclosure XXX-5, the reporting organization shall
533 report the following information:

- 534 a. Actions taken to prevent and/or mitigate potential negative human rights impacts with which the
535 organization could be involved through its own activities or as a result of its business
536 relationships.
- 537 b. Actions taken to address actual negative human rights impacts with which the organization is
538 involved through its own activities or as a result of its business relationships, including actions to
539 provide remedy to affected stakeholders.
- 540 c. How the effectiveness of the actions taken to prevent, mitigate, and/or remediate negative
541 human rights impacts is tracked, including:
- 542 i. any processes, targets, or indicators used to evaluate progress;
- 543 ii. evidence that the actions taken have been effective;
- 544 iii. evidence, including stakeholder feedback, of the effectiveness of grievance
545 mechanisms and other remediation processes;
- 546 iv. key lessons learned from the actions taken and how these have been incorporated
547 into the organization's operational policies and procedures.
- 548 d. How engagement with stakeholders, including affected and potentially affected stakeholders, has
549 informed both the actions taken to address negative human rights impacts and how the
550 effectiveness of these actions is tracked.