

Training provided by



**Sustainable
Stock Exchanges**



Hosted by



The GRI Standards

Advanced Session

Today's Hosts



Alexandra Plachkova
Senior Educational Content
Developer
Global Reporting Initiative (GRI)

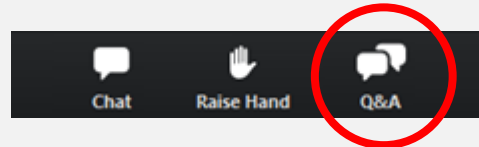


Mike Zimonyi
Senior Specialist
United Nations Sustainable Stock
Exchanges initiative (UN SSE)

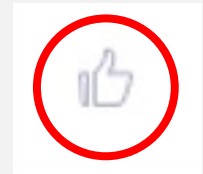
Housekeeping and workshop interaction

Questions and chat

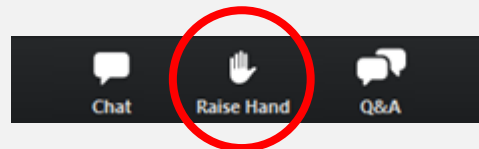
Please submit your questions for the panelists using the Q&A button along the bottom panel



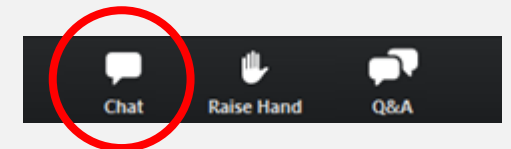
Please make use of the 'Upvote' feature to indicate your interest in questions asked by other attendees.



Please use the 'Raise Hand' function if you would like to pose your question via mic or further discuss a question, and the host will grant you permission



Please use the 'Chat' function for any comments or discussion points, and feel free to interact with other attendees here





Agenda

Content

Time: 1.5 h

1

The revised GRI Universal Standards 2021

10 min

2

Global trends & double materiality

15 min

3

Understanding impacts and materiality

20 min

4

Translating material topics to GRI disclosures

15 min

5

Q&A and next steps

20 min

Learner outcomes

- a Discuss the role and purpose of the GRI Standards
- b State the main changes from the 2016 to 2021 versions of the GRI Universal Standards
- c Present the global trends in sustainability reporting and the concept of double materiality
- d Describe the process of identifying impacts and determining material topics
- e Describe the process for reporting on material topics



Part 1:

The revised GRI Universal Standards 2021

The revised GRI Universal Standards 2021

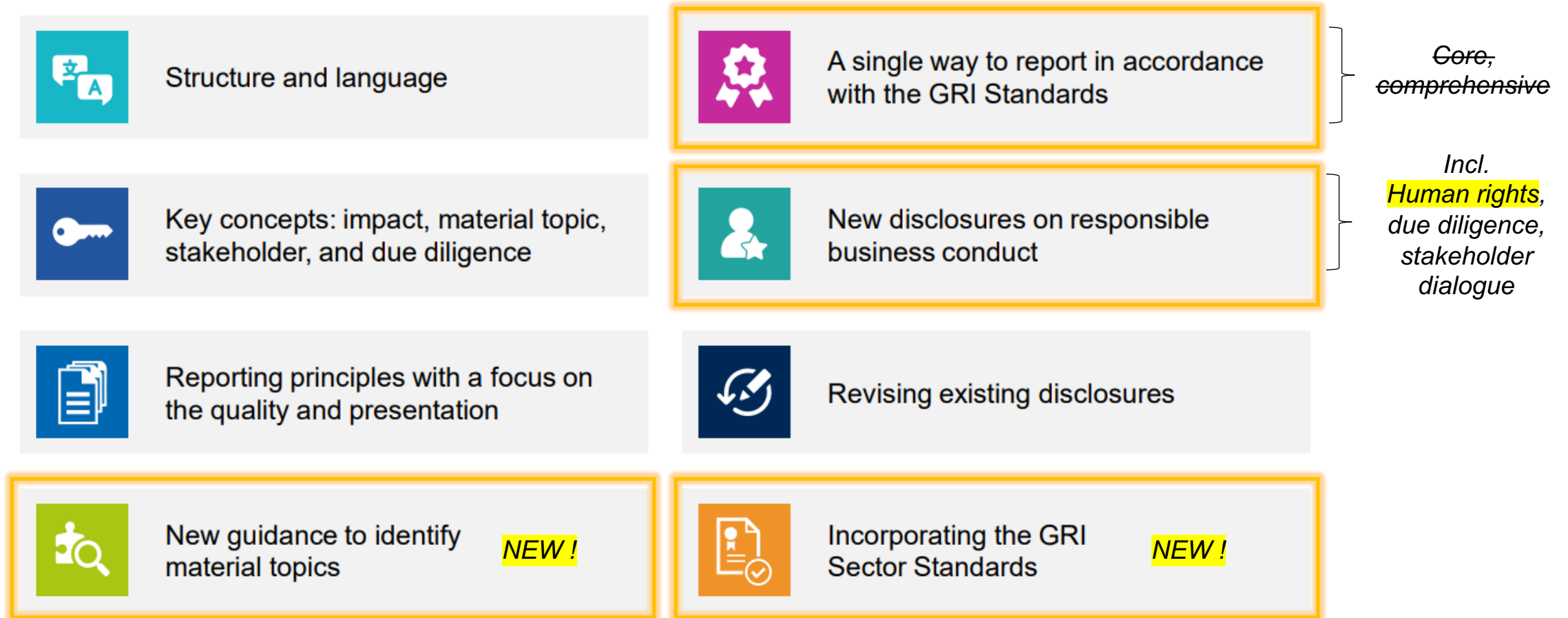
Is your organization already reporting using the GRI Standards?

- a) Yes, we are already using the GRI 2021 Standards.
- b) Yes, we are using the GRI 2016 Standards.
- c) Yes, we are getting started.
- d) No, we use other standards, frameworks and/or regulations.
- e) No, we do not have a sustainability report.



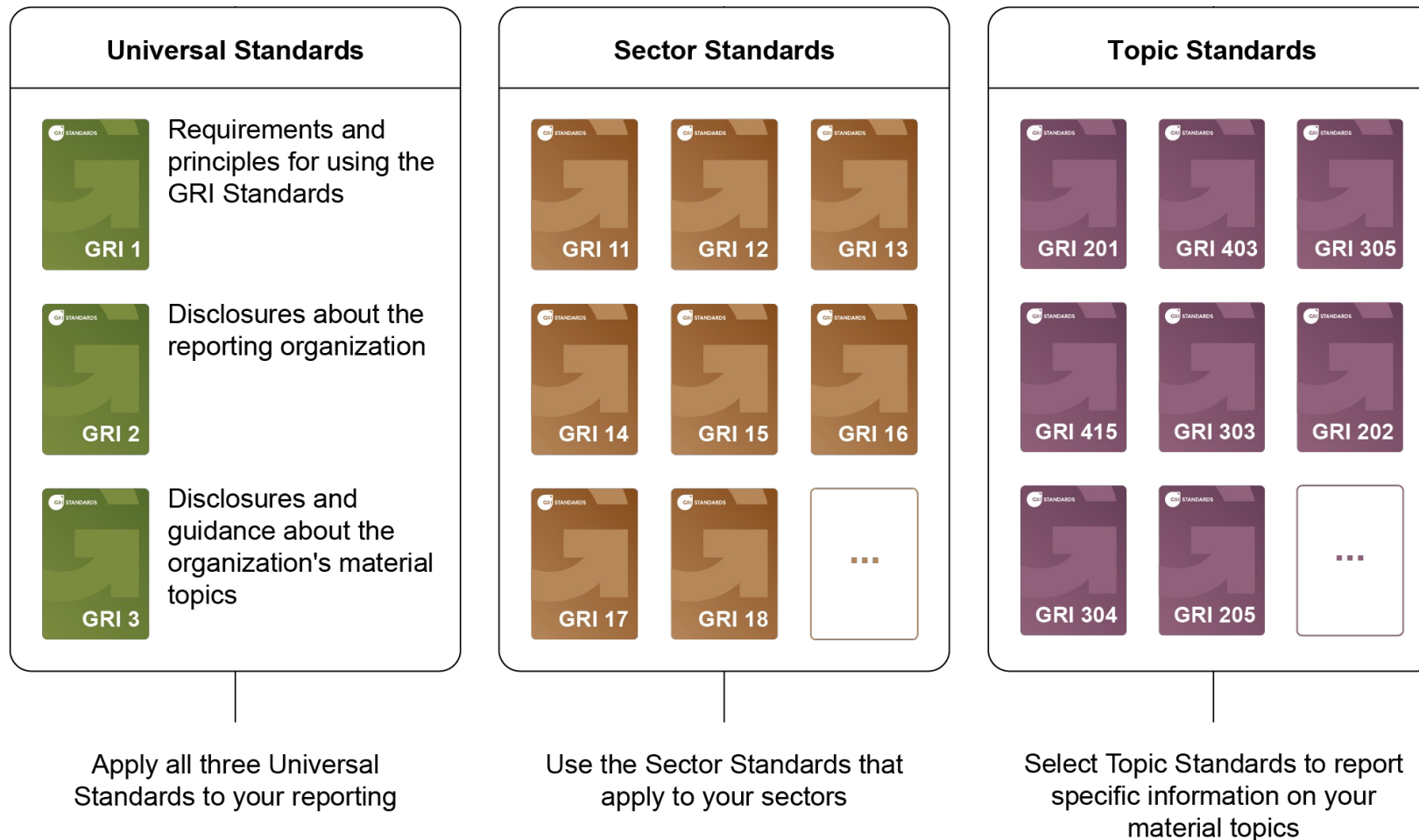
The revised GRI Universal Standards 2021

2016 vs 2021 mapping document available

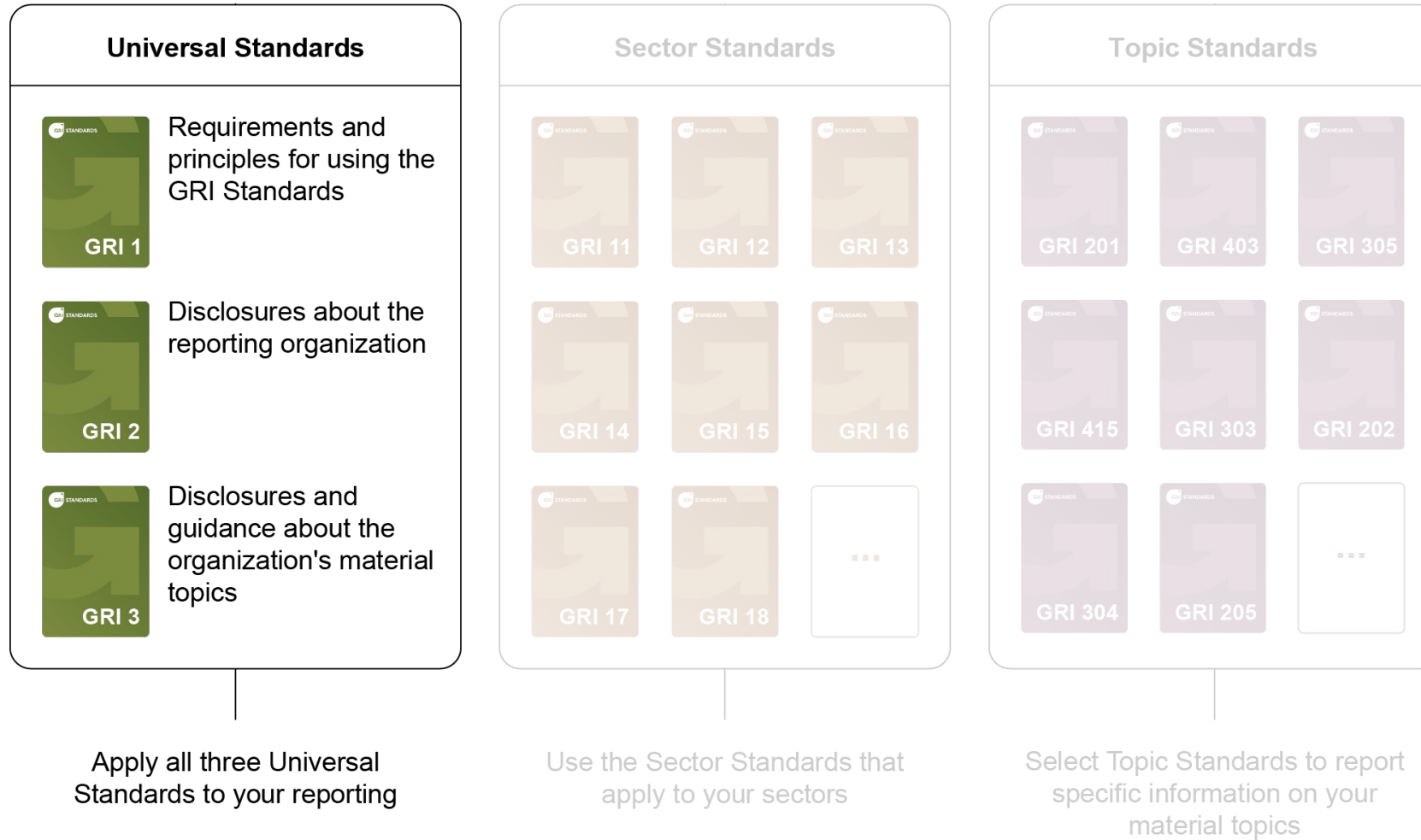


True or false?

The system of GRI Standards consists of *three series of modular Standards*

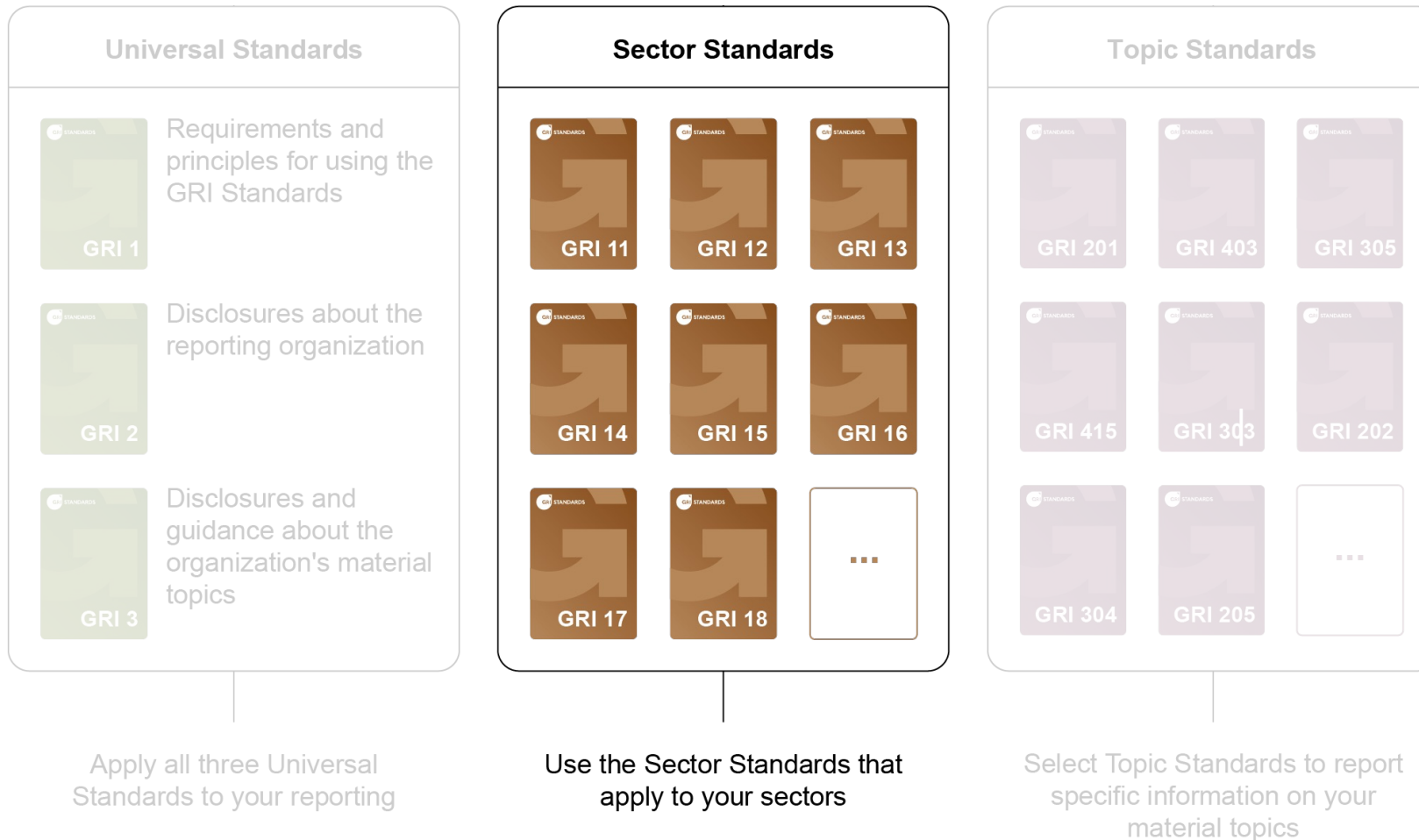


The Universal Standards in focus



True or false?

The *Sector Standards* are meant to replace the *Topic Standards* in the future



The GRI Sector Standards

What sectors will be covered?

Basic materials & needs

- Oil & gas
- Coal
- Aquaculture, agriculture & fishing
- Mining
- Food & beverages
- Textiles & apparel
- Banking
- Insurance
- Capital markets
- Utilities
- Renewable energy
- Forestry
- Metal processing

Industrial

- Construction materials
- Aerospace & defense
- Automotive
- Construction
- Chemicals
- Machinery & equipment
- Electronics
- Pharmaceuticals

Transport, infrastructure & tourism

- Media & communication
- Software
- Real estate
- Transportation infrastructure
- Shipping
- Trucking
- Airlines
- Trading, distribution & logistics
- Hotels
- Packaging

Other services

- Non-profit organizations
- Educational services
- Household durable
- Managed health care
- Medical equipment & services
- Retail
- Security services & correctional facilities
- Restaurants
- Commercial services

Prioritization for release:

1

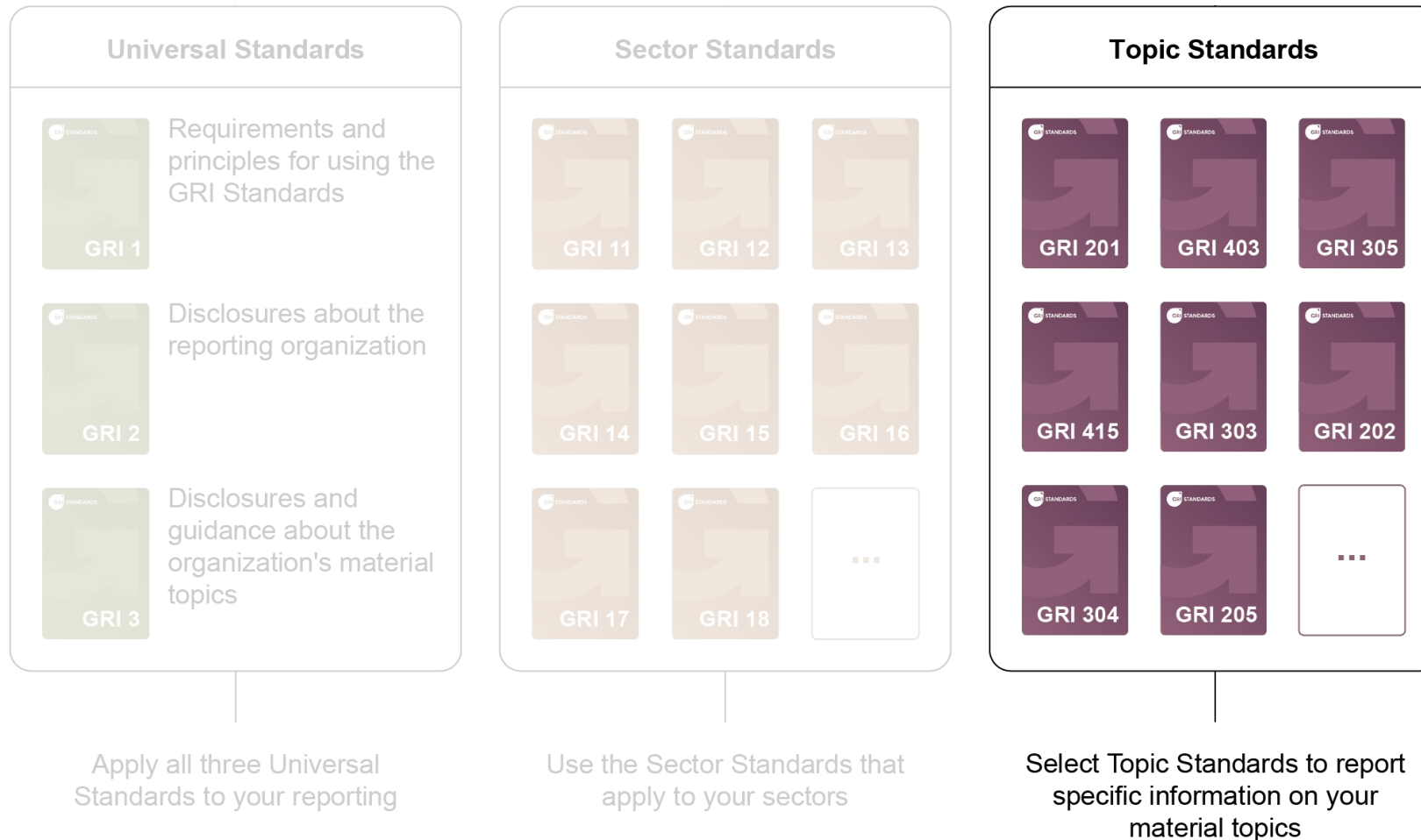
2

3

4

True or false?

There were no changes to the *Topic Standards* following the 2021 revision





Part 2:

Global trends and double materiality

Standards, frameworks, indices and certifications

What are the differences?

Standards

- Most comprehensive requirements
- Specific reporting criteria = comparable data
- Usually independently developed with public consultation
- No allocations for good/bad performance

ESRS



Frameworks

- Guiding principles
- Shape how to frame a certain topic and share information
- Do not usually include a defined reporting obligation nor specific data requirements



Indices, rankings or ratings

- Commonly based on a 'score' (often quantitative score and/or a risk score)
- Info used to determine a score gathered from company data
- Rely on information generated by standards and frameworks

S&P Global



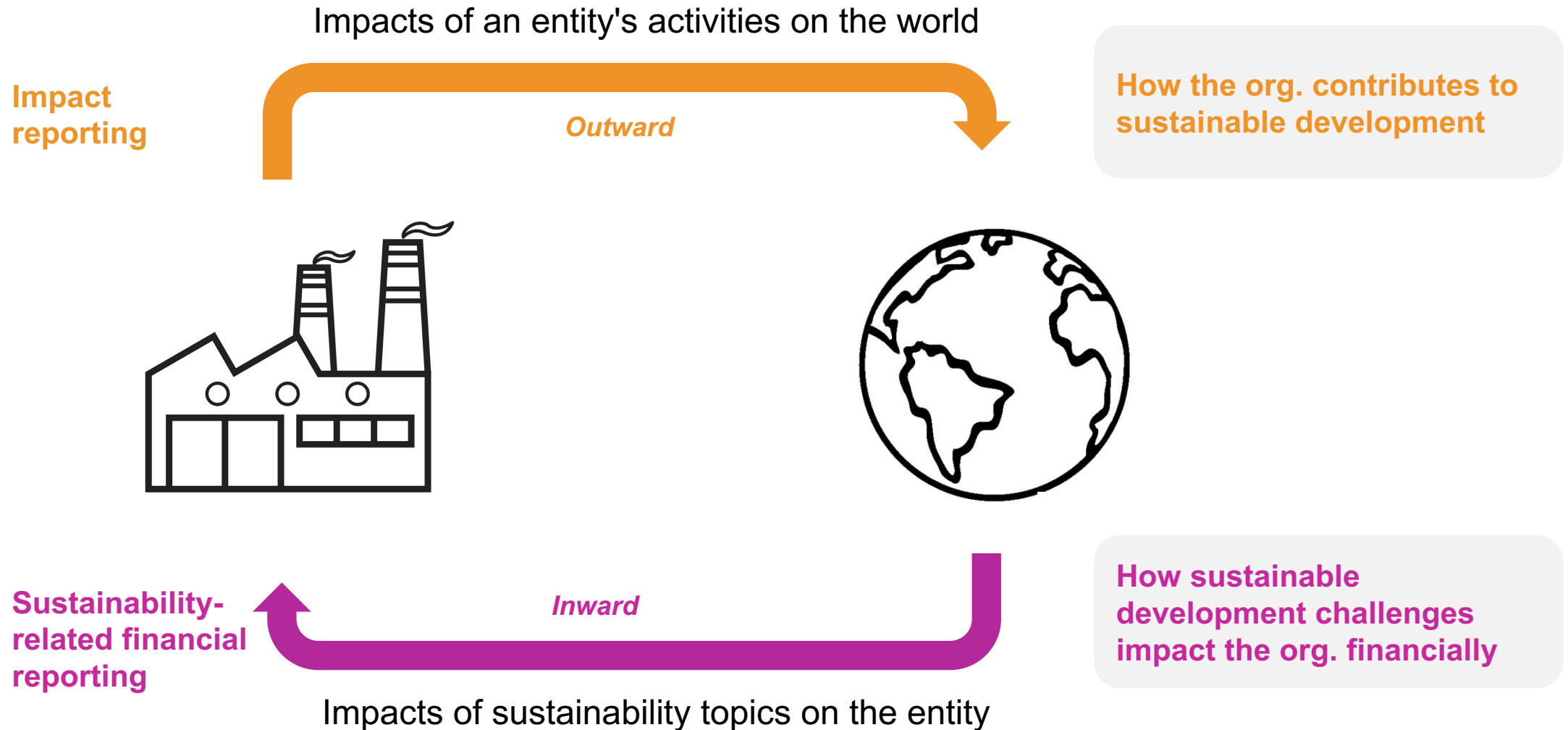
Certifications

- Awarded by a third party after assessment
- Could be topic- or sector-specific
- Each certification has their own method to assess whether an org meets criteria
- Certification is a branding tool







Double Materiality

Financial vs. impact reporting



Double Materiality

Examples

		Impact reporting	Sustainability-related financial reporting
	Emissions	How an org's air emissions generation affects pollution levels	How emissions taxes (e.g. carbon taxes) affect org's financials
	Water	How an org's water usage affects local water resources	How water scarcity can impact an org's operations
	Communities	How an org's activities could contribute to unrest in a community	How unrest in the community could compromise business activities or affect license to operate
	Employees	How an organization impacts its employee's health and safety	How employee health and safety incidents could affect organizational productivity

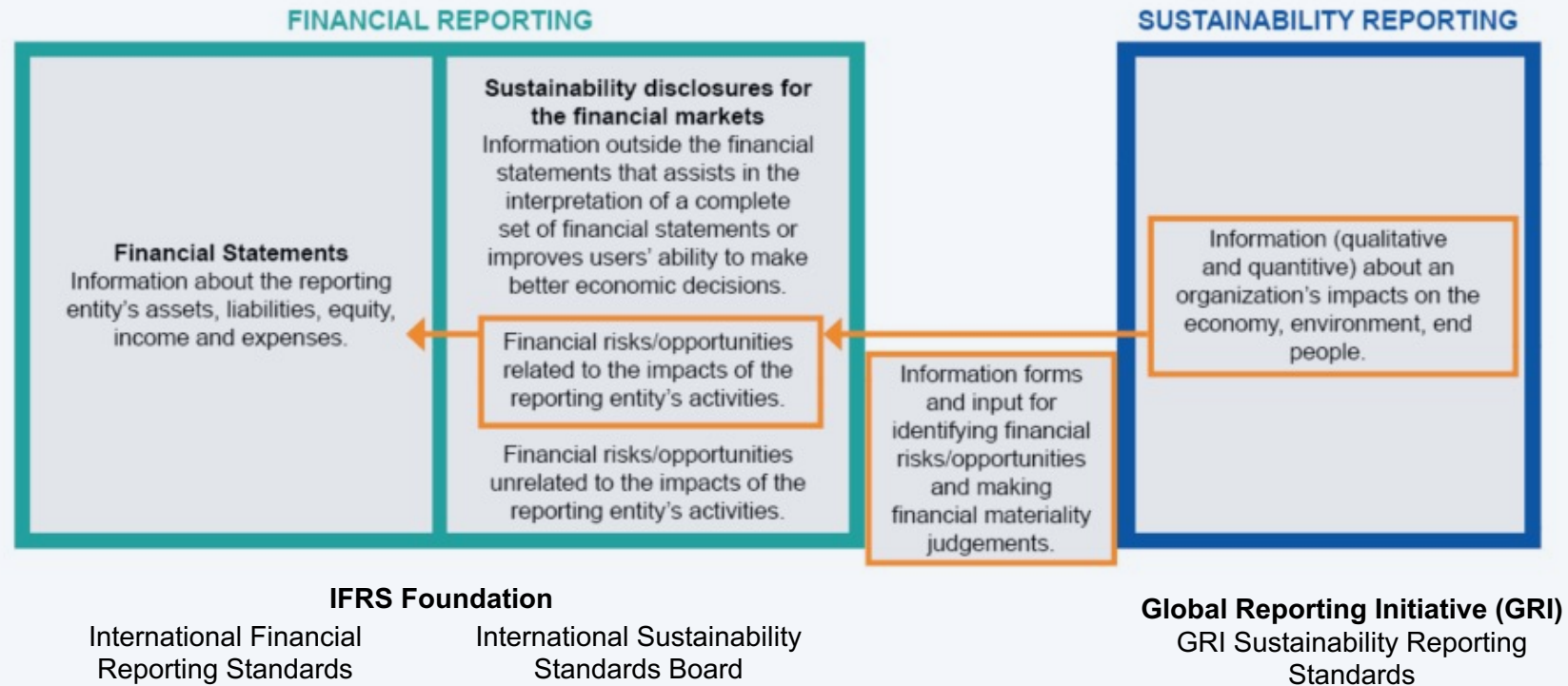
Nb: These examples are not exhaustive of what an organization could report on each of these topics

The 'trend' of double materiality

Drive towards a **comprehensive global corporate reporting** regime based on:

- ✓ **two-pillar** reporting structure
- ✓ **core set of common standards** for each pillar
- ✓ **equal** footing

Global



← *Integrated reporting* →

Double materiality

Which perspective of materiality do you incorporate in your reporting?

- a) Impact reporting
- b) Financial sustainability reporting
- c) Both



Comparing the landscape



	GRI Standards	TCFD Framework	IFRS Sustainability Disclosure Standards	European Sustainability Reporting Standards (ESRS)
Materiality perspective	Impact	Sustainability-related financial	Sustainability-related financial	Double (both perspectives)
Focus audience	Multistakeholder	Investor	Investor	Multistakeholder
Scope	All sustainability issues	Climate-related disclosures	Climate standards and general disclosures	All sustainability issues (financial and non-financial)
Mandatory or Voluntary	Largely voluntary; mandated in some instances	Largely voluntary; mandated in some instances	TBD by individual jurisdictions	Mandatory for certain companies
Affected companies	Certain jurisdictions, stock exchanges or industry bodies	Certain jurisdictions, stock exchanges or industry bodies	All companies in jurisdictions which adopt these standards	EU companies or non-EU with substantial activity in the EU
Effective date	-	-	1 January 2024	On or after 1 January 2024 (Staggered according to CSRD)
Assurance required	No	No	No	Yes (Initially limited assurance)

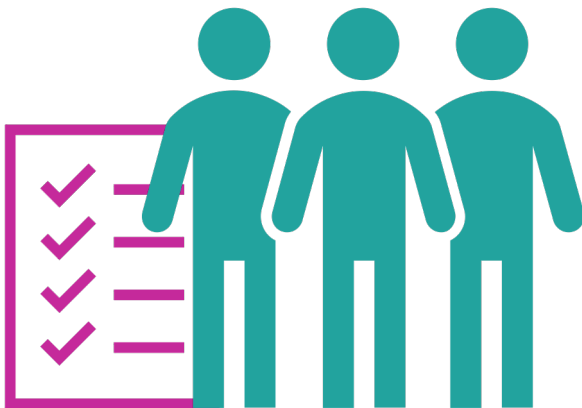
Bangladesh and the EU ESRS

Non-EU parent companies: 1 January 2028

Non-EU parent

A non-EU parent company would be subject to EU reporting requirements if it has:

1. **substantial activity in the EU** – i.e., it generated net turnover greater than €150 million in the EU for each of the last two consecutive years AND
2. at least:
 - **one EU subsidiary/branch** that generated **net turnover greater than €40 million** in the preceding year
 - **or one subsidiary that meets the general scope of the CSRD;**



General scope criteria

‘Large companies’ in the EU that meet two of the following:

- 250 employees
- 40M Euro revenue
- 20M Euro total assets

Assurance for sustainability reporting

2022

- **47% rate of assurance on sustainability information of N100 companies** (largest 100 companies in 58 countries)
- **63% rate of assurance on sustainability information of G250 companies** (largest 250 companies globally)

Source: KPMG Survey of Sustainability Reporting 2022, KPMG International, September 2022



Most assurance is provided by audit firms



The scope of assurance sought is most often limited



39% of reports *in accordance with* GRI are assured

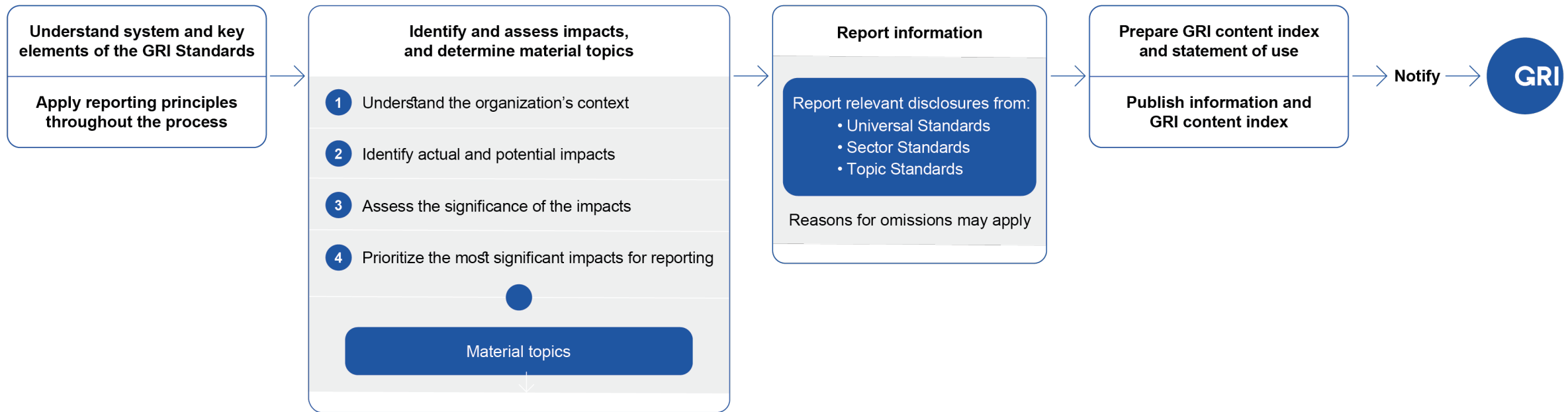
Source: IFAC State of Play: Sustainability Disclosure and Assurance, IFAC, February 2023



Part 3:

Understanding impacts and materiality

The reporting process using the GRI Standards



Understanding impacts and materiality

Important definitions

IMPACT

“The effect an organization has or could have on the economy, environment, or people, including on their human rights, as a result of its activities or business relationships.”

MATERIAL TOPIC

“Material topics are those that represent the organization’s most significant impacts on the economy, environment and people, including impacts on human rights.”

Understanding impacts and materiality

Important definitions

MATERIAL TOPIC

“

Material topics are those that represent the organization's most significant impacts on the economy, environment and people, including impacts on human rights. ”

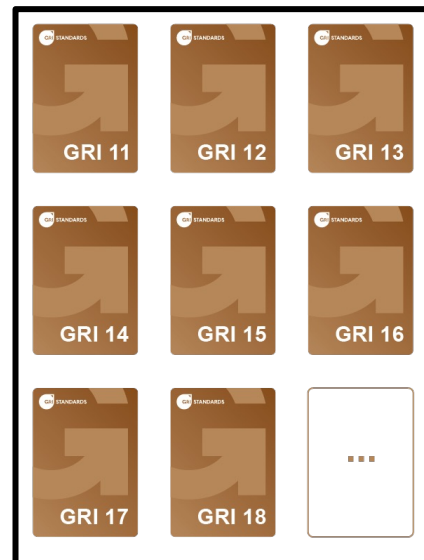
- Stakeholder input is no longer a standalone factor that determines whether a topic is material.
- The revision of the concept addresses the issue of the application of the materiality matrix, where only topics that rank high on both dimensions are prioritized in practice.

Understanding impacts and materiality

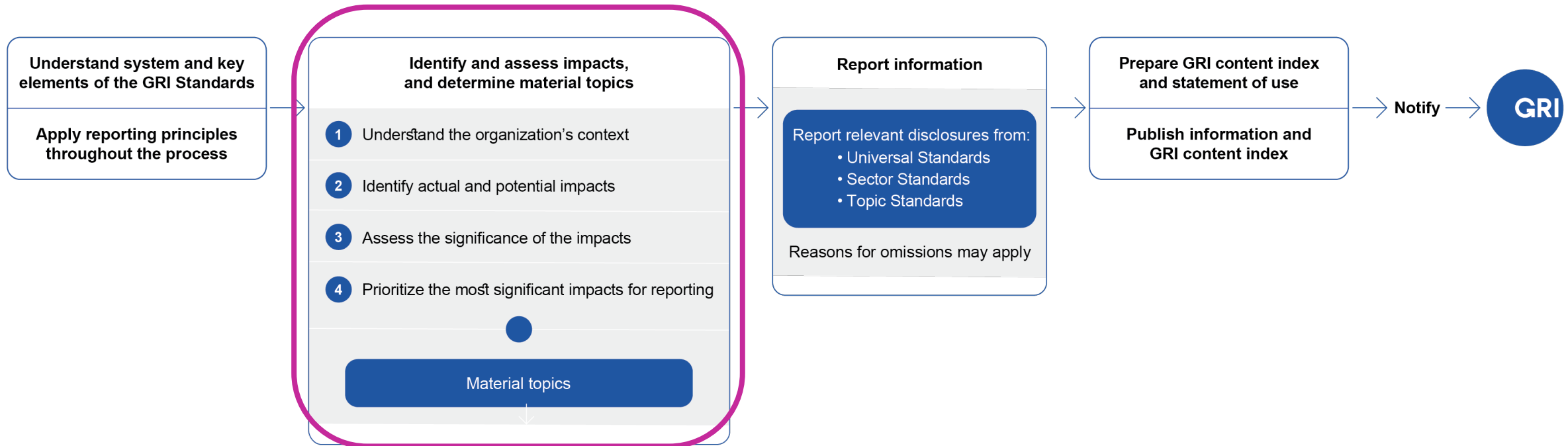
Requirement 3: Determine material topics

The organization shall:

- a. determine its material topics;
- b. review the GRI Sector Standard(s) that apply to its sector(s) and:
 - i. determine whether each topic in the applicable Sector Standard(s) is a material topic for the organization;
 - ii. list in the GRI content index any topics from the applicable Sector Standard(s) that the organization has determined as not material and explain why they are not material.

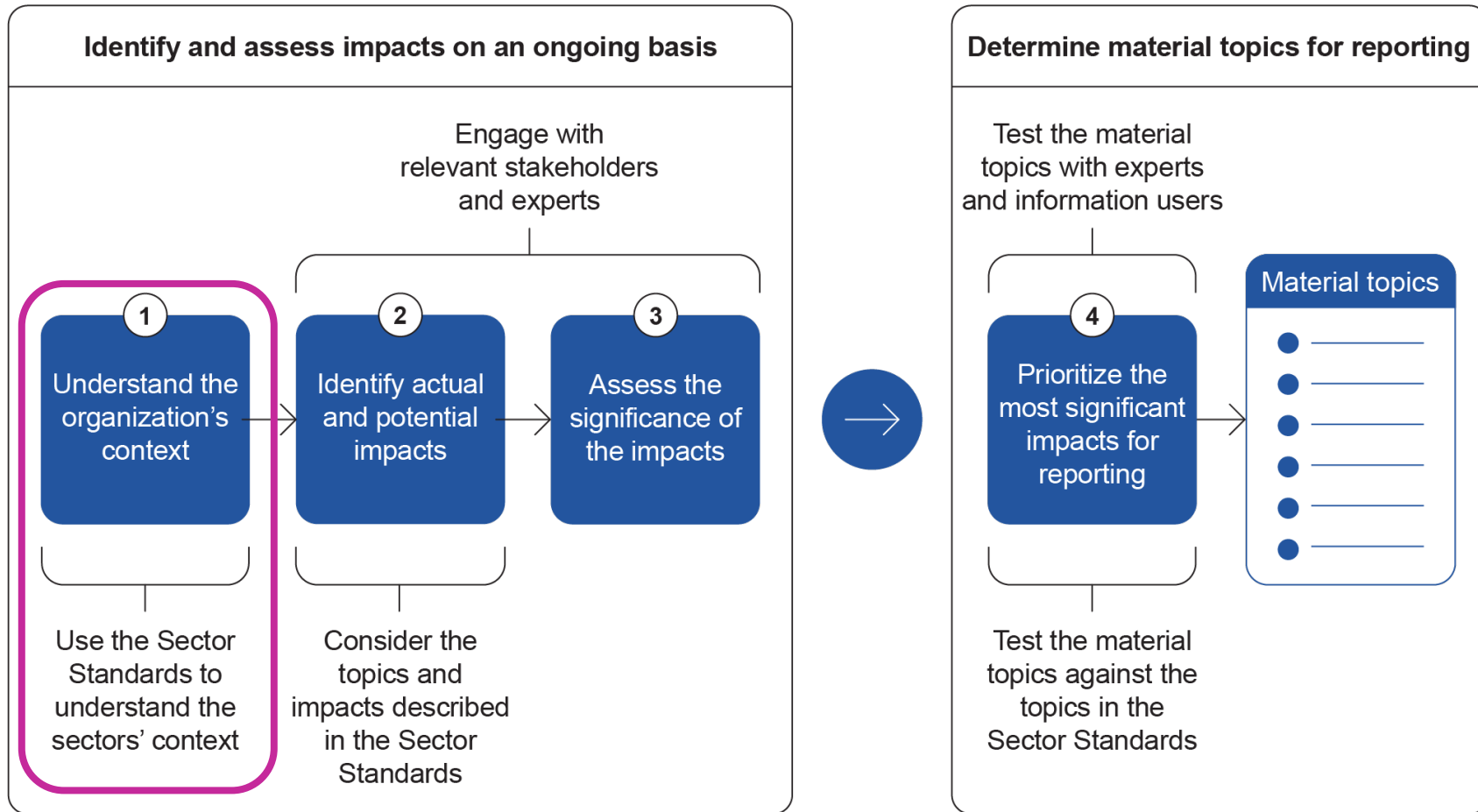


The reporting process using the GRI Standards



Understanding impacts and materiality

Step 1: Understanding the organization's context



Understanding impacts and materiality

Step 1: Understand the organization's context



Activities

- Purpose, value, mission statement
- Business model and strategies
- Geographical location and sector
- Employees and other workers



Business relationships



Sustainability context

- Sustainability challenges at local and global levels
- Authoritative intergovernmental instruments



Stakeholders

! The **Sector Standards** help at this point as they describe the characteristics of a sector that underline its impacts



Understand the organization's context

Practical tips



Assess applicable sustainability reporting **requirements** and **initiatives**



Perform **benchmarking** and **gap analysis**



Analyze your organization's **value chain**

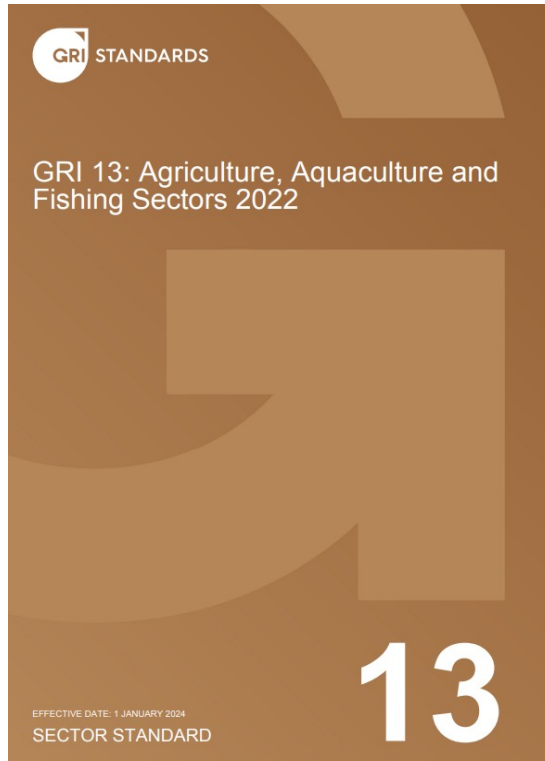


Gather input from **stakeholders** and **industry experts**

DISCLAIMER: The process described here refers to the most common activities for reporting purposes, based on reporters' experience. It is not part of the GRI Standards; therefore, it should be considered as suggestion and not as a requirement to report in accordance with the GRI Standards.

Understanding impacts and materiality

Exercise – GRI 13: Agriculture, Aquaculture and Fishing



1. Sector profile

The agriculture, aquaculture, and fishing sectors produce essential food and non-food items, such as fibers, fuels, and rubber products. They play a major role in global development as a provider of food for human consumption and supplier of materials to other economic sectors, such as textiles, construction materials, pharmaceuticals, and the production of biofuels.

Production levels and value created by the sectors have increased in almost all countries across the globe in the past 20 years. However, their contribution to global gross domestic product (GDP) across this time period has stayed consistent at about 4%.² Despite this relatively limited global economic contribution, the sector has an outsized impact in developing countries and on those in rural areas. In some developing countries, it accounts for more than a quarter of GDP [20].

Demand for the products of the sectors is projected to grow into the future, driven by a growing population and changes in income levels. Future production will also be influenced by demographic, socio-cultural, and lifestyle changes, as well as consumer awareness of health and sustainability issues [30].

Agriculture, aquaculture, and fishing operations can be formally or informally organized as large-scale or small-scale business enterprises. Operations can also include households, cooperatives, and government institutions. These organizations can own or operate farms, fishing vessels, mills, and hatcheries. Vertically integrated organizations can directly own or manage production, storage, processing, and distribution.

Sector activities and business relationships

Through their activities and business relationships, organizations can have an effect on the economy, environment, and people, and in turn make negative or positive contributions to sustainable development. When determining its material topics, the organization should consider the impacts of both its activities and its business relationships.

Activities

The impacts of an organization vary according to the types of activities it undertakes. The following list outlines some of the key activities of the agriculture, aquaculture, and fishing sectors, as defined in this Standard. This list is not exhaustive.

Fishing

Fishing: capturing wild aquatic organisms, such as fish, mollusks, and crustaceans, via shore-based netting or commercial fishing vessels in inshore, coastal, or offshore waters.

Primary processing: onboard handling of live wild aquatic organisms after capture and through to the point of landing.

Aggregation: aggregating fish, mollusks, and crustaceans from multiple sources to downstream markets, which can involve transaction by intermediary organizations or single actors.

Storage: keeping fishing products³ in a way that preserves their quality and keeps them safe from, for example, harmful bacteria.

Transportation: using traditional or mechanized transportation to move fishing products.

Trading: buying and selling fishing products.

Business relationships

An organization's business relationships include relationships that it has with business partners, with entities in its value chain, including those beyond the first tier, and with any other entities directly linked to its operations, products, or services. The following types of business relationships are prevalent in the agriculture, aquaculture, and fishing sectors and are relevant when identifying the impacts of organizations in the sectors.

Aggregators: intermediary organizations or single actors who bring products from multiple sources at farm, fishery, hatchery, or mill level for sale to downstream markets.

Animal or fish feed suppliers: organizations or persons that provide feed for animal production or aquaculture.

Primary producers: agriculture, aquaculture, and fishing organizations can often buy their products from primary producers who actively farm or fish. Primary producers can be other organizations or persons, such as farmers and fishers, categorized as self-employed workers.

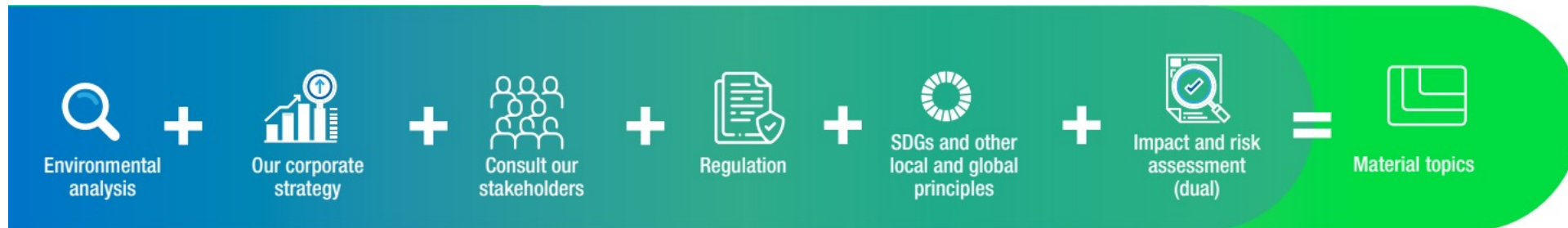
Suppliers of agricultural inputs: organizations that produce and sell fertilizers, pesticides and other inputs, and seeds.

Understanding impacts and materiality

Case study: FIFCO



“ In 2021, FIFCO updates its materiality matrix for the entire corporation following a strict dual impact assessment methodology, in other words, which aspects impact and are valued by the company and which aspects impact and are valued with whom it interacts. A total of 29 aspects are rated for their level of impact and their level of risk (probability * scope * severity * irreversibility) ”



Understanding impacts and materiality

Case study: Enagás



“

Enagás identifies and prioritises material topics in the company's direct operations, according to the level of importance these have for Enagás and its stakeholders. The perspective adopted is that of 'dual materiality', i.e., the impact on the value of the company and the impact on the environment of each material topic.

The materiality analysis is based on the company's activities, the strategy and operating context, as well as on the needs and expectations of its stakeholders. All this with a focus on the short, medium and long term, considering both own operations and the value chain, and in a manner consistent with the company's risk analysis.

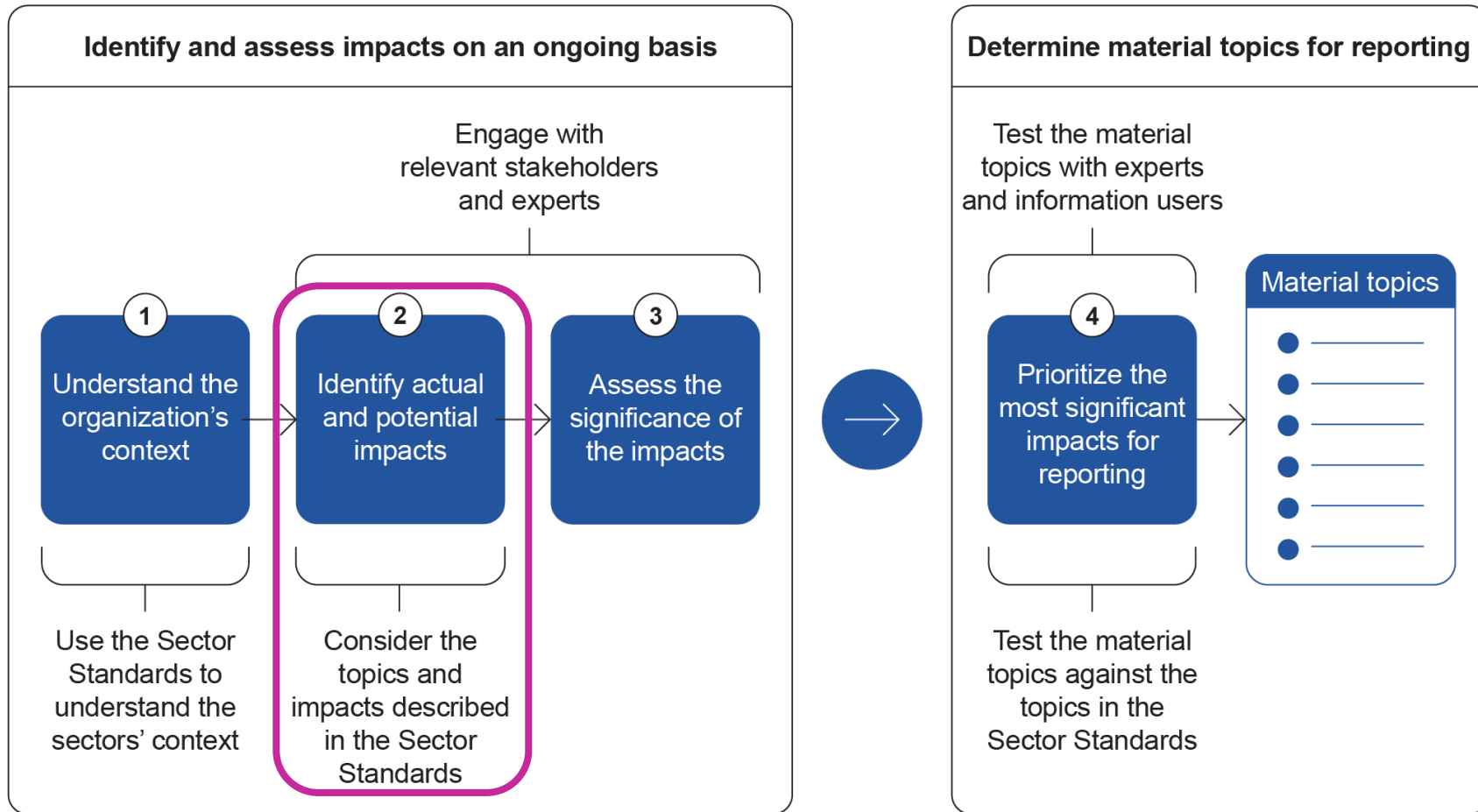
- Decarbonization as the focus of the strategic plan and the increased need to accelerate decarbonization imply an increased importance both for stakeholders and for Enagás.

”

Understanding the operating and sustainability contexts helps to identify emerging issues such as decarbonization.

Understanding impacts and materiality

Step 2: Identify actual and potential impacts



Understanding impacts and materiality

Step 2: Identify actual and potential impacts

Negative impacts

- There are three ways an organization can be involved with a negative impact: it can **cause**, **contribute to**, or be **directly linked to** the impact
- Potential negative impacts should be addressed through **prevention** or **mitigation**; actual negative impacts should be addressed through **remediation**
- Identifying actual and potential negative impacts is the first step of **due diligence**

Positive impacts

- When identifying positive impacts, an organization should
 - Assess how it **contributes to** sustainable development
 - Consider any negative impacts that could result from activities that aim for a positive contribution

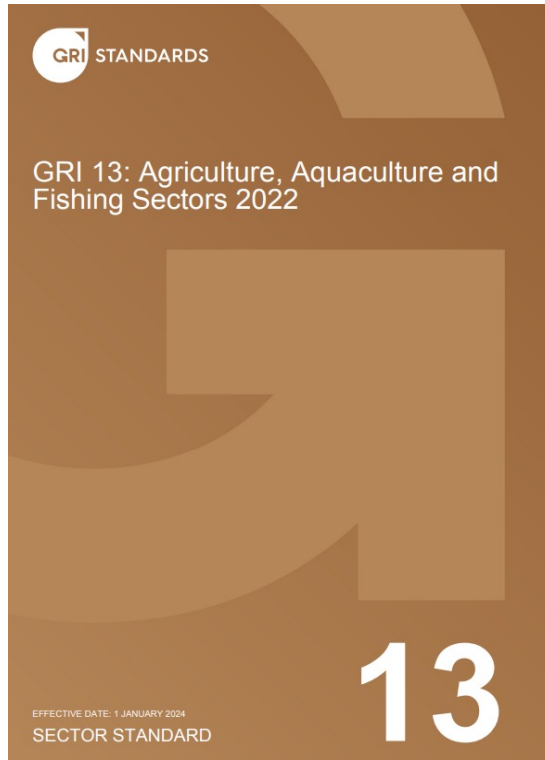


During this step, an organization should:

- Consider the topics and impacts described in the GRI **Sector Standards**
- Engage with relevant stakeholders and experts

Understanding impacts and materiality

Exercise – GRI 13: Agriculture, Aquaculture and Fishing



The sectors and sustainable development

Agriculture, aquaculture, and fishing are fundamental to feeding the world's population. The sectors have a key role in meeting the growing demand for nutritious, affordable, and safe food for an estimated 10 billion people by 2050 [30]. At the same time, these sectors' activities are increasingly recognized as having significant impacts on sustainable development. Intensive use of natural resources, the location of operations in rural areas, and large amounts of labor involved into production globally are factors contributing to the scale of the sectors' impacts.

The agriculture, aquaculture, and fishing sectors are the second largest source of employment worldwide [20].⁴ Over 2.5 billion people living in rural areas depend on them these sectors for jobs. At the same time, agriculture, aquaculture, and fishing are sectors with the highest informality rates in employment contracts, commercial transactions, and land tenure, posing challenges to upholding human rights. With 80% of the world's poor living in rural areas, ensuring sufficient income for rural workers remains an issue [37]. Improving incomes means communities need better economic opportunities, access to technology, skills training, and a more equitable distribution of value created by their labor. Growth in the sectors is proportionately more effective in raising the incomes of the world's poorest people in comparison to other sectors.

Agriculture, aquaculture, and fishing have a substantial environmental footprint. For example, agriculture accounts for an estimated 70% of freshwater withdrawals globally and is a substantial source of greenhouse gas (GHG) emissions, accounting for 22% of the total global emissions [25].⁵ Similarly, fishing is responsible for at least 1.2% of global oil consumption [10].

Because agriculture, aquaculture, and fishing production rely on biodiversity, soils, and ecosystems, implementing sustainable practices across the sectors is a fundamental condition for food security. However, the agriculture sector is associated with 70% of losses in terrestrial biodiversity because of land conversion, deforestation, soil erosion, and impacts of pesticides [21]. Fishing has resulted in significant impacts on global ocean biodiversity, with one-third of fish stocks being overfished and about 60% fished at their maximum sustainable levels [24].

There has been ongoing growth in the global consumption of animal and aquaculture products. With approximately 340 million tons of meat, 88 million tons of dairy and 85 million tons of aquaculture products being produced annually, animal health and welfare are fundamental to agriculture and aquaculture activities [20]. The conditions animals live in have considerable implications for preventing zoonotic disease and the risks of antimicrobial resistance. Sound animal health and welfare also mean the responsibility for treating animals humanely.

Climate change poses challenges for the agriculture, aquaculture, and fishing sectors. It can affect yields, disrupt production and supply chains, jeopardizing food security. Impacts of climate change can also deepen poverty levels, displace people from their lands, and thus increase migration. Agriculture, aquaculture, and fishing organizations can contribute to food security and global development by building resilience to climate change, reducing food loss, and providing income and livelihoods to farmers and fishers and their communities.

Understanding impacts and materiality

Case study: Enagás



“ Enagás ensures the company's sustainability by managing these aspects in its value chain, viz., both in its direct operations and in the operations of third parties with whom it has relationships: suppliers and affiliates. ”

Assessing how Enagás is involved with the impacts (direct operations or business relationships).

Direct operations



Sustainable
Management Model

Supply chain



Evaluation of material topics
(consultations and audits)

See the ["Supply Chain"](#)

Affiliates

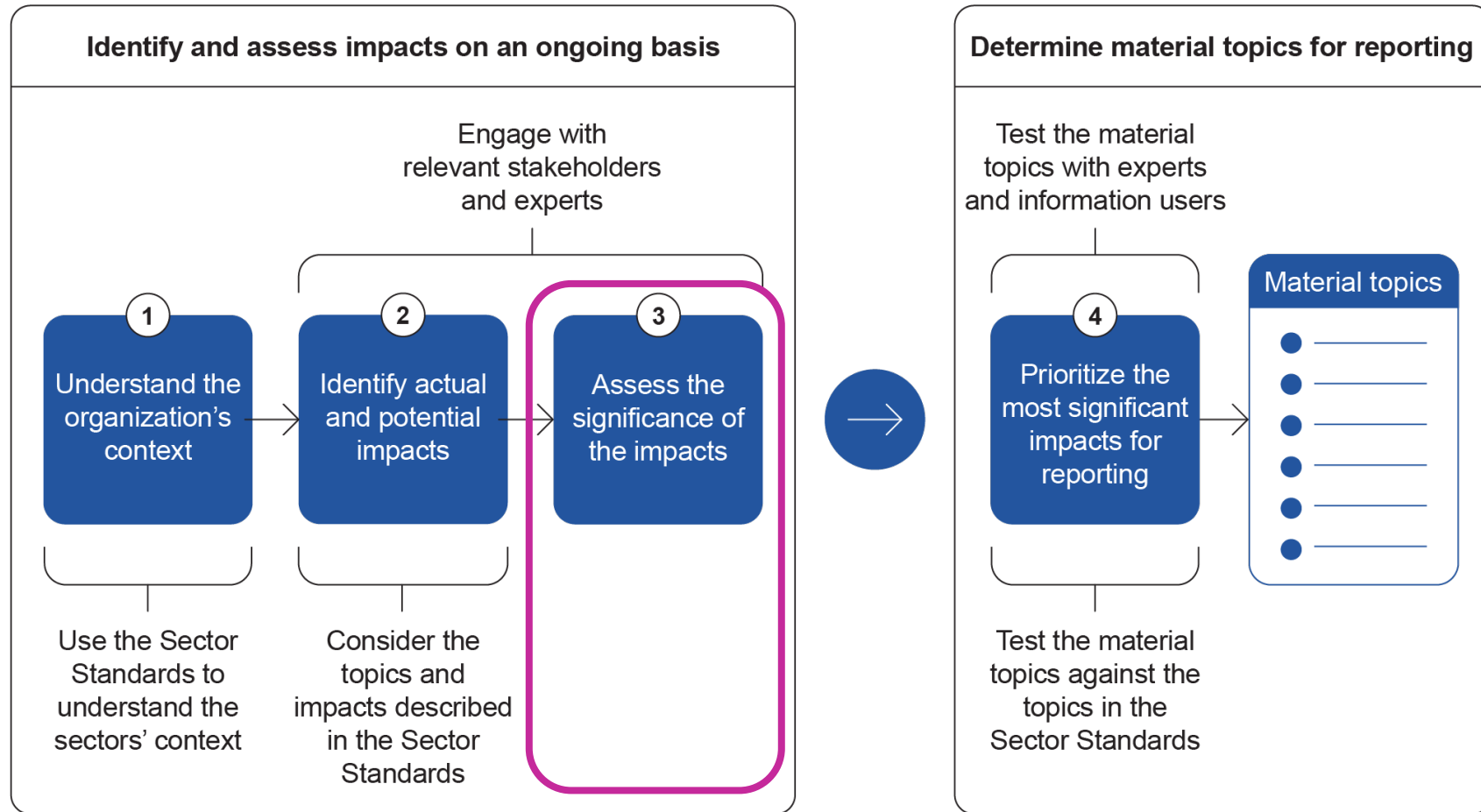


Evaluation of critical
management standards
(affiliates management model)

See section ["Affiliates"](#)

Understanding impacts and materiality

Step 3: Assess the significance of impacts



Understanding impacts and materiality

Step 3: Assess the significance of impacts

Negative impacts

The significance of actual **negative** impacts is determined by their severity (scale, scope, and irremediable character)

The significance of potential **negative** impacts is determined by their severity and likelihood (also known as 'risk')

Positive impacts

The significance of actual **positive** impacts is determined by their scale and scope, whereas for potential impact – by their scale, scope and likelihood



During this step, an organization should engage with relevant stakeholders and experts

Understanding impacts and materiality

Case study: FIFCO



Aspects considered in the impact and risk assessment

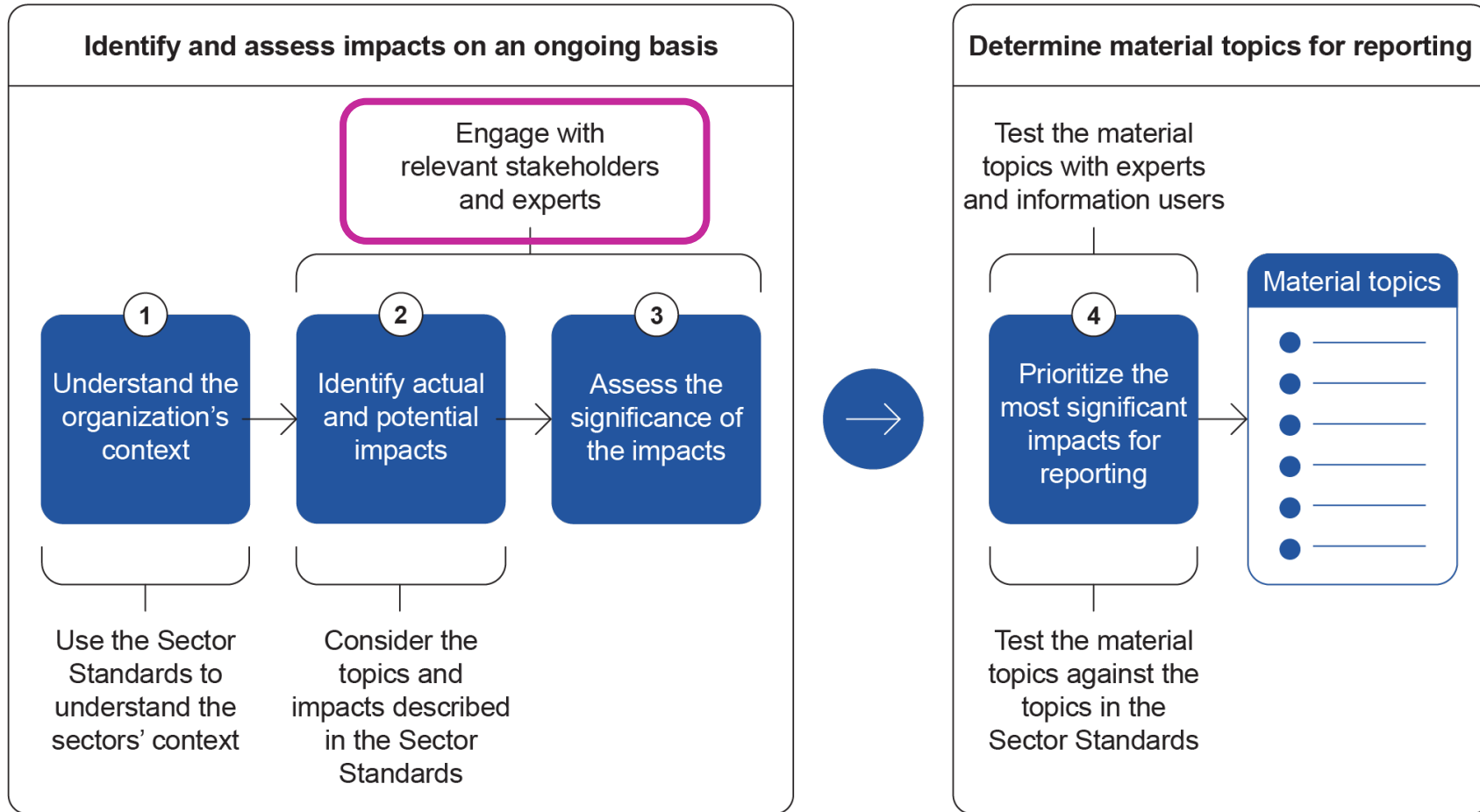
Dimension	Aspect	Impact factor	Risk factor
Environmental	1 Materials	125	30
	2 Energy	240	18
	3 Water	240	300
	4 Biodiversity	1	1
	5 Emissions	240	144
	6 Ordinary waste	60	4
	7 Post-consumer recovery	160	180
	8 Suppliers	200	200
	9 Customers	160	4
External Social	10 Local communities	80	144
	11 Corruption	180	12
	12 Smart consumption	300	120
	13 Ethics and transparency	240	240
Internal Social	14 Employee	150	150
	15 Occupational health and safety	225	225
	16 Talent management	30	30
	17 Human Resources	135	135
	18 Association and collective bargaining	30	30
	19 Public health (pandemic health emergency)	240	240
	20 Integral wellness	135	135
	21 Target culture (live by the values)	45	45
Economic	22 Economic value created	300	200
	23 Sales and profit	300	200
	24 Product quality	300	225
	25 Leadership / Market share	225	36
	26 Strategic social investment	80	180
	27 Indirect economic impact	150	45
	28 Changes in chain supply	200	120
	29 % Local products and services	20	100

Materiality matrix



Understanding impacts and materiality

Stakeholder engagement





Understanding impacts and materiality

Practical tips to consider when identifying stakeholders

Responsibility

Stakeholders linked to organization through legal, financial, operational regulations, contracts and/or policies.

Influence

Stakeholders with the ability to influence formally or informally organizational goals. This include those with informal influence or with formal decision-making power, internally or externally.

Proximity

Those who the organization depends on for daily operations and those living close to operating sites.

Dependency

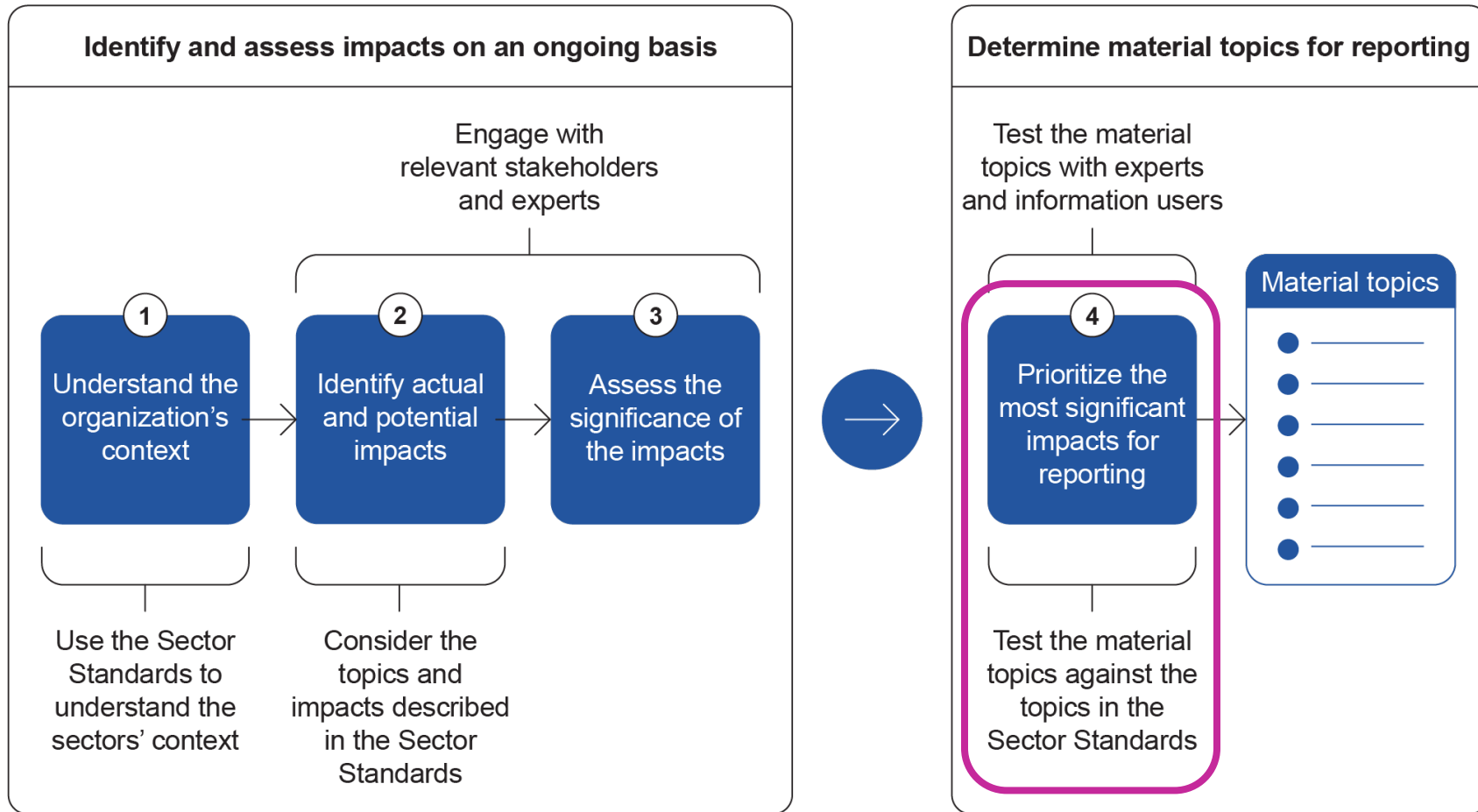
Stakeholders who are most dependent on organization, like customers who rely on the organization for products or suppliers who rely on the organization for orders.

Representation

Those who represent key institutions with whom the organization interact, like trade unions, community leaders, politicians etc.

Understanding impacts and materiality

Step 4: Prioritize the most significant impacts for reporting



Understanding impacts and materiality

Step 4: Prioritize the most significant impacts for reporting



Set a threshold to determine which topics are material – document the process, provide visual representation, use significance as sole criterion.



Group impacts into topics – rank the topics based on their significance.



Test the material topics against topics in the applicable GRI Sector Standards and with information users and experts (stakeholders).



Have the material topics approved by the highest governance body or senior executive.



Determine what to report for each topic using Requirements 4 and 5 in *GRI 1: Foundation 2021*.

Understanding impacts and materiality

Case study: FIFCO



Priority topics

Priority topics for our company and for our stakeholders have an immediate impact on the company's financial viability and therefore on the viability of social and environmental agendas.

- Ethics and transparency
- Economic value created, sales and profit
- Product quality
- Suppliers
- Health and safety
- Water



Relevant topics

Key topics for our stakeholders and the company to continue addressing in the short and medium term.

- Public health
- Smart consumption
- Integral wellness
- Post-consumer recovery
- GHG emissions
- Human Rights
- Supply chain
- Employment



Emerging topics

Topics that the company is already addressing and which are important to continue managing.

- Customer relations
- Strategic Social Investment
- Data management
- Local communities
- Local products
- Ordinary waste
- Materials
- Biodiversity
- Partnerships

Materiality matrix



Understanding impacts and materiality

Case study: Enagás



Enagás material topic	GRI 11 sectoral standard material topic: Oil and Gas Sector 2021
Good Governance	
Human rights	<ul style="list-style-type: none">• Labour practices• Non-discrimination and equal opportunity
People	<ul style="list-style-type: none">• Forced labour and modern slavery• Freedom of association and collective bargaining
Human rights	<ul style="list-style-type: none">• Anti-competitive behaviour
Ethics and integrity	<ul style="list-style-type: none">• Anti-corruption• Payments to governments• Public Policy
Financial and operational excellence	<ul style="list-style-type: none">• Closure and rehabilitation• Asset integrity and critical incident management• Economic impacts
Human rights	
Health and safety	<ul style="list-style-type: none">• Occupational health and safety
Human rights	<ul style="list-style-type: none">• Atmospheric emissions
Natural capital and biodiversity management	<ul style="list-style-type: none">• Biodiversity• Waste• Water and effluents
Climate action and energy efficiency	<ul style="list-style-type: none">• GHG emissions• Climate adaptation, resilience and transition
Human rights	<ul style="list-style-type: none">• Local communities
Local communities	<ul style="list-style-type: none">• Land and resource rights• Rights of indigenous peoples• Conflict and security

Testing Enagás's material topics against those in *GRI: 11 Oil and Gas Sector 2021*.

“ An example of a revision is the publication in 2021 of the GRI sector standard *GRI 11: Oil and Gas Sector 2021*. This allowed us to confirm that the relevant issues were those that the company had been reporting and additional issues have been included to complement what has already been reported. ”

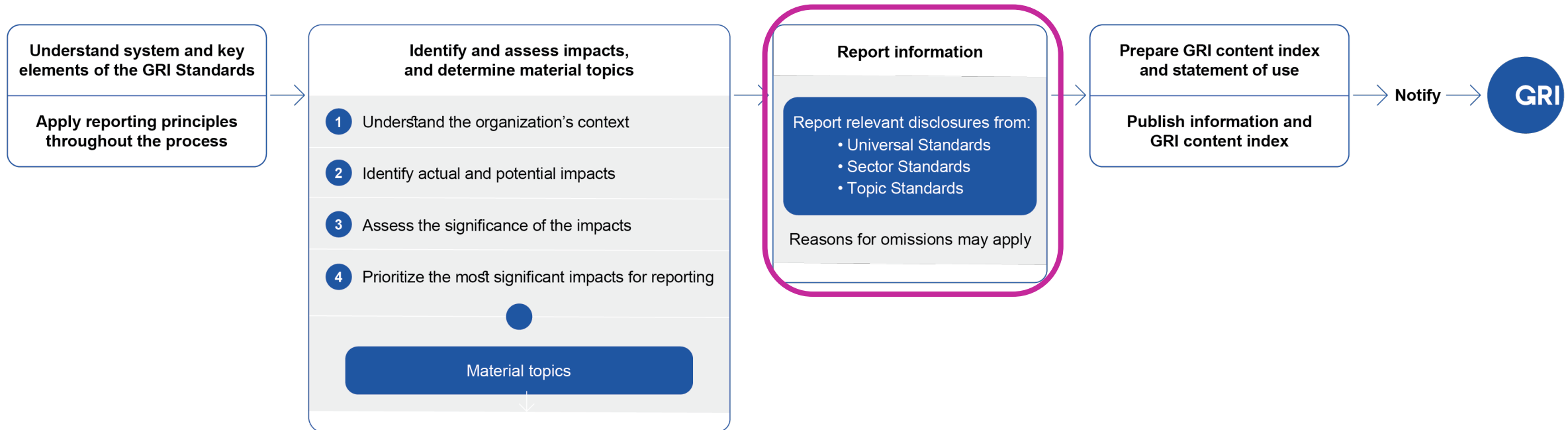


Part 4:

Translating material topics to GRI disclosures

Translating material topics to GRI disclosures

Reporting information



Translating material topics to GRI disclosures

Reporting disclosures from *GRI 3: Material Topics 2021*

Requirement 4: Report the disclosures in GRI 3: Material Topics 2021

The organization shall:

- a. report its process of determining material topics using [Disclosure 3-1](#);
- b. report a list of its material topics using [Disclosure 3-2](#);
- c. report how it manages **each** material topic using [Disclosure 3-3](#).

Translating material topics to GRI disclosures

Exercise: GRI 11: Oil and Gas Sector 2021

Reporting on land and resource rights

If the organization has determined land and resource rights to be a material topic, this sub-section lists the disclosures identified as relevant for reporting on the topic by the oil and gas sector.

STANDARD	DISCLOSURE	SECTOR STANDARD REF #
Management of the topic		
GRI 3: Material Topics 2021	<p>Disclosure 3-3 Management of material topics</p> <p><i>Additional sector recommendations</i></p> <ul style="list-style-type: none">Describe the approach to engaging with affected <u>vulnerable groups</u>, including:<ul style="list-style-type: none">how the organization seeks to ensure engagement is meaningful;how the organization seeks to ensure safe and equitable gender participation.Describe the approach to providing <u>remediation</u> to <u>local communities</u> or individuals subject to involuntary resettlement, such as the process for establishing compensation for loss of assets or other assistance to improve or restore standards of living or livelihoods.	11.16.1
Additional sector disclosures		
List the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing. For each location, describe how peoples' livelihoods and <u>human rights</u> were affected and restored.		11.16.2



Translating material topics to GRI disclosures

Reporting disclosures from *GRI 3: Material Topics 2021*

Requirement 5: Report disclosures from the GRI Topic Standards for each material topic

The organization shall:

- a. report disclosures from the GRI Topic Standards for each material topic;
- b. for each material topic covered in the applicable GRI Sector Standard(s), either:
 - i. report the disclosures from the GRI Topic Standards listed for that topic in the Sector Standard(s), or;
 - ii. provide the 'not applicable' reason for omission and the required explanation in the GRI content index.



Are there applicable GRI Sector Standards available?

Yes ↓

Use GRI 3: Material Topics 2021 to determine material topics
Use the GRI Sector Standard to determine material topics

Are all topics listed in the GRI Sector Standard material?

Material topics ↓

Reasons for omission only permitted for Disclosure 3-3

Report disclosures from GRI 3: Material Topics 2021 for each material topic

Topics that are not material ↓

List the topics in the GRI content index and explain why they are not material

Use the GRI Sector Standards to identify disclosures from the GRI Topic Standards to report

Are all GRI Topic Standard disclosures relevant?

No →

List the disclosures in the GRI content index, provide the 'not applicable' reason for omission, and explain why they are not relevant

Yes ↓

Reasons for omission permitted for all Topic Standard disclosures

Report the disclosures for each material topic

List any additional sector disclosures in the content index including the GRI Sector Standard reference number for the disclosure

No ↓

Use GRI 3: Material Topics 2021 to determine material topics

Report disclosures from GRI 3: Material Topics 2021 for each material topic

Reasons for omission only permitted for Disclosure 3-3

Report disclosures from the GRI Topic Standards for each material topic

Reasons for omission permitted for all Topic Standard disclosures

Translating material topics to GRI disclosures

Reporting disclosures from the GRI Topic Standards

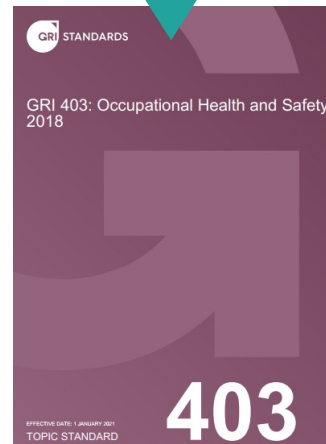


Match the material topics to the relevant GRI Topic Standard.

Waste



Occupational Health and Safety



Reasons for omission are permitted for all disclosures from the Topic Standards.

Table 1. Permitted reasons for omission and required explanations

REASON FOR OMISSION	REQUIRED EXPLANATION
Not applicable	Explain why the disclosure or the requirement is considered not applicable.
Legal prohibitions	Describe the specific legal prohibitions.
Confidentiality constraints	Describe the specific confidentiality constraints.
Information unavailable/incomplete	<p>Specify which information is unavailable or incomplete. When the information is incomplete, specify which part is missing (e.g., specify the entities for which the information is missing).</p> <p>Explain why the required information is unavailable or incomplete.</p> <p>Describe the steps being taken and the expected time frame to obtain the information.</p>

Translating material topics to GRI disclosures

Reporting disclosures from the GRI Topic Standards



Match the material topics to the relevant GRI Topic Standard.



Reasons for omission are permitted for all disclosures from the Topic Standards.

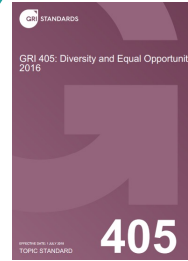
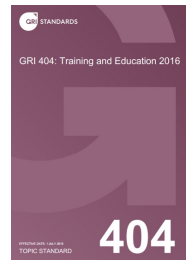


You may need to use more than one Topic Standard to report on a material topic.



You can use disclosures from other sources apart from the GRI Standards.

Non-discrimination and
equal opportunity



TCFD | TASK FORCE ON CLIMATE-RELATED
FINANCIAL DISCLOSURES

SASB
STANDARDS
Now part of IFRS Foundation



Translating material topics to GRI disclosures

Reporting disclosures from the GRI Topic Standards



Disclosure 3-3 Management of material topics – contextual information as to *why* a topic is material

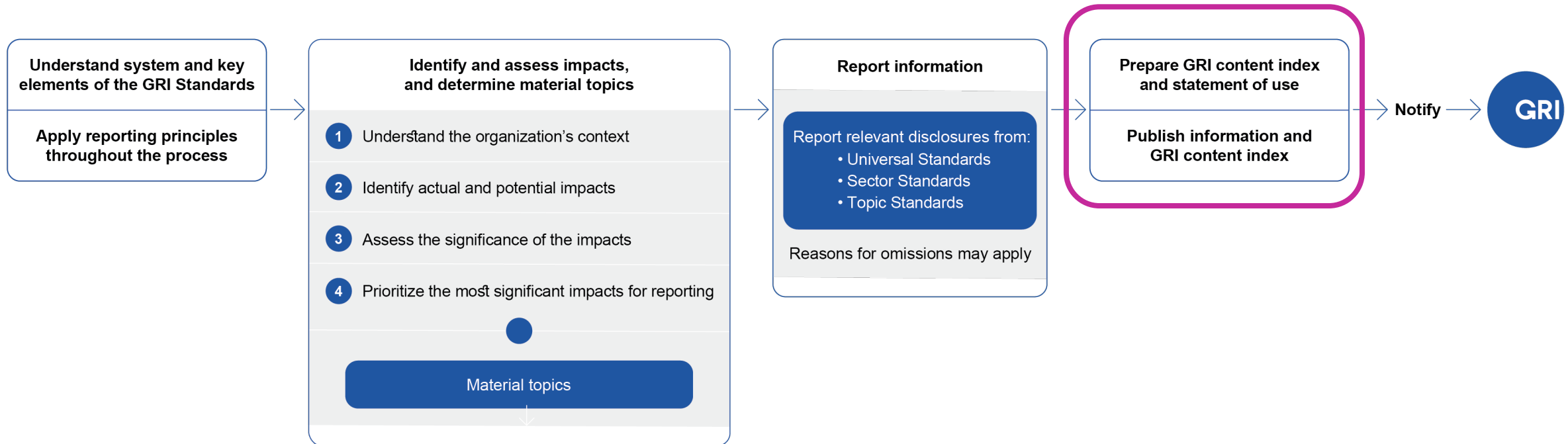


Topic management disclosures –specific information about *how* a topic is managed



Topic disclosures – specific information about *what* an organization's impacts are in relation to a topic

How to present your sustainability report



How to present your sustainability report

GRI content index



Prepare a GRI content index as per Requirement 7 in *GRI 1: Foundation 2021*



Provide references in the GRI content index to where information can be found



References must be publicly available and readily accessible



Indicate the information you have not reported

Help your stakeholders locate the information that matters most to them!

<https://www.globalreporting.org/search/?query=content+index>

How to present your sustainability report

GRI content index at a glance

Appendix 1. GRI content index in accordance

GRI content index

Statement of use	[Name of organization] has reported in accordance with the GRI Standards for the period [reporting period] start and end dates.]
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	[Titles of the applicable GRI Sector Standards]

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details		A gray cell indicates something that does not apply. This only relates to the 'Omission' and 'GRI Sector Standard ref. no.' columns.			
	2-2 Entities included in the organization's sustainability reporting					
	2-3 Reporting period, frequency and contact point					
	2-4 Restatements of information					
	2-5 External assurance					
	2-6 Activities, value chain and other business relationships					
	" "	" "	" "	" "	" "	
	2-30 Collective bargaining agreements					
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics					
	3-2 List of material topics					
[Material topic]						
GRI 3: Material Topics 2021	3-3 Management of material topics					
[Title of source]	[Disclosure title]					
" "	" "	" "	" "	" "	" "	" "
[Material topic]						
GRI 3: Material Topics 2021	3-3 Management of material topics					
[Title of source]	[Disclosure title]					
" "	" "	" "	" "	" "	" "	" "
Topics in the applicable GRI Sector Standards determined as not material						
TOPIC			EXPLANATION			
[Title of GRI Sector Standard]						
[Topic]			[Explanation]			
[Topic]			[Explanation]			

Guidance



How to present your sustainability report

Practical tips



If information is reported elsewhere (webpages or annual reports), do not repeat the information; rather provide a reference in the GRI content index as to where it can be found



Information can be published in a range of formats (e.g., electronic, paper based), across multiple locations (e.g., standalone report webpages, annual report)



Beautiful reporting does not equal quality reporting. Consider the needs of your stakeholders and how they want to receive information from you



Differentiate reporting and communication

Summary

What did we learn today?



The update of the Universal Standards saw a revision of the definitions of key concepts for reporting, the introduction of the GRI Sector Standards, and the addition of new disclosures on responsible business conduct, among others.



The corporate reporting landscape is moving towards a two-pillar structure with financial and sustainability information on an equal footing.



The concept of double materiality is a combination of sustainability-related financial and impact materiality, i.e., information on economic value creation together with information on the impacts on the economy, environment, and people.



The process to determine material topics consists of understanding your organization's context, identifying impacts and assessing their significance, and prioritizing the impacts for reporting.



When reporting on material topics, you must report Disclosure 3-3 from *GRI 3* as well as any relevant disclosures from the GRI Sector and Topic Standards



Q&A and next steps

Q&A



- ✓ Type questions in the Q&A function
- ✓ Upvote questions you would like to hear answered
- ✓ Unmute as we might ask you to elaborate on your question!
- ✓ Type any thoughts, opinions, etc. on what we cover in the chat

Next Steps

Resources

- Download the **GRI Standards** [GRI - Download the Standards \(globalreporting.org\)](https://www.globalreporting.org/standards)
- Download the **GRI content index template** at [GRI - Search \(globalreporting.org\)](https://www.globalreporting.org/search)
- Check **GRI alignment documents** with other frameworks/standards at [GRI - Global alignment \(globalreporting.org\)](https://www.globalreporting.org/alignment)
- Stay up to date with the **GRI Perspectives** at [GRI - Search \(globalreporting.org\)](https://www.globalreporting.org/search) and subscribe to our newsletter at <https://r1.dotdigital-pages.com/p/4J5-SLH/gri-email-communication-sign-up-form>
- Check out the **"How to" documents for reporting** and **FAQ** available at [GRI - Search \(globalreporting.org\)](https://www.globalreporting.org/search)
- Check out the **GRI 2016 vs 2021 mapping** tool available at: [mapping-between-gri-universal-standards-2021-and-gri-universal-standards-2016.xlsx \(live.com\)](https://www.mapping-between-gri-universal-standards-2021-and-gri-universal-standards-2016.xlsx)

GRI Services

- Check out the **GRI Academy** courses at <https://griacademy.globalreporting.org> for bulk registration and applicable discounts please reach out to: broekhof@globalreporting.org
- Check out the **GRI Community** program at [GRI - GRI Community \(globalreporting.org\)](https://www.globalreporting.org/community)
- Check out **GRI's Report Services** at [GRI-Reporting support \(globalreporting.org\)](https://www.globalreporting.org/report-services)
- For any additional questions, please feel free to reach out to: Plachkova@globalreporting.org

Examples of Sustainability Reports

Clear explanations of materiality assessment processes

- [City Developments Limited](#) (Real estate, Singapore)
- [Prysmian Group](#) (Energy/ Cables/ Telecom, Italy)
- [Enagás](#) (Natural gas company, Spain)
- [Sunway](#) (Construction, Malaysia)
- [FIFCO](#) (Food and beverage company, Costa Rica)
- [Allied](#) (Real estate, Canada)



Contact details

For more information, get
in touch with GRI through:

Email: education@globalreporting.org

GRI Academy: griacademy@globalreporting.org

LinkedIn: [global-reporting-initiative-gri](https://www.linkedin.com/company/global-reporting-initiative-gri)

Twitter: [@GRIsecretariat](https://twitter.com/GRIsecretariat)

Thank you to Dhaka Stock Exchange
for hosting today's training

Thank you

Disclaimer

The findings and views expressed herein do not necessarily represent the views, decisions or the stated policy of GRI, nor does citing of trade names or commercial processes constitute endorsement.

Neither the GRI Board of Directors or the Global Reporting Initiative can assume responsibility for any consequences or damages resulting, directly or indirectly, from the use of the material in this presentation.

All content is intended for general information only, and should not be construed as advice to your particular situation. Before taking any action based on this presentation, you should consider your personal situation and seek professional advice.