



GSSB Global
Sustainability
Standards Board

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Item 01– Draft summary of the GSSB meeting held on 20 May 2020

For GSSB approval

Date	4 June 2020
Meeting	20 May 2020
Description	This document presents the summary of the GSSB virtual meeting held on 20 May 2020.

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.

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17 Participants

18 Present:

Name	Constituency
Corli le Roux	Mediating institution
Evan Harvey	Investment institution
Gustavo Sinner	Mediating institution
Jennifer Princing	Business enterprise
Judy Kuszewski	Chair
Kent Swift	Civil society organization
Kirsten Margrethe Hovi	Business enterprise
Loredana Carta	Labor
Michel Washer	Business enterprise
Peter Colley	Labor
Robyn Leeson	Vice-Chair
Tung-Li (Tony) Mo	Civil society organization
Vincent Kong	Business enterprise

19 Apologies:

Name	Constituency
Bruce Klafter	Business enterprise
Rama Krishnan Venkateswaran	Investment institution

20 In attendance:

Name	Position
Gillian Balaban	Team Assistant, Standards Division
Helen Miller	Senior Coordinator, Governance Relations
Laura Espinach	Senior Manager, Standards Division
Margarita Lysenkova	Manager, Sector Program, Standards Division
Sarah-Jayne Dominic	Senior Strategic Advisor, Standards Division

21 List of abbreviations

GSSB	Global Sustainability Standards Board
OECD	Organisation for Economic Co-operation and Development
PWG	Project Working Group
SD	Standards Division
SME(s)	Small and medium sized enterprises
TC	Technical Committee
UN	United Nations

22 Decisions and action items

23 *Decisions*

24 **GSSB Decision 2020.09** The GSSB resolved to approve [Item 01 – Draft summary of the GSSB](#)
25 [meeting held on 23 April 2020](#).

26 **GSSB Decision 2020.10** The GSSB resolved to approve [Item 03 – Proposed Project Working](#)
27 [Group membership for the Agriculture and Fishing Sector Standard](#).

28 **GSSB Decision 2020.11** The GSSB resolved to approve [Item 02 – Exposure draft of Universal](#)
29 [Standards: GRI 101, 102, and 103](#) for public comment.

30 *Action items*

GSSB	
Session 2	<ul style="list-style-type: none">• GSSB to give feedback to the proposed public comment questions for Universal Standards exposure draft.• GSSB to reach out to the SD with any suggestions of stakeholders to target for response to the Universal Standards exposure draft.
Standards Division	
Session 2	<ul style="list-style-type: none">• SD to reword the altered sentence in Item 02 lines 170-171 (Proposed change 1) to a finessed version of: 'It should address actual negative impacts through remediation, for those impacts that it has caused or contributed to'.• SD to ensure that sufficient context is given in the public comment materials to avoid confusion among respondents when reviewing the proposed changes.• SD to look into providing a number of industry-specific examples of what is meant by 'total number of operations' in the guidance for ACT-I-b-i, and encouraging organizations to specify how they determine what an operation is.• SD to send the complete list of questions proposed for the public comment survey for the Universal Standards exposure draft to the GSSB for comment.

31 Session 1: Welcome

32 GSSB Chair Judy Kuszewski (henceforth the Chair) welcomed the GSSB and presented an overview
33 of the meeting agenda.

34 The GSSB was presented with Item 01 – Draft summary of the GSSB meeting held on 23 April 2020
35 for discussion and approval.

36 **GSSB Decision 2020.09** The GSSB resolved to approve [Item 01 – Draft summary of the GSSB](#)
37 [meeting held on 23 April 2020](#)

38 Update on Agriculture and Fishing Project Working Group proposed 39 membership

40 The GSSB was presented with [Item 03 – Proposed Project Working Group membership for the](#)
41 [Agriculture and Fishing Sector Standard](#).

42 The GSSB had previously approved 17 members of the project working group (PWG) for agriculture
43 and fishing. An 18th member had withdrawn as a result of a change in circumstance, and a
44 replacement, also from the civil society constituency, had been sought.

45 The SD proposed a candidate from the same organization, with similar expertise in human rights,
46 including the rights of local communities and indigenous peoples.

47 **GSSB approval of Item 03**

48 The Chair asked the GSSB if there were any questions or concerns regarding the proposal, and
49 hearing none considered Item 03 approved.

50 **GSSB Decision 2020.10** The GSSB resolved to approve [Item 03 – Proposed Project Working](#)
51 [Group membership for the Agriculture and Fishing Sector Standard](#).

52 Session 2: Approval of exposure draft of 53 Universal Standards

54 The GSSB was presented with [Item 02 – Exposure draft of the Universal Standards: GRI 101, 102,](#)
55 [and 103](#).

56 The Chair thanked GSSB members for written questions and comments regarding the proposed
57 changes to the Universal Standards shared with the SD prior to the meeting.

58 The SD had addressed these issues, and a summary had been circulated among GSSB members.
59 Some comments had been addressed with a written explanation, others were open for discussion in
60 the meeting, and some had prompted the SD to propose additional changes to the exposure draft.

61 The SD presented the proposed statements of use, revised following feedback made during an
62 earlier meeting with the GSSB. A different statement will be used for each approach to reporting
63 with the GRI Standards (Approaches A and B). The SD also presented the relevant questions
64 proposed for the public comment survey that will accompany the exposure draft of the Universal

65 Standards. The questions focus on whether such a statement of use should be required, and on
66 whether the statement of use should be extended to include quality and veracity of the information.

67 A GSSB member acknowledged that the revised statements made it clearer who should sign the
68 statements but said that it was still not clear exactly what they were signing on to. This can be
69 understood in different ways, and greater clarity is needed in this respect.

70 There are further questions regarding this point proposed for the public comment survey, and the
71 SD will send the full list of questions to the GSSB.

72 The SD then presented the proposed changes to the exposure draft made in response to GSSB
73 feedback ahead of the meeting.

74 **Proposed change 1**

75 The SD proposed the deletion of 'and prevent their recurrence' from the original wording of lines
76 170-171 of [Item 02](#). The revised text reads: 'The organization should address potential negative
77 impacts through prevention or mitigation. It should address actual negative impacts through
78 remediation [deletion].' This aligns it with the United Nations (UN) *Guiding Principles on Business and
79 Human Rights*, and the Organisation for Economic Co-operation and Development (OECD) *OECD
80 Guidelines for Multinational Enterprises*.

81 A GSSB member raised the issue of the difficulty of taking the same approach as the UN and OECD
82 instruments when it comes to, e.g., environmental impacts, where certain impacts are beyond an
83 organization's control and cannot be remediated. It was suggested that the text should stipulate only
84 'prevention or mitigation'.

85 Discussion continued as to the challenge the revision presented. A GSSB member pointed out that
86 the text uses the word 'should', which, unlike 'shall', in a GRI context does not impose obligation.
87 Others suggested that phrases such as 'whenever relevant' or 'whenever possible' be used regarding
88 remediation of potential impacts. Discussion also focused on the definition of 'impact', and on
89 whether the addition of a phrase such as 'whenever relevant' would still be in alignment with the UN
90 and OECD instruments.

91 The SD pointed out that in the due diligence section of GRI 101, it is made clear that remediation is
92 only expected when a company causes or contributes to a negative impact. The due diligence
93 section was developed in line with the UN and OECD instruments, so it is important not to redefine
94 the concept within the Standards.

95 The SD explained that disclosures in GRI 103 cover the measures a company takes to prevent,
96 mitigate and remediate negative impacts. If a company does not carry out such measures, it can
97 report that this is the case and thus claim to be in accordance with GRI Standards, as long as it
98 provides this transparency. These points are clearer when the revised sentences are read in context.

99 The SD proposed an expanded text that will be a finessed version of: 'It should address actual
100 negative impacts through remediation, for those impacts that it has caused or contributed to'.

101 The Chair commented that reviewing the sentence out of context had led to concern, and
102 requested that the SD ensure that sufficient context was provided in the public comment materials
103 to avoid confusion among respondents when reviewing the proposed changes.

104 The Chair then noted that the GSSB expressed support for the SD's proposal.

105 **Proposed change 2**

106 The SD proposed a change to clarify the meaning of Requirement A-3-b in GRI 101 (lines 258-264 of
107 [Item 02](#)) in order to make clear that sector standards cannot replace an organization's own process
108 for identifying material topics.

109 A slight adjustment has been made to the requirement itself, so that Requirement A-3-b now reads
110 that an organization shall use the relevant Sector Standards ‘when identifying its material topics’
111 rather than ‘to identify its material topics’.

112 The point is already made in GRI 103, and the relevant passage is now repeated in the guidance for
113 Requirement A-3-b:

114 The Sector Standards provide information on the most likely material topics for
115 organizations in a given sector. Using Sector Standards, however, is not a substitute
116 for the organization’s own process for identifying material topics.

117 The Chair invited discussion from the GSSB, and there being none noted the GSSB’s approval of the
118 proposal.

119 **Proposed change 3**

120 The SD proposed changes in the section on internal controls in GRI 101 (lines 635-639 in [Item 02](#))
121 to clarify the paragraph that covers situations where corporate governance codes require directors
122 to inquire and, if satisfied, to confirm the adequacy of an organization’s internal controls in the
123 annual report:

124 In some jurisdictions, corporate governance codes require directors to inquire and,
125 if satisfied, to confirm the adequacy of an organization’s internal controls in the
126 annual report. This confirmation might only relate to the adequacy of the internal
127 controls for financial reporting. It does not necessarily provide information on
128 whether the same internal controls are also adequate to assess the credibility of the
129 organization’s sustainability reporting. If the organization relies on internal controls
130 related to financial reporting, it should assess the relevance of these controls for its
131 sustainability reporting. In cases where these controls are inadequate, the
132 organization should identify and use additional internal controls to assess the
133 credibility of its sustainability reporting.

134 The GSSB supported the proposed change.

135 **Proposed change 4**

136 The SD proposed amendments to Disclosure ACT-I-b of GRI 102 (lines 1099-1102 in [Item 02](#)) in
137 order to avoid misunderstanding. An organization is not being required to name the entities
138 upstream and downstream from the organization, but to give information on their characteristics.

139 The change consists of stipulating ‘characteristics of the entities’ in requirements ACT-I-b-ii and
140 Disclosure ACT-I-b-iii and adjusting the corresponding guidance accordingly.

141 The Chair noted the GSSB’s support for the amendments.

142 **Proposed change 5**

143 The SD proposed additions to the guidance for ACT-I-b-i in GRI 102 (lines 1130-1132 in [Item 02](#)).

144 The SD had previously proposed removing Disclosure 102-7-a-ii and Disclosure 102-7-a-v, which
145 required information on the total number of operations and the quantity of products or services
146 provided by an organization. Subsequent GSSB feedback indicated that it was still useful to include
147 this information, as it could provide an understanding of the size of an organization. It is proposed to
148 reinstate these in the guidance to ACT-I-b-i, as recommendations when describing an organization’s
149 main activities, products or services:

150 When describing its main activities, the organization should report the total number
151 of operations. [previously Disclosure 102-7-a-ii]

152 When describing its products and services, the organization should:

153 • report the quantity of products or services provided during the reporting
154 period; [previously Disclosure 102-7-a-v].

155 A member of the GSSB commented that ‘number of operations’ is not a useful indicator of size,
156 because operations can be defined and counted in different ways, whereas ‘quantity of products or
157 services’ is more concrete.

158 The SD replied that the reason that the two deletions had originally been made was because of just
159 such inconsistency in the understanding of what is meant by an operation. However, it is still
160 important to have this information for certain industries. The expectation in having the former
161 Disclosures as recommendations rather than requirements is that not all organizations will report,
162 but, where relevant, certain organizations can be encouraged to do so.

163 The SD will look into providing a number of industry-specific examples of what is meant by ‘total
164 number of operations’, and encouraging organizations to specify how they determine what an
165 operation is.

166 The GSSB supported the proposed change.

167 **Proposed change 6**

168 The SD proposed a change to the text in the guidance on stakeholder engagement in GRI 103 (lines
169 2381-2382 in [Item 02](#)) to strengthen a point about prioritizing stakeholders. This involves changing
170 the word ‘can’ to ‘should’, to form the sentence: ‘The organization should prioritize the most
171 severely affected or potentially affected stakeholders for engagement.’

172 The Chair invited discussion from the GSSB, and there being none noted the GSSB’s approval of the
173 proposal.

174 **Vote on approval of [Item 02 – Exposure draft of the Universal](#)** 175 **Standards: GRI 101, 102, and 103**

176 The Chair invited any overall comments or questions on the draft and proposed changes, and heard
177 none.

178 The Chair called for a vote on the approval of [Item 02 – Exposure draft of the Universal Standards:](#)
179 [GRI 101, 102, and 103](#) for public comment.

180 Table 1. GSSB approval vote for the Exposure draft of the Universal Standards: GRI 101, 102, and
181 103 for public comment.

GSSB member	Vote
Bruce Klafter	—*
Corli le Roux	In favor
Evan Harvey	In favor
Gustavo Sinner	In favor
Jennifer Princing	In favor
Judy Kuszewski	In favor
Kent Swift	In favor
Kirsten Margrethe Hovi	In favor
Loredana Carta	In favor

Michel Washer	In favor
Peter Colley	In favor
Rama Krishnan Venkateswaran	—*
Robyn Leeson	In favor
Tung-Li (Tony) Mo	In favor
Vincent Kong	In favor
* GSSB member absent for vote.	

182 **GSSB Decision 2020.11** The GSSB resolved to approve [Item 02 – Exposure draft of the Universal](#)
183 [Standards: GRI 101, 102, and 103](#) for public comment.

184 The Chair thanked the SD for their efforts in a significant undertaking, and the SD Senior Strategic
185 Advisor thanked the GSSB on behalf of the SD for its input over many months, and extended thanks
186 to the entire SD team for its work.

187 **Next steps and timeline**

188 The SD explained that while the initial plan had been to run the public comment periods for the
189 Universal Standards and for the first Sector Standard (oil, gas, and coal) in parallel, the decision to
190 separate coal from oil and gas means this is not possible. The SD plans to release the Sector
191 Standard for oil and gas for comment one month after the public comment period for the Universal
192 Standards commences, with an overlap of 60 days between the two.

193 The SD outlined its strategy for public release of the exposure draft of the Universal Standards. The
194 public comment period will run from 11 June to 9 September 2020 and will be directed at five GRI
195 constituencies (business, investment institutions, labor organizations, mediating institutions, and civil
196 society organizations), targeting report preparers, information users, and regulators.

197 In addition to the exposure draft, explanatory annexes and the public comment survey, the SD will
198 release a mapping document that shows where content in the existing standards has been moved to
199 in the exposure draft.

200 The SD will also stage both thematic and overview webinars, as well as engaging in social media,
201 promotion at events, and the media.

202 The SD will share the public comment questions with the GSSB prior to release for feedback.

203 The SD requested the GSSB to use its networks to promote the exposure draft and encourage
204 response to the survey, and to reach out with any suggestions of stakeholders to target for
205 response.

206 **Actions**

- 207 • SD to reword the altered sentence in lines 170-171 of [Item 02](#) (Proposed change 1) to a
208 finessed version of: 'It should address actual negative impacts through remediation, for those
209 impacts that it has caused or contributed to'.
- 210 • SD to ensure that sufficient context is given in the public comment materials to avoid
211 confusion among respondents when reviewing the proposed changes.
- 212 • SD to look into providing a number of industry-specific examples of what is meant by 'total
213 number of operations' in the guidance for ACT-I-b-i, and encouraging organizations to
214 specify how they determine what an operation is.

- 215 • SD to send the complete list of questions proposed for the public comment survey for the
216 Universal Standards exposure draft to the GSSB for comment.
- 217 • GSSB to give feedback to the proposed public comment questions for the Universal
218 Standards exposure draft.
- 219 • GSSB to reach out to the SD with any suggestions of stakeholders to target for response to
220 the Universal Standards exposure draft.

221 **Session 3: Any other business and close of** 222 **meeting**

223 No other business was raised and the Chair closed the public sessions of the meeting at 2.01 p.m.
224 CET (Central European Time).