Item 01 – Draft summary of the GSSB meeting held on 9-10 April 2024

For GSSB approval

Date	9-10 April 2024
Meeting	16 May 2024
Description	This document presents the summary of the GSSB in-person meeting held on 9-10 April 2024.

Contents

1 Participants

2 Present:

Name	Constituency
Carol Adams	Chair
Jeff Robertson	Vice-Chair
Loredana Carta	Labor
Peter Colley	Labor
Rebecca Coriat	Investment association
Chulendra De Silva	Mediating institution
Giulia Genuardi	Business enterprise
Corli le Roux	Mediating institution
Tomoo Machiba	Mediating institution
Anna Nefedova	Mediating institution
Deborah Ng	Investment Institution
Igazeuma Okoroba	Business enterprise
Jennifer Princing	Business enterprise
Gangaa Charan Sharma	Business enterprise
Galya Tsonkova	Business enterprise

3 In attendance from GRI:

Name	Position
Bastian Buck	Chief of Standards
Laura Espinach	Director Standards
Harold Pauwels	Director Standards
Elodie Chêne	Senior Manager Standards
Noora Puro	Senior Manager Standards
Miguel Pérez Ludeña	Research Lead
Kari Lundelin	Senior Publications Manager
Piers Horner	Senior Manager Licensing Software & Tools Program
Claire Dugan	Senior Manager Standards
Jessica Hardy	Secretary to the Board
Gillian Balaban	Sr. Coordinator Governance Relations

4 List of abbreviations

Abbreviation	Full name
GRI	Global Reporting Initiative
GSSB	Global Sustainability Standards Board

Decisions and action items

The GSSB resolved to approve the following:

GSSB Decision	Item number
2024.07	01 – [Draft summary of the GSSB meeting held on 14 March 2024](#)

Session 1.1: Welcome to day 1 meeting

The Global Sustainability Standards Board (GSSB) Chair Carol Adams (henceforth the Chair) welcomed the GSSB. The Chair gave a special welcome to GRI co-founder Bob Massie, who provided insight into the origins of corporate social responsibility and its evolution, along with a closing reflection on GRI's impact, sharing personal experiences and lessons learned.

The Chair conveyed feedback from the recent supervisory board meeting, highlighting the keen interest of new members in GRI Standards development and engagement with regulators and standard setters, noting the value of these standards to GRI reporters. The Chair commends all involved in GRI for attracting experts to the governance boards and technical committees.

GSSB members provided feedback related to sustainability reporting in their geographical area or stakeholder constituency. The following points highlight the common themes presented:

- **Mandatory reporting initiatives:** Several regions, including Australia, Canada, and Sri Lanka, are implementing mandatory climate-related financial reporting, reflecting a global trend towards increased transparency and accountability in sustainability reporting.
- **Government initiatives and collaboration:** Governments and regulatory bodies, such as the Australian Accounting Standards Board and the Canadian Sustainability Standards Board, are actively involved in updating reporting standards and providing extensions for compliance, indicating a concerted effort to align reporting practices with international standards.
- **Focus on sustainability and ESG:** There is a growing recognition of sustainability reporting in addressing key environmental and social issues across regions like South Africa and India.
- **Labor movement engagement:** The labor movement, particularly in Australia, emphasizes the need for stronger sustainability reporting standards to ensure ethical investment practices and address issues like labor rights along global supply chains.
- **Investor considerations:** Investors globally face challenges in navigating ESG considerations and legislative requirements, emphasizing the importance of clear and consistent reporting from companies to aid decision-making and address concerns like divestment from companies with ESG issues.

35 These commonalities highlight a global shift towards more robust and comprehensive sustainability
36 reporting practices driven by regulatory changes, stakeholder expectations, and the recognition of the
37 importance of ESG factors in investment decision-making.

Session 2.1: Welcome to day 2 meeting

40 The Chair welcomed the GSSB and presented Item 01 – Draft summary of the GSSB meeting held on
41 14 March 2024 for approval.

Session 2.2: Standards update

43 Kari Lundelin, Senior Publications Manager, presented the statistics on standards downloads in 2023.
44 The following are points for consideration:

- 45 Overall downloads of GRI Standards declined slightly in 2023, most likely due to the
46 increased activity of the previous year before the effective date of the revised Universal
47 Standards on 1 January 2023.
- 48 The increase in registered users for downloading indicates a growing potential for
49 engagement with users who have provided contact details and opted to receive notifications
50 from GRI.

51 Miguel Pérez Ludeña, Research Lead, presented GRI Standards adoption data. The following are
52 points for consideration:

- 53 A dataset of 20,000 public companies was compiled, initially targeting those with over $250
54 million in revenue and supplementing with more firms from strategic countries.
- 55 Around one-third of companies with over $250 million in revenue use GRI Standards, with
56 higher adoption rates among larger companies.
- 57 Adoption rates vary by country and sector, and are influenced by regulations and local
58 institutions rather than development levels.
- 59 Noting many companies either do not report or do so superficially. Therefore, the emphasis is
60 on encouraging proper sustainability reporting.

61 The following are questions from the GSSB:

62 **Private companies face stakeholder pressure to report sustainability using GRI Standards.**
63 **Was there consideration given to including private companies in the dataset?**

64   The SD recognizes the significance of private companies and the need to complement their dataset

65   with other sources of information. Obtaining a comprehensive list with reliable data poses challenges.

66   Public company data allows for better comparison, which is crucial for aggregate statistics.

67   **Japan and China have a significant representation in the dataset, while Austria has a much**

68   **smaller number. Why is there a disparity between countries?**

69   Countries with larger economies, like China, have more representation, while smaller economies, like

70   Austria, have less. This distribution often aligns with a country's GDP and financial structure. While

71   public companies are just one type of organization, their inclusion provides insight into potential GRI

72   users in each country and highlights countries with a significant number of potential users.

73   **What is the percentage of publicly listed companies with revenues over $250 million that do**

74   **not report against any sustainability standard?**

75   Most companies not identified as GRI reporters either do not publish any sustainability report or report

76   without reference to any framework. Additionally, many companies reporting against other standards

77   like SASB or CDP also report against GRI, indicating its widespread usage among sustainability

78   reporters.

79   **Is there any correlation between the adoption rate of GRI Standards among companies and**

80   **their scores on various well-known ESG ratings, such as ASP Global?**

81   The correlation has not been verified, and it is likely inherent due to ESG ratings incorporating GRI

82   usage into their criteria and relying on data typically available from reporting companies. So, while it is

83   not specifically analyzed, the correlation is almost certain to exist.

84   **Are companies reporting 'in accordance with a standard' versus those reporting 'with**

85   **reference to a standard' differentiated?**

86   Distinguishing between reporting, especially across a comprehensive dataset, presents a challenge.

87   The reality of reporting is complex and difficult to fit into predefined categories, especially when

88   dealing with a large dataset. Before the introduction of the Universal Standards, most companies

89   tended to report 'in accordance'.

90   Kari Lundelin, Senior Publications Manager, presented the progress of translations for two standards

91   launched earlier in 2024, *GRI 101: Biodiversity 2024* and *GRI 14: Mining Sector 2024*. The following

92   are points for consideration:

93   •   Last year, a streamlined translation production process was implemented, and good progress

94   is being made with testing on *GRI 101* and *GRI 14*.

95   •   The first translations into French and Bahasa Indonesian were published within two months of

96   the English launch. Other languages will become available in the next month.

97   The following is a response to a question from the GSSB:

98 **Explain who typically serves as the translation partner and how the process is managed.**

99 Work is carried out by preferred partners selected according to the GRI procurement policy for

100 translations. Engaging professional translation agencies familiar with GRI's terminology maintains

101 consistency across languages, which is crucial for quality. Peer reviewers and subject matter experts

102 also conduct quality reviews in specific languages and sectors. The translation agency integrates its

103 independent feedback before finalizing the standard translation.

104 Noora Puro, Senior Manager Standards, presented feedback on the launch and roll-out of *GRI 14:*

105 *Mining Sector 2024*, while Elodie Chêne, Senior Manager Standards, presented feedback on the

106 launch and roll-out of *GRI 101: Biodiversity 2024.*

107 The following is a response to a question from the GSSB:

108 **Is there collaboration with SBTN, considering their extensive influence?**

109 SBTN is referenced in *GRI 101*, guiding reporters and providing them with the necessary information

110 for reporting using these methodologies. There are ongoing discussions and potential collaboration

111 opportunities, including the possibility of creating illustrative case studies.

Session 2.3: Update on XBRL taxonomy

114 Piers Horner, Senior Manager Licensing Software & Tools Program, and Laura Espinach, Director

115 Standards, presented the latest update on the XBRL taxonomy. The following are points regarding the

116 progress of the taxonomy:

117 - A draft list of data points for the taxonomy has been finalized, and the first version of the
118   taxonomy is expected to be complete by the end of April/early May.
119 - The work includes developing a set of business rules that will be used to provide high-level
120   validation that reports filed meet the requirements for reporting in accordance with, or with
121   reference to, the GRI Standards.
122 - The work remains on track to begin public consultation in June, and the first release is
123   expected in Q3.
124 - The consultation is being designed to engage XBRL specialists and non-specialists. The
125   consultation webpages and survey questionnaires will address both audiences.

126 The SD clarified the following points in response to GSSB questions and comments:

127 - The taxonomy allows for the tagging of graphic design and visual presentation and linking to
128   external information, but usability and comparability of this type of information are, at present,
129   lower than for other types of data.

130   • Many GRI disclosures consist of qualitative text rather than numerical data. Advancements in
131   technology now allow textual data to be more easily analyzed and compared than before.
132   • The taxonomy does not enable reporting organizations to incorporate data progressively on
133   an ongoing basis but enables the tagging of data at a single point in time.
134   • The initial release will be in English. The taxonomy's translation is planned and will be subject
135   to the same level of quality controls as translations of the standards.
136   • There will not be a filing fee for companies filing with the GRI taxonomy. Regarding the use of
137   the data, partnerships can be explored with others to create a database.
138   • The use of AI tools to assist in reading traditional reports to populate the taxonomy needs to
139   be investigated.

140   The SD would further like to enlist a group of GSSB volunteers to review potential interpretation
141   issues when codifying the GRI Standards into the XBRL Taxonomy in the coming months.

142   # Session 2.4: Governance update

143   Bastian Buck, Chief of Standards, and Jessica Hardy, Secretary to the Board, provided an update on
144   the revision of the following GRI governance documents: GSSB ToR; Due Process Protocol; DPOC
145   Tor; and GSSB self-assessment.

146   Overall, there is a need to simplify and condense the language to reduce complexity while the
147   formatting of the governance documents can be improved to make them more accessible. The SD
148   clarified the following points in response to GSSB questions and comments:

149   • In terms of GSSB involvement in the review process, as this is a complete rewrite, the GSSB
150   will not be tracking individual amendments, but their views and input will be taken into
151   consideration, and a summary of changes will be provided.
152   • XBRL should be considered, so flexible wording is required.
153   • GSSB self-assessment will be issued around June 2024, and the results will be shared with
154   DPOC and the GRI Supervisory Board.

155   # Session 2.5: Discussion of limited
156   # scope amendments to GRI 1:
157   # Foundations 2021

158   Bastian Buck, Chief of Standards, and Laura Espinach, Director Standards, presented potential
159   narrow-scope amendments to *GRI 1* and *GRI 3* resulting from developments in the reporting

160 landscape, regulatory developments, and digital reporting. Views and input from the GSSB were
161 sought on the need and timing to start a standard-setting project as per due process.

162 The GSSB supports the project. The project will commence as soon as resources allow it.

163 Session 2.6: Review proposed
164 project schedule 2024

165 Bastian Buck, Chief of Standards; Harold Pauwels, Director Standards; Laura Espinach, Director
166 Standards; and Claire Dugan, Senior Manager Standards, provided an update on GSSB priority
167 areas. Additionally, the following was provided: the 2024 schedule for the development and revision of
168 GRI Standards, the implementation of GRI Standards covering translations, standard interpretations,
169 FAQs, guidance material, and digital taxonomy, as well as partnerships and collaborations.

170 In response to questions from the GSSB, the SD clarified the following:

171 - Revision and alignment of Topic and Sector Standards cannot be done in parallel, as the
172   developments flagged in Topic Standards will then feed into Sector Standards.
173 - Timelines for research and revision projects are based on staffing resources.
174 - Collaboration with other standard-setting bodies, interoperability, and the sharing of
175   resources are essential to promote synergy and streamline efforts across organizations.

176 Session 2.7: Any other business and
177 close of public sessions

178 No other business was raised, and the Chair closed the public meeting at 15.45 Central European
179 Summer Time (CEST).