



Item 04 – GRI Sector Program – List of prioritized sectors

1 For GSSB approval

Date	4 October 2022
Meeting	18 & 19 October 2022
Project	GRI Sector Program
Description	<p>This is the second revision of the list of prioritized sectors for the GRI Sector Program. This revision reflects the conclusions of Sector Standards projects undertaken to date, some of which resulted in changes to the scope and name of a sector, approved Project Proposals, and other inputs which identified gaps or inaccuracies. The refinements are minor in nature and are shown in the list as track changes.</p> <p>Some additional changes have been made to the text to bring it up-to-date.</p> <p>The document is being updated so that it can be circulated as an addendum to the draft GSSB Work Program 2023-2025 when it is released for public consultation.</p>

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3 **Background**

4 In February 2019, the Global Sustainability Standards Board (GSSB) approved the GRI Sector
5 Program (Sector Program) to improve clarity and consistency in sustainability reporting. The aim of
6 the Sector Program is to develop GRI Sector Standards (Sector Standards) for 40 to 45 high-impact
7 sectors.

8 The draft GSSB Work Program 2020-2022 proposed a total of 40 sectors categorised by four
9 priorities groups. After the exposure of the draft GSSB Work Program 2020-2022, following
10 consideration of stakeholder suggestions and learnings from the pilot projects, a revised list of sectors
11 to be covered by the Sector Program was approved by the GSSB in October 2020.

12 A further revision is proposed in response to the conclusions following the Sector Standards projects
13 undertaken to date, some of which have resulted in changes to the scope and the name of a sector,
14 and reflect research findings and stakeholder input. While most sectors remain unaltered, some have
15 been adjusted in their name and description, and a small number of corrections have been made.

16 This revised list will support the upcoming consultation on the draft GSSB Work Program 2023-2025.

17 This list of sectors will be further refined on a periodic basis in response to the conclusions of future
18 Sector Standards projects and other inputs.

19 **Sector list**

20 The 40 sectors listed in the Annex will be considered for the Sector Program.

21 The main objective of the composition of the sector list is to accommodate as many potential
22 reporters as possible, while maintaining internal cohesion of each sector and keeping the total
23 number of sectors within the original scope of the program (40 to 45 sectors).

24 As agreed in February 2020, the sectors follow 'common denominator' names (e.g. mining, oil and
25 gas, agriculture) that are intended to be recognizable to all stakeholders. The Standards Division will
26 recommend a sector's name and a key to link with established classification systems (GICS, ICB,
27 ISIC, and SICCS) in the relevant project proposal.

28 The sectors, with a brief description of each, are listed by priority group in the Annex.

29 The list is presented to assist in planning the activities of the Sector Program and to engage with
30 interested parties. The final definition of each sector will be decided at the inception of the project, in
31 consultation with stakeholders.

32

33 **Priority sectors**

34 The key criterion for prioritizing sectors is their sustainability impacts. This should reflect the severity
35 of the impacts, as well as the likelihood of their occurrence. It should take into account the overall size
36 of the sector, the sector's distribution around the world, and the number of organizations from that
37 sector that are in a position to use the GRI Standards.

38 Ranking sectors according to their sustainability impacts cannot be completely objective but, taking
39 also into account the feedback received from stakeholders, the Standards Division has exercised its
40 best judgement.

41 *Group 1: Basic Materials and Needs*, comprises the sectors that were considered to have the largest
42 sustainability impacts. The pilot projects of oil and gas, coal, agriculture, aquaculture, and fishing were
43 selected from this group.

44 A second criterion to define the order of sectors is the potential for exploiting synergies between them.
45 For example, the Sector Standard for mining is expected to share many topics with oil, gas, and coal;
46 food and beverages can build upon the knowledge and contacts developed under agriculture,
47 aquaculture, and fishing. The three standards in the financial services industry are planned to be
48 developed in conjunction.

49 Taking into account the criteria mentioned above, the Standards Division proposes that the following
50 sectors will have Sector Standards developed for them following the completion of the pilot projects:

- 51 1. Mining
- 52 2. Food and beverages
- 53 3. Textiles and apparel
- 54 4. Banking
- 55 5. Insurance
- 56 6. ~~Asset management~~Capital markets
- 57 7. Utilities
- 58 8. Renewable energy
- 59 9. Forestry
- 60 10. Metal processing

62 Sectors from the remaining groups will be prioritized in due course, following similar criteria.

63

64 Annex 1

65 Table 1. List of sectors

Sector	Description of activities
Group 1: Basic materials and needs	
Oil and gas	Exploration and production of oil and gas; suppliers of equipment and services to oil and gas fields; storage and transportation; refining and marketing of oil and gas products.
Coal	Exploration and extraction of coal; suppliers of equipment and services to coal mines; storage and transportation; refining and marketing of coal products
Agriculture, aquaculture, and fishing	Agriculture, animal husbandry, aquaculture, and fishing. Including rubber but excluding hunting and forestry.
Mining	Exploration and extraction of minerals, except coal; suppliers of equipment and services to mining; storage and transportation; refining and marketing of minerals.
Food and beverages	Manufacturing of food, beverages and tobacco.
Textiles and apparel	Manufacturing and retail of textiles, apparel, footwear, and accessories.
Banking	Commercial and investment banks; consumer finance; savings institutions; mortgage finance; micro-finance institutions
Insurance	Life, non-life, and, reinsurance and pension funds.
Asset management, Capital markets	Asset owners and management, investment banks, custody, stock exchanges
Utilities	Electricity generation (except renewables), transmission and distribution; gas utilities and distributors; water utilities and services; waste management.
Renewable energy	Solar and wind project developers; biofuels producers; producers of fuel cells and industrial batteries.
Forestry	Forestry and logging, production of pulp and paper.
Metal processing	Steel and aluminum production; <u>smelting and processing of other metals.</u>

Group 2: Industrial	
Construction materials	Production of cement, concrete, tiles, bricks, glass and other construction materials, except steel and timber.
Aerospace and defense	Manufacturing of aircrafts and weapons.
Automotive	Production of road vehicles and auto parts, retail and repair of road vehicles, car rental and leasing.
Construction	Construction of buildings, civil engineering and other construction activities
Chemicals	Manufacturing of chemical products, including plastics and fertilizers-
Machinery and equipment	Manufacturing of machines and equipment, including ships and trains. Can include all heavy industry not specified elsewhere.
Pharmaceuticals	Manufacturing of pharmaceuticals products; research and development of idem, biotechnology.
Electronics	Manufacturing and design of electronic products, including computers, mobile phones and their components; semiconductors.
Group 3: Transport, infrastructure and tourism	
Media and communication	Telecom operators, media companies, printing industry.
Software	Software and related services.
Real estate	Real estate developers and services associated.
Transportation infrastructure	Operation of roads, railways, ports, airports, etc.
Shipping	Transportation services by water.
Trucking	Transportation services by road.
Airlines	Passenger airlines.
Trading, distribution, and logistics	Freight transportation by rail or plane, postal and other logistical services, storage services, trading services.
Packaging	Containers and packaging
Hotels	<u>Management of hotels, resorts and other leisure spaces.</u>
Group 4: Other services and light manufacturing	
Educational services	Education services at all levels, including online education.
Household durables	Manufacturing of furniture, household appliances, toys, sporting goods and similar. Can include all light manufacturing not specified elsewhere.
Managed health care	Health care services, including veterinary.

Medical equipment and services	Manufacturing of medical supplies and equipment.
Retail	All retail services except automotive. Repair services.
Security services and correctional facilities	Provision of security services, management of correctional facilities.
Restaurants	Restaurants, bars and cafes; catering services.
Commercial services	Professional services, including lawyers, accountants, consultants, advertising and marketing; business process outsourcing.
Non-profit organizations	Non-governmental organizations, foundations, professional and civic associations, charities.

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