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Exposure draft of *SRS 201: General disclosures*

19 April 2016

Comments to be received by 17 July 2016

The G4 Guidelines are being transitioned to a set of modular Sustainability Reporting Standards (GRI Standards). This exposure draft of *SRS 201: General disclosures* is published by the Global Sustainability Standards Board (GSSB), the independent standard-setting body of GRI. This draft is published for comment only and may change based on public feedback before its official release.

Any interested party can submit comments on this draft by 17 July 2016. Comments should be submitted in writing, and only comments in English will be considered. Please refer to the Transition to Standards website [here](#) for additional information and a link to the online consultation platform.

Comments are to be submitted via the online platform if possible. In exceptional cases, if comments cannot be submitted online, they can be sent to standards@globalreporting.org.

All comments received will be considered a matter of public record. Comments will be made available on the GRI website along with the name of the individual or organization that submitted the comment, the country, and constituency group.

This exposure draft of *SRS 201: General disclosures* contains the General Standard Disclosures from the G4 Guidelines along with guidance from the G4 Implementation Manual. Key changes are highlighted within comment boxes throughout this draft, and the location of original G4 text is provided as below:

- G4 RPSD = Text has been sourced from the [G4 Guidelines – Reporting Principles and Standard Disclosures](#)
- G4 IM = Text has been sourced from the [G4 Guidelines – Implementation Manual](#)

A summary of the key changes related to this Standard is provided in an [Annex](#).

For more information, or to view and download the full set of GRI Standards exposure drafts, visit the [Transition to Standards website](#).

Explanatory memorandum

This explanatory memorandum sets out the objectives of the Transition to Standards, the significant proposals contained within this exposure draft of *SRS 201: General disclosures*, and a summary of the GSSB's involvement and views on the development of this draft.

Objectives for the Transition to Standards

The following objectives were considered during the development of this exposure draft:

- devising a modular format that allows the Standards to be updated independently when the need arises and that facilitates continuous improvement
- ensuring minimal disruption of G4 disclosure requirements and their methodologies
- preserving the Reporting Principles and the focus on materiality
- clarifying certain G4 concepts and disclosures that are not clearly understood by users, based on available G4 FAQs and GSSB input
- clarifying what is required, versus what is recommended or what is just guidance
- reducing unnecessary duplication of content
- making individual elements of G4 easier to find
- allowing for flexibility in reporting options and formats

In addition, the transition to Standards offers an opportunity to increase the overall user-friendliness and the technical quality and robustness of the Standards.

Significant proposals and changes in *SRS 201: General disclosures*

This draft Standard incorporates the General Standard Disclosures content from the G4 Guidelines and Implementation Manual. This content has been revised and restructured in line with the project objectives set out above. Notable changes in this draft Standard are summarized below:

- Throughout the draft Standard, there are clear distinctions between requirements (denoted using 'shall'), recommendations (denoted using 'should') and guidance, which is identified with a specific background color. These changes are consistent with standard-setting practice and will make it more clear for users which content is required in each Standard. For an overview of G4 guidance text that has been included as reporting requirements or recommendations in this draft Standard, see the [Annex](#).
- The 'Strategy and Analysis' section from G4 has been revised and is now called 'Strategy,' to better reflect the content of the disclosures. The Strategy disclosures (201-14 and 201-15, formerly G4-1 and G4-2) have been revised and the majority of content has been moved from the disclosures to become reporting recommendations. This makes the disclosures less prescriptive and more consistent with other disclosures in the GRI Standards. The requirement for 'two concise narrative sections' and the distinction between the first and second section of text has been removed from 201-15 (formerly G4-2).
- The guidance on defining report content for disclosure 201-46 (formerly G4-18) has been revised to improve clarity and reduce duplication. The additional guidance from G4 related to defining report content will be incorporated into a separate 'How-to-Guide' which will be a non-mandatory resource for users of the GRI Standards.

- Disclosure 201-9 (formerly G4-I2) for reporting on the supply chain has been expanded to be more specific on the reporting expectations.
- Disclosures G4-20 and G421 on reporting the Aspect Boundary have been moved into *SRS 301: Management approach* and are now included in Disclosure 301-1
- Disclosure 201-2 (formerly G4-4) for reporting primary brands, products, and services, has been revised and now includes two new elements – a description of the reporting organization’s activities, and the identification of any products or services that are banned or the subject of stakeholder questions or public debate. The description of activities has been added in order to align this disclosure with 201-8 (formerly G4-10), which has been revised due to a review of ‘employee’/ ‘worker’ related terminology ([more information here](#)). The addition of products or services that are banned or the subject of stakeholder questions or public debate is due to the fact that disclosure G4-PR6 from G4 has been merged together with this disclosure in order to improve logical flow of the disclosures and reduce duplication of content in the Standards.
- Disclosure 201-8 (formerly G4-10) has been revised due to input from the [‘Employee/ Worker terminology review](#) carried out. Some sections of this disclosure have been removed and some have been revised to improve clarity and to support more consistent and complete reporting.
- Disclosure G4-32 has been separated into three disclosures to improve logic and clarity. Disclosure 201-54 now relates to ‘In accordance’ claims, Disclosure 201-55 now relates to the content index, and Disclosure 201-56 now relates to external assurance (this includes point ‘c’ from G4-32 along with content from G4-33).
- Requirements related to the content index have been revised to be less prescriptive. An example table is provided as guidance only. It is still required to include a content index for all reports prepared in accordance with the GRI standards.

Additional detail on these proposals can be found in the background document on the Transition to Standards, available on the [online consultation platform here](#).

GSSB’s involvement and views on the development of this draft

The GSSB discussed the development of *SRS 201: General disclosures* at its meetings on 3-5th November 2015, 4th February 2016, 25th February 2016, and 5-7th April 2016. Minutes and live recordings of these meetings are available on the [GSSB website here](#).

For the Transition to Standards, the full GSSB membership oversaw the development of the draft Standards; no additional Project Working Groups were appointed. Therefore the views of the GSSB on the development of this draft Standard are reflected in the summary of main proposals above and in the public exposure draft itself, which was approved by the GSSB for public exposure on the 5-7th April 2016. Minutes and a full recording of the public meeting can be accessed on the [GSSB website here](#).

- 1 Sustainability Reporting Standard 201:
- 2 General disclosures 2016

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19 **Introduction**

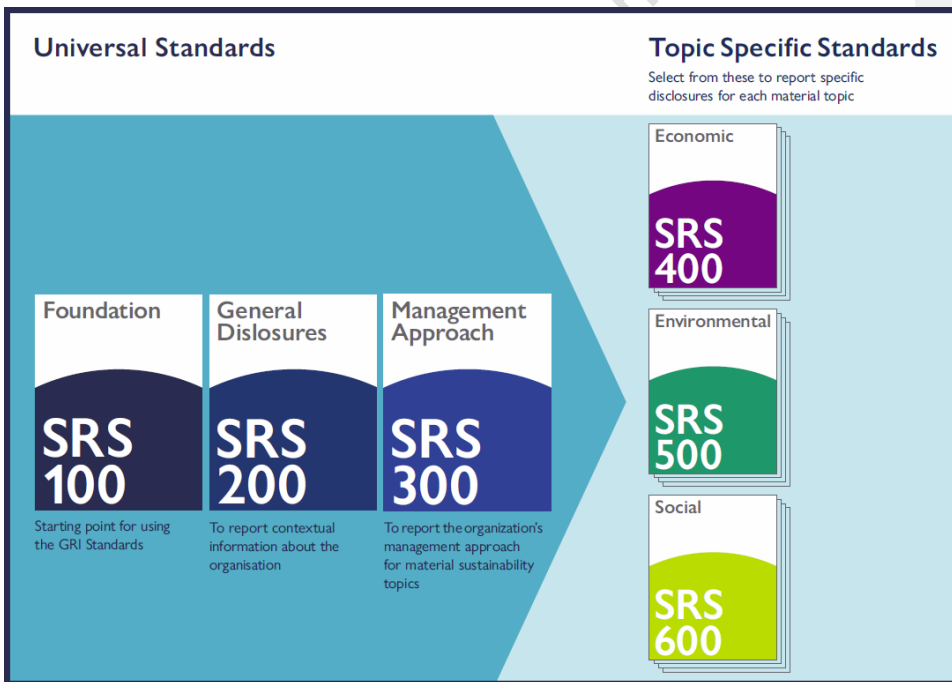
20 *A. Overview of the GRI Sustainability Reporting Standards*

21 The GRI Sustainability Reporting Standards (GRI Standards) are designed to be used by
 22 organizations to report about their impacts on the economy, the environment, and society.

23 The GRI Standards are structured as a set of interrelated standards. They are intended to be
 24 used together to help an organization prepare a sustainability report which is based on the
 25 Reporting Principles and focuses on material topics. This ensures that the organization provides
 26 a complete picture of its impacts along with enough contextual information to understand these
 27 impacts and how they are managed.

28 Organizations can also choose to use individual GRI Standards or their content to report on
 29 specific sustainability information.

30 **Figure 1 Overview of the set of GRI Standards**



31 The GRI Standards are divided into six series.

Series	Description
100: Foundation	<i>SRS 101: Foundation</i> is the starting point for using the set of GRI Standards. It is required to be complied with by any organization making a claim that its sustainability report has been prepared in accordance with the GRI Standards. <i>SRS 101</i> outlines the process to be followed in order to prepare a sustainability report using the GRI Standards. It also sets out the Reporting Principles for defining report content and quality, and specifies the different claims that an organization can make about its use of the GRI Standards.
200: General disclosures	<i>SRS 201: General disclosures</i> is used to report contextual information about an organization and its sustainability reporting practices. This includes information about an organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process.
300: Management approach	<i>SRS 301: Management approach</i> is used to report information about how an organization manages its material topics. This Standard is designed to be used together with each material topic, including those covered by the topic-specific Standards (series 400, 500, and 600), as well as other material topics identified by an organization. Applying <i>SRS 301</i> with each material topic allows an organization to provide a narrative description about how it manages the material topics and related impacts; this is in addition to reporting topic-specific disclosures.
400, 500, and 600: topic-specific Standards	The 400, 500, and 600 series are topic-specific Standards, which are used to report information on economic, environmental, and social topics (e.g., 'Water' or 'Indirect economic impacts'). To prepare a report in accordance with the GRI Standards, an organization applies the Reporting Principles for defining report content from <i>SRS 101: Foundation</i> to identify its material economic, environmental, and social topics. These material topics form the basis for the sustainability report and determine which of the topic-specific Standards will need to be used.

32 *B. Responsibility for this Standard*

33 This Standard is issued by the Global Sustainability Standards Board (GSSB). It is part of the set
34 of GRI Sustainability Reporting Standards (GRI Standards). The GSSB is an independent
35 standard-setting body created by GRI. It has responsibility for setting globally-accepted
36 sustainability reporting standards, according to a due process. More information on the GSSB's
37 due process can be found here:

38 <https://www.globalreporting.org/information/about-gri/governance-bodies/Global-Sustainability-Standard-Board/Pages/default.aspx>
39

40 Any feedback or comments on the GRI Standards can be submitted to
41 standards@globalreporting.org for the consideration of the GSSB.

42 C. Scope

43 *SRS 201: General disclosures* sets out reporting requirements on contextual information about the
44 organization and its sustainability reporting practices. This includes information about an
45 organization's profile, strategy, ethics and integrity, governance, stakeholder engagement
46 practices, and reporting process.

47 Organizations preparing a sustainability report in accordance with the GRI Standards are
48 required to comply with specific reporting requirements from this Standard. See Section 3 of
49 *SRS 101: Foundation* for more information. Organizations can also choose to use this Standard,
50 or sections of the Standard, to report on specific sustainability information. See Section 3 of *SRS*
51 *101: Foundation* for more information.

52 *SRS 201* can be used by an organization of any size, type, sector, or geographic location.

53 D. Using this Standard

54 Requirements, recommendations, and guidance

55 Throughout the GRI Standards, specific terms are used to signify requirements,
56 recommendations, and guidance.

- 57 • **Requirements:** These are mandatory instructions and are denoted using '**shall.**' These
58 can include process or methodology requirements, as well as disclosure requirements
59 (i.e., information to be reported). Requirements are to be considered in the context of
60 recommendations and guidance.
- 61 • **Recommendations:** These are cases where a particular course of action is
62 encouraged or recommended, but not required. They are denoted using '**should.**'
- 63 • **Guidance:** These sections include background context and examples to help
64 organizations better understand the requirements. They also describe possible,
65 achievable, or allowed scenarios for reporting information; these are signified using
66 '**can.**' A different background color denotes 'Guidance' sections throughout the GRI
67 Standards. Guidance is not required, but organizations are encouraged to consult the
68 'Guidance' sections.

69 A reporting organization needs to comply with all relevant requirements in order to claim that
70 its report has been prepared in accordance with the GRI Standards. See Table 2 of *SRS 101:*
71 *Foundation* for more information. It is not necessary to comply with recommendations or
72 guidance in order to make an 'in accordance' claim.

73 E. Normative references

74 The documents below are required to be used together for the application of this Standard. For
75 documents with a date given, only the listed version applies. For undated references, the latest
76 version of the document applies.

Commented [SD1]: Type of change: Change in location
Source: G4 RPSD pp. 3, 24, G4 IM p. 25

77 SRS 101: Foundation
78 GRI Standards Glossary of terms
79

80 *F. Effective date*

81 SRS 201: General disclosures is effective for all reports published on or after 1 January 2018.
82 Earlier adoption of this Standard is encouraged.

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83 SRS 201: General disclosures

84 1. Organizational profile

85 **Guidance I**
 86 These disclosures provide an overview of the reporting organization’s size, geographic location, and
 87 activities. This contextual information is important to help stakeholders understand the nature of the
 88 organization and its sustainability impacts.

Commented [SD2]: Source: G4 RPSD p. 25, G4 IM p. 25

89 Name of the reporting organization

90 Reporting requirements

91 I.1 The reporting organization shall report the following information for Disclosure 201-1:

Commented [SD3]: Type of change: Clarification. All general disclosures now include a title to improve navigation.

Commented [SD4]: Source: G4 RPSD p. 25

Disclosure 201-1
a. Name of the reporting organization.

92 Activities, brands, products, and services

93 Reporting requirements

94 I.2 The reporting organization shall report the following information for Disclosure 201-2:

Commented [SD5]: Source: G4 RPSD p. 25

Disclosure 201-2
a. A description of the reporting organization’s activities
b. Primary brands, products, and services.
c. Identification of products and services that are relevant to the sustainability topics covered in the report, including: <ul style="list-style-type: none"> i. products and services banned in certain markets, and why they are banned; and ii. products and services that are the subject of stakeholder questions or public debate, and why.

Commented [SD6]: Type of change: Updated content. Added ‘A description of the reporting organization’s activities’ to this disclosure, in order to align with content updates in Disclosure 201-8 (formerly G4-10) related to the employee/worker terminology review

Commented [SD7]: Type of change: Change in location. Source: G4 RPSD p. 82

95 Location of headquarters

96 Reporting requirements

97 I.3 The reporting organization shall report the following information for Disclosure 201-3:

Commented [SD8]: Source: G4 RPSD p. 26

Disclosure 201-3

a. Location of the reporting organization’s headquarters.

Guidance I.3

Headquarters refers to the administrative center of an organization, from which it is controlled or directed.

Commented [SD9]: Type of change: Clarification
Guidance added to explain the term headquarters.

98
99
100

101 **Location of operations**

102 **Reporting requirements**

103 I.4 The reporting organization shall report the following information for Disclosure 201-4:

Commented [SD10]: Source: G4 RPSD p. 26

Disclosure 201-4

a. Number of countries where the reporting organization operates, and the names of countries where it has significant operations, or operations that are relevant to the sustainability topics covered in the report.

104 **Ownership and legal form**

105 **Reporting requirements**

106 I.5 The reporting organization shall report the following information for Disclosure 201-5:

Commented [SD11]: Source: G4 RPSD p. 26

Disclosure 201-5

a. Nature of ownership and legal form.

107 **Markets served**

108 **Reporting requirements**

109 I.6 The reporting organization shall report the following information for Disclosure 201-6:

Commented [SD12]: Source: G4 RPSD p. 26

Disclosure 201-6

a. Markets served, including:

- i. geographic locations where products and services are offered;
- ii. sectors served; and
- iii. types of customers and beneficiaries.

110 **Scale of the reporting organization**

111 **Reporting requirements**

112 I.7 The reporting organization shall report the following information for Disclosure 201-7:

Commented [SD13]: Source: G4 RPSD p. 26

Disclosure 201-7	
a.	Scale of the reporting organization, including:
i.	total number of employees;
ii.	total number of operations;
iii.	net sales (for private sector organizations) or net revenues (for public sector organizations);
iv.	total capitalization (for private sector organizations), with a breakdown in terms of debt and equity; and
v.	total number of units of products and services sold or provided.

113 **Reporting recommendations**

114 I.8 When compiling the information specified in Disclosure 201-7, the reporting organization
115 should provide the following additional information:

Commented [SD14]: Type of change: Change in instructive verb
Original wording: In addition to the above, organizations are encouraged to provide additional relevant information, such as:
Source: G4 IM p. 26

- 116 I.8.1 total assets;
- 117 I.8.2 beneficial ownership, including the identity and percentage of ownership of the
118 largest shareholders; and
- 119 I.8.3 breakdowns of:
 - 120 I.8.3.1 net sales or net revenues by countries or regions that make up five
121 percent or more of total revenues;
 - 122 I.8.3.2 costs by countries or regions that make up five percent or more of
123 total costs; and
 - 124 I.8.3.3 total number of employees by country or region.

125 **Size and composition of workforce**

Guidance	
127	The number of employees and workers involved in the reporting organization's activities provides insight
128	into the scale of impacts created by labor issues.
129	Breaking down this data by gender enables an understanding of gender representation across an
130	organization, and of the optimal use of available labor and talent.
131	See references 6, 7, 10 and 12 in the References section.

Commented [SD15]: Source: G4 IM p. 26

Commented [SD16]: Type of change: Employee/worker review
Original wording: The size of a workforce provides insight into the scale of impacts created by labor issues.
Source: G4 IM p. 26

132 **Reporting requirements**

133 I.9 The reporting organization shall report the following information for Disclosure 201-8:

Disclosure 201-8
<p>a. Total number of employees by employment contract (permanent and temporary), with a breakdown by gender.</p> <p>b. Total number of employees by employment contract (permanent and temporary), with a breakdown by region.</p> <p>c. Total number of employees by employment type (full-time and part-time), with a breakdown by gender.</p> <p>d. Whether a significant portion of the reporting organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.</p> <p>e. Significant variations in the numbers reported in disclosures 201-8-a, 201-8-b, and/or 201-8-c (such as seasonal variations in the tourism or agricultural industries).</p>

Commented [SD17]: Source: G4 RPSD p. 27

Commented [SD18]: Type of change: Updated content and Employee/worker review
 Content in this disclosure has been updated in line with the employee/worker terminology review. Several elements from G4-10 are no longer required to be reported, and requirement (d) has been modified to be more clear and to improve the consistency of reporting.
 Source: G4 RPSD p. 27

134 **Reporting recommendations**

135 I.10 When compiling the information specified in Disclosure 201-8, the reporting organization
 136 should:

- 137 1.10.1 express employee numbers as either head count or Full Time Equivalent (FTE),
 138 with the chosen approach stated and applied consistently;
- 139 1.10.2 identify the contract type and full-time and part-time status of employees based
 140 on the definitions under the national laws of the country where they are based;
- 141 1.10.3 use numbers as at the end of the reporting period, unless there has been a
 142 material change during the reporting period; and
- 143 1.10.4 combine country statistics to calculate global statistics, and disregard differences
 144 in legal definitions. Although what constitutes a type of contract and
 145 employment type varies between countries, the global figure should still reflect
 146 the relationships under law.

Commented [SD19]: Type of change: Change in instructive verb
 Original wording: Employee numbers may be expressed as head count or Full Time Equivalent (FTE). The approach is disclosed and applied consistently in the period and between periods.
 Source: G4 IM p. 27

Commented [SD20]: Type of change: Change in instructive verb
 Original wording: Identify the contract type ...
 Source: G4 IM p. 27

Commented [SD21]: Type of change: Change in instructive verb
 Original wording: ... numbers as at the end of the reporting period are used.
 Source: G4 IM p. 27

Commented [SD22]: Type of change: Change in instructive verb
 Original wording: Combine country statistics ...
 Source: G4 IM p. 27

Commented [SD23]: Type of change: employee/worker review
 Original wording: 'what constitutes a fulltime or part-time employment status ...'
 Source: G4 IM p. 27

Commented [SD24]: Type of change: Change in instructive verb
 Original wording: ... the global figure will still reflect the relationships under law.
 Source: G4 IM p. 27

Commented [SD25]: Source: G4 IM p. 29

Commented [SD26]: Source: G4 RPSD p. 27

147 **Supply chain**

148 **Guidance**
 149 This disclosure sets the overall context for understanding the reporting organization's supply chain.

150 **Reporting requirements**

151 I.11 The reporting organization shall report the following information for Disclosure 201-9:

Disclosure 201-9

- a. A description of the reporting organization’s supply chain, including its main elements as they relate to the reporting organization’s activities, as well as its primary brands, products, and services.

Commented [SD27]: Type of change: Clarification [Expectations for reporting on supply chain] Source: G4 IM p. 29

Commented [SD28]: Source: G4 IM p. 29

152 **Guidance I.11**

153 Examples of elements that can be covered in the description include:

- 154 • the total number of suppliers engaged by the reporting organization and the estimated number of
- 155 suppliers throughout the supply chain;
- 156 • the geographic location of suppliers;
- 157 • the types of suppliers engaged;
- 158 • the estimated monetary value of payments made to suppliers; and
- 159 • the supply chain’s sector-specific characteristics (such as labor-intensive).

160 **Significant changes**

161 **Reporting requirements**

162 I.12 The reporting organization shall report the following information for Disclosure 201-10:

Commented [SD29]: Source: G4 RPSD p. 27

Disclosure 201-10

- a. Significant changes to the reporting organization’s size, structure, ownership, or supply chain, including:
 - i. changes in the location or type of operations;
 - ii. changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); and
 - iii. changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.

163 **Guidance I.12**

164 Significant changes to the supply chain are those that can cause or contribute to significant economic,

165 environmental, and social impacts.

166 Examples of significant changes can include:

- 167 • moving parts of the supply chain from one country to another; and
- 168 • changing the structure of the supply chain, such as outsourcing a significant part of the reporting
- 169 organization’s activities.

Commented [SD30]: Source: G4 IM p. 29

170 **Precautionary Principle or approach**

171 **Guidance**

172 The precautionary approach was introduced by the United Nations in Principle 15 of ‘The Rio Declaration
173 on Environment and Development’. It states: ‘In order to protect the environment, the precautionary
174 approach shall be widely applied by States according to their capabilities. Where there are threats of
175 serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing
176 cost-effective measures to prevent environmental degradation.’ Applying the Precautionary Principle can
177 help an organization to reduce or to avoid negative impacts on the environment.

Commented [SD31]: Type of change: Change in location
Source: G4 IM p. 251

Commented [SD32]: Source: G4 IM pp. 30, p. 251

178 **Reporting requirements**

179 I.13 The reporting organization shall report the following information for Disclosure 201-11:

Commented [SD33]: Source: G4 RPSD p. 27

Disclosure 201-11

a. Whether and how the reporting organization applies the Precautionary Principle or approach.

180 **Guidance I.13**

181 Disclosure 201-11 can include the reporting organization’s approach to risk management in operational
182 planning, or when developing and introducing new products.

Commented [SD34]: Source: G4 IM p. 30

183 **External initiatives**

184 **Reporting requirements**

185 I.14 The reporting organization shall report the following information for Disclosure 201-12:

Commented [SD35]: Source: G4 RPSD p. 28

Disclosure 201-12

a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the reporting organization subscribes, or which it endorses.

186 **Reporting recommendations**

187 I.15 When compiling the information specified in Disclosure 201-12, the reporting
188 organization should:

189 I.15.1 include the date of adoption, the countries or operations where applied, and the
190 range of stakeholders involved in the development and governance of these
191 initiatives; and

Commented [SD36]: Type of change: Change in instructive verb
Original wording: Include date of adoption ...
Source: G4 IM p. 30

192 I.15.2 differentiate between non-binding, voluntary initiatives and obligatory initiatives.

Commented [SD37]: Type of change: Change in instructive verb
Original wording: Differentiate between ...
Source: G4 IM p. 30

193 **Membership of associations**

194 **Reporting requirements**

195 I.16 The reporting organization shall report the following information for Disclosure 201-13:

Disclosure 201-13
a. A list of the <u>main</u> memberships of industry or other associations, and national or international advocacy organizations.

Commented [SD38]: Source: G4 RPSD p. 28

Commented [SD39]: Type of change: Clarification.
This disclosure now requires reporting on only the main memberships
Source: G4 RPSD p. 28

196 **Reporting recommendations**

197 I.17 When compiling the information specified in Disclosure 201-13, the reporting
198 organization should include memberships maintained at the organizational level in
199 associations or organizations in which it holds a position on the governance body,
200 participates in projects or committees, provides substantive funding beyond routine
201 membership dues, or views its membership as strategic.

Commented [SD40]: Type of change: Change in instructive verb
Original wording:
a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:
Source: G4 RPSD p. 28

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202 **2. Strategy**

203 **Guidance 2**

204 These disclosures provide an overview of the reporting organization’s strategy for addressing
 205 sustainability, in order to provide context for subsequent, more detailed reporting using other GRI
 206 Standards. The strategy section can draw on information provided in other parts of the report, but is
 207 intended to give insight on strategic issues rather than to summarize the content of the report.

208 See references 14, 15 and 16 in the References section.

Commented [SD41]: Source: G4 IM p. 23

209 **Statement from senior decision-maker**

210 **Reporting requirements**

211 2.1 The reporting organization shall report the following information for Disclosure 201-14:

Commented [SD42]: Source: G4 RPSD p. 24

Disclosure 201-14

a. A statement from the most senior decision-maker of the reporting organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.

Commented [SD43]: Type of change: Clarification.
 Text related to the presentation of the statement has been moved to reporting recommendations.
 Source: G4 RPSD p. 24

212 **Reporting recommendations**

213 2.2 When compiling the information specified in Disclosure 201-14, the reporting
 214 organization should include:

- 215 2.2.1 the overall vision and strategy for the short term, medium term, and long term,
 216 particularly with regard to managing the significant economic, environmental,
 217 and social impacts that the organization causes and contributes to, or the
 218 impacts that can be linked to its activities as a result of relationships with others
 219 (such as suppliers and persons or organizations in local communities);
- 220 2.2.2 strategic priorities and key topics for the short and medium term with regard to
 221 sustainability, including respect for internationally recognized standards and how
 222 such standards relate to long term organizational strategy and success;
- 223 2.2.3 broader trends (such as macroeconomic or political) affecting the organization
 224 and influencing sustainability priorities;
- 225 2.2.4 key events, achievements, and failures during the reporting period;
- 226 2.2.5 views on performance with respect to targets;
- 227 2.2.6 outlook on the organization’s main challenges and targets for the next year and
 228 goals for the coming 3–5 years; and
- 229 2.2.7 other items pertaining to the organization’s strategic approach.

230 **Key impacts, risks, and opportunities**

231 **Reporting requirements**

232 2.3 The reporting organization shall report the following information for Disclosure 201-15:

Disclosure 201-15
a. A description of key impacts, risks, and opportunities.

Commented [SD44]: Source: G4 RPSD p. 25

Commented [SD45]: Type of change: Clarification. The major part of the content from this disclosure has been moved to reporting recommendations. The 'two concise narrative sections' have been removed and the distinctions between section 1 and section 2 have also been removed. Source: G4 RPSD p. 25

233 **Reporting recommendations**

234 2.4 When compiling the information specified in Disclosure 201-15, the reporting
235 organization should provide information on key impacts, risks, and opportunities
236 including:

- 237 2.4.1 the organization's key impacts on sustainability and effects on stakeholders,
238 including rights as defined by national laws and relevant internationally
239 recognized standards;
- 240 2.4.2 the range of reasonable expectations and interests of the organization's
241 stakeholders;
- 242 2.4.3 a description of the significant economic, environmental, and social impacts of
243 the organization, and associated challenges and opportunities, including the
244 effect on stakeholders' rights as defined by national laws and the expectations in
245 internationally recognized standards and norms;
- 246 2.4.4 an explanation of the approach to prioritizing these challenges and
247 opportunities;
- 248 2.4.5 key conclusions about progress in addressing these topics and related
249 performance in the reporting period, including an assessment of reasons for
250 underperformance or over-performance;
- 251 2.4.6 a description of the main processes in place to address performance and
252 relevant changes;
- 253 2.4.7 the impact of sustainability trends, risks, and opportunities on the long-term
254 prospects and financial performance of the organization;
- 255 2.4.8 information relevant to financial stakeholders or that could become so in the
256 future;
- 257 2.4.9 a description of the most important risks and opportunities for the organization
258 arising from sustainability trends;
- 259 2.4.10 prioritization of key sustainability topics as risks and opportunities according to
260 their relevance for long-term organizational strategy, competitive position,
261 qualitative, and, if possible, quantitative financial value drivers;
- 262 2.4.11 table(s) summarizing targets, performance against targets, and lessons learned
263 for the current reporting period;

- 264 2.4.12 table(s) summarizing targets for the next reporting period and medium term
265 objectives and goals (i.e., 3–5 years) related to key risks and opportunities; and
- 266 2.4.13 a description of governance mechanisms in place specifically to manage these
267 risks and opportunities, and identification of other related risks and
268 opportunities.

Exposure draft for comment only

269 **3. Ethics and integrity**

270 **Values, principles, standards, and norms of behavior**

271 **Reporting requirements**

272 3.1 The reporting organization shall report the following information for Disclosure 201-16:

Commented [SD46]: Source: G4 RPSD p. 41

Disclosure 201-16	
a.	A description of the reporting organization’s values, principles, standards, and norms of behavior.

273 **Reporting recommendations**

274 3.2 When compiling the information specified in Disclosure 201-16, the reporting
275 organization should provide additional information about its values, principles, standards,
276 and norms of behavior, including:

Commented [SD47]: Type of change: Change in instructive verb
Original wording: Identify how the organization’s values, principles, standards and norms of behavior (such as codes of conduct, codes of ethics) have been developed, approved, and implemented, including:
Source: G4 IM p. 60

277 3.2.1 how they were developed and approved;

278 3.2.2 whether training on them is provided regularly to all and new governance body
279 members, workers, and business partners;

Commented [SD48]: Type of change: Employee/worker review
Original wording: employees
Source: G4 IM p. 60

280 3.2.3 whether they need to be read and signed regularly by all and new governance
281 body members, workers, and business partners;

282 3.2.4 whether any executive-level positions maintain responsibility for them; and

283 3.2.5 whether they are available in different languages to reach all governance body
284 members, workers, business partners, and other stakeholders.

Commented [SD49]: Type of change: Employee/worker review
Original wording: employees
Source: G4 IM p. 60

285 **Guidance 3.2**
286 Values, principles, standards and norms of behavior can include codes of conduct and ethics. The highest
287 governance body’s and senior executives’ roles in the development, approval, and updating of value
288 statements is reported under Disclosure 201-27.

Commented [SD50]: Type of change: Employee/worker review
Original wording: employees
Source: G4 IM p. 60

Commented [SD51]: Source: G4 IM p. 60

289 **Mechanisms for advice and concerns about ethics**

290 **Guidance**
291 Organizations can provide means for stakeholders to seek advice about ethical and lawful behavior, and
292 organizational integrity, or to report concerns about unethical behavior. These means can include
293 escalating issues through line management, whistleblowing mechanisms, and hotlines.

Commented [SD52]: Type of change: Change in location
Source: G4 RPSD p. 42, G4 IM p. 250

Commented [SD53]: Source: G4 RPSD p. 42, G4 IM p. 250

294 **Reporting requirements**

295 3.3 The reporting organization shall report the following information for Disclosure 201-17:

Commented [SD54]: Source: G4 RPSD p. 42

Disclosure 201-17

- a. A description of internal and external mechanisms for:
- i. seeking advice about ethical and lawful behavior, and organizational integrity; and
 - ii. reporting concerns about unethical and unlawful behavior, and organizational integrity.

Commented [SD55]: Type of change: Change in location – Disclosures G4-57 and G4-58 from G4 have been merged.
Source: G4 RPSD p. 42

Guidance 3.3

- Examples of elements that can be described include:
- who is assigned the overall responsibility for the mechanisms to seek advice about and report on behavior;
 - whether any are independent of the reporting organization;
 - whether and how workers, business partners, and other stakeholders are informed of the mechanisms;
 - whether training on them is given to workers and business partners;
 - the availability and accessibility of the mechanisms to employees and business partners, such as the total number of hours per day, days per week, and availability in different languages;
 - whether requests for advice and concerns are treated confidentially;
 - whether the mechanisms can be used anonymously;
 - the total number of requests for advice received, their type, and the percentage that were answered during the reporting period;
 - the total number of concerns reported, the type of misconduct reported, and the percentage of concerns that were addressed, resolved, or found to be unsubstantiated during the reporting period;
 - whether the organization has a non-retaliation policy;
 - the process through which concerns are investigated; and
 - the level of satisfaction of those who used the mechanisms.

Commented [SD56]: Source: G4 IM pp. 60-61

Commented [SD57]: Type of change: Employee/worker review
Original wording: employees
Source: G4 IM pp. 60-61

Commented [SD58]: Type of change: Employee/worker review
Original wording: employees
Source: G4 IM p. 61

Exposure

315 **4. Governance**

316 **Guidance 4**
 317 These disclosures provide an overview of a reporting organization’s governance structure.
 318 Transparency about an organization’s governance structure is important to ensure that relevant bodies
 319 and persons are accountable for governance actions. They also elicit information about the role of the
 320 organization’s highest governance body in:

- 321 • setting the organization’s purpose, values, and strategy;
- 322 • evaluating its economic, environmental, and social performance;
- 323 • undertaking risk management;
- 324 • conducting sustainability reporting; and
- 325 • setting remuneration and incentives.

Commented [SD59]: Source: G4 IM p. 52

Commented [SD60]: Type of change: Change in location
 Source: G4 RPSD p. 36

326 **Governance structure**

327 **Reporting requirements**

328 4.1 The reporting organization shall report the following information for **Disclosure 201-18**:

Commented [SD61]: Source: G4 RPSD p. 36

Disclosure 201-18
a. Governance structure of the reporting organization, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social impacts.

329 **Delegating authority**

330 **Reporting requirements**

331 4.2 The reporting organization shall report the following information for **Disclosure 201-19**:

Commented [SD62]: Source: G4 RPSD p. 36

Disclosure 201-19
a. Process for delegating authority for economic, environmental, and social impacts from the highest governance body to senior executives and other employees.

Commented [SD63]: Type of change: Clarification [Clarifying the use of the term ‘impacts’]
 Wording changed from ‘topics’ to ‘impacts’ to be consistent with other disclosures.
 Source: G4 RPSD p. 36

332 **Executive-level responsibility for economic, environmental, and social topics**

333 **Reporting requirements**

334 4.3 The reporting organization shall report the following information for Disclosure 201-20:

Commented [SD64]: Source: G4 RPSD p. 36

Disclosure 201-20
<p>a. Whether the reporting organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics.</p> <p>b. Whether post holders report directly to the highest governance body.</p>

335 **Consulting on economic, environmental, and social topics**

336 **Reporting requirements**

337 4.4 The reporting organization shall report the following information for Disclosure 201-21:

Commented [SD65]: Source: G4 RPSD p. 37

Disclosure 201-21
<p>a. Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.</p> <p>b. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.</p>

Commented [SD66]: Type of change: Clarification
Source: G4 RPSD p. 37

338 **Collective bargaining agreements**

Commented [SD67]: Type of change: Change in location
Source: G4 RPSD p. 27, G4 IM p. 28

339 **Guidance**

340 Governance is the means used to control an organization, including the mechanisms and processes used
 341 to make and implement decisions. Collective bargaining is a negotiation process through which an
 342 organization and its workers' organizations reach agreements about matters, such as working conditions
 343 and terms of employment. It is also used to regulate organization-employee relations. A collective
 344 bargaining agreement then represents a form of joint decision making concerning the operations of an
 345 organization. Where collective bargaining takes place, it is part of the governance of an organization.

346 This disclosure does not seek the number or percentage of workers belonging to trade unions. The
 347 reporting organization cannot be expected to know whether individuals are union members or not. By
 348 definition, collective bargaining agreements are obligations (often legally binding) that the organization has
 349 undertaken. The organization is expected to understand the coverage of the agreement (the workers to
 350 which the organization is obligated to apply the terms of the agreement). Collective agreements can be
 351 made at various levels and for categories and groups of workers. Collective agreements can be at the level
 352 of the organization or can be at the industry level in countries where the practice is to conduct collective
 353 bargaining at that level or at both. Collective agreements can cover specific groups of workers – for
 354 instance those performing specific activities or performing work at specific locations.

355 See references 1, 2, 3, 4, 5, 8 and 9 in the References section.

Commented [SD68]: Type of change: Clarification – additional guidance text added
Source: G4 IM p. 28

Commented [SD69]: Source: G4 IM p. 28

356 **Reporting requirements**

357 4.5 The reporting organization shall report the following information for Disclosure 201-22:

Commented [SD70]: Source: G4 RPSD p. 27

Disclosure 201-22
a. Percentage of total employees covered by collective bargaining agreements.

358 **Guidance 4.5**

Commented [SD71]: Source: G4 IM p. 28

359 The reporting organization can use data from Disclosure 201-8 as the basis for calculating this percentage.

360 **Composition of the highest governance body and its committees**

361 **Reporting requirements**

362 4.6 The reporting organization shall report the following information for Disclosure 201-23:

Commented [SD72]: Source: G4 RPSD p. 37

Disclosure 201-23
a. Composition of the highest governance body and its committees by: <ul style="list-style-type: none"> i. executive or non-executive; ii. independence; iii. tenure on the governance body; iv. number of each individual's other significant positions and commitments, and the nature of the commitments; v. gender; vi. membership of under-represented social groups; vii. competences relating to economic, environmental, and social impacts; and viii. stakeholder representation.

363 **Chair of the highest governance body**

364 **Reporting requirements**

365 4.7 The reporting organization shall report the following information for Disclosure 201-24:

Commented [SD73]: Source: G4 RPSD p. 37

Disclosure 201-24
a. Whether the chair of the highest governance body is also an executive officer in the reporting organization.
b. If the chair is also an executive officer, describe his or her function within the reporting organization's management and the reasons for this arrangement.

Commented [SD74]: Type of change: Clarification
This disclosure has been divided into two clauses, but the content has not been changed
Source: G4 RPSD p. 53

366 **Nominating and selecting the highest governance body**

367 **Reporting requirements**

368 4.8 The reporting organization shall report the following information for Disclosure 201-25:

Commented [SD75]: Source: G4 RPSD p. 37

Disclosure 201-25

- a. Nomination and selection processes for the highest governance body and its committees.
- b. Criteria used for nominating and selecting highest governance body members, including whether and how:
 - i. stakeholders (including shareholders) are involved;
 - ii. diversity is considered;
 - iii. independence is considered; and
 - iv. expertise and experience relating to economic, environmental, and social topics are considered.

Commented [SD76]: Type of change: Clarification
This clause was previously combined with clause 'a'
Source: G4 RPSD p. 53

369 **Conflicts of interest**

370 **Reporting requirements**

371 4.9 The reporting organization shall report the following information for Disclosure 201-26:

Commented [SD77]: Source: G4 RPSD p. 38

Disclosure 201-26

- a. Processes for the highest governance body to ensure conflicts of interest are avoided and managed.
- b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:
 - i. cross-board membership;
 - ii. cross-shareholding with suppliers and other stakeholders;
 - iii. existence of controlling shareholder; and
 - iv. related party disclosures.

372 **Guidance 4.9**

373 See reference 11 in the References section.

Commented [SD78]: Source: G4 IM p. 54

374 **Reporting recommendations**

375 4.10 When compiling the information specified in Disclosure 201-26, the reporting
376 organization should align the definition of controlling shareholder to the definition used
377 for the purpose of the organization's consolidated financial statements or equivalent
378 documents.

Commented [SD79]: Type of change: Change in
instructive verb
Original wording: Align the definition of controlling
shareholder to the definition used for the purpose of the
organization's consolidated financial statements or
equivalent documents.
Source: G4 IM p. 54

379 **Role of highest governance body in setting sustainability goals and strategy**

380 **Reporting requirements**

381 4.11 The reporting organization shall report the following information for Disclosure 201-27:

Commented [SD80]: Source: G4 RPSD p. 38

Disclosure 201-27

a. Highest governance body's and senior executives' roles in the development, approval, and updating of the reporting organization's purpose, value, or mission statements, strategies, policies, and goals related to economic, environmental, and social impacts.

382 **Collective knowledge of highest governance body**

383 **Reporting requirements**

384 4.12 The reporting organization shall report the following information for Disclosure 201-28:

Commented [SD81]: Source: G4 RPSD p. 38

Disclosure 201-28

a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.

385 **Evaluating the highest governance body's performance**

386 **Reporting requirements**

387 4.13 The reporting organization shall report the following information for Disclosure 201-29:

Commented [SD82]: Source: G4 RPSD p. 38

Disclosure 201-29

a. Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics.

b. Whether such evaluation is independent or not, and its frequency.

c. Whether such evaluation is a self-assessment.

d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.

388 **Identifying and managing economic, environmental, and social impacts**

389 **Reporting requirements**

390 4.14 The reporting organization shall report the following information for Disclosure 201-30:

Commented [SD83]: Source: G4 RPSD p. 39

Disclosure 201-30

- a. Highest governance body’s role in identifying and managing economic, environmental, and social impacts, risks, and opportunities – including its role in implementing the due diligence processes.
- b. Whether stakeholder consultation is used to support the highest governance body’s identification and management of economic, environmental, and social impacts, risks, and opportunities.

391 **Guidance 4.14**

392 See references 11, 14, 15 and 16 in the References section.

Commented [SD84]: Source: G4 IM p. 55

393 **Effectiveness of risk management processes**

394 **Reporting requirements**

395 4.15 The reporting organization shall report the following information for **Disclosure 201-31**:

Commented [SD85]: Source: G4 RPSD p. 39

Disclosure 201-31

- a. Highest governance body’s role in reviewing the effectiveness of the reporting organization’s risk management processes for economic, environmental, and social topics.

396 **Guidance 4.15**

397 See references 11, 14, 15 and 16 in the References section.

Commented [SD86]: Source: G4 IM p. 55

398 **Review of economic, environmental, and social impacts**

399 **Reporting requirements**

400 4.16 The reporting organization shall report the following information for **Disclosure 201-32**:

Commented [SD87]: Source: G4 RPSD p. 39

Disclosure 201-32

- a. Frequency of the highest governance body’s review of economic, environmental, and social impacts, risks, and opportunities.

401 **Guidance 4.16**

402 See references 11, 14, 15 and 16 in the References section.

Commented [SD88]: Source: G4 IM p. 55

403 **Highest governance body’s role in sustainability reporting**

404 **Reporting requirements**

405 4.17 The reporting organization shall report the following information for Disclosure 201-33:

Commented [SD89]: Source: G4 RPSD p. 39

Disclosure 201-33

a. The highest committee or position that formally reviews and approves the reporting organization’s sustainability report and ensures that all material topics are covered.

406 **Communicating critical concerns**

407 **Reporting requirements**

408 4.18 The reporting organization shall report the following information for Disclosure 201-34:

Commented [SD90]: Source: G4 RPSD p. 40

Disclosure 201-34

a. Process for communicating critical concerns to the highest governance body.

409 **Nature and total number of critical concerns**

410 **Reporting requirements**

411 4.19 The reporting organization shall report the following information for Disclosure 201-35:

Commented [SD91]: Source: G4 RPSD p. 40

Disclosure 201-35

a. Total number and nature of critical concerns that were communicated to the highest governance body.

b. Mechanism(s) used to address and resolve critical concerns.

412 **Guidance 4.19**

Commented [SD92]: Source: G4 IM p. 56

413 When the exact nature of concerns is sensitive due to regulatory or legal restrictions, responses to this
414 disclosure are to be limited to the information the reporting organization is able to provide without
415 jeopardizing confidentiality. For more information on reasons for omission, see SRS 101: Foundation.

416 **Remuneration policies**

417 **Reporting requirements**

418 4.20 The reporting organization shall report the following information for Disclosure 201-36:

Commented [SD93]: Source: G4 RPSD p. 40

Disclosure 201-36	
a.	Remuneration policies for the highest governance body and senior executives for the following types of remuneration, if used: <ul style="list-style-type: none"> i. fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. clawbacks; and v. retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.
b.	How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

419 **Reporting recommendations**

- 420 4.21 If performance-related pay is used when compiling the information specified in Disclosure
421 201-36, the reporting organization should:
- 422 4.21.1 describe how remuneration and incentive-related pay for senior executives are
423 designed to reward longer-term performance; and
- 424 4.21.2 describe how performance criteria in the remuneration policies relate to the
425 highest governance body's and senior executives' objectives for economic,
426 environmental, and social topics for the reporting period and the period ahead.
- 427 4.22 If termination payments are used when compiling the information specified in Disclosure
428 201-36, the reporting organization should explain whether:
- 429 4.22.1 notice periods for governance body members and senior executives are
430 different from those for other employees;
- 431 4.22.2 termination payments for governance body members and senior executives are
432 different from those for other employees;
- 433 4.22.3 any payments other than those related to the notice period are paid to
434 departing governance body members and senior executives; and
- 435 4.22.4 any mitigation clauses are included in the termination arrangements.

Commented [SD94]: Type of change: Change in instructive verb
Original wording: If performance-related pay is used, describe how remuneration and incentive-related pay for senior executives are designed to reward longer-term performance.
 Source: G4 IM p. 57

Commented [SD95]: Type of change: Change in instructive verb
Original wording: If performance-related pay is used, describe how performance criteria in the remuneration policies relate to the highest governance body's and senior executives' economic, environmental and social objectives for the reporting period and the period ahead.
 Source: G4 IM p. 57

Commented [SD96]: Type of change: Change in instructive verb
Original wording: If termination payments are used, explain whether:
 Source: G4 IM p. 57

436 **Process for determining remuneration**

437 **Reporting requirements**

- 438 4.23 The reporting organization shall report the following information for Disclosure 201-37:

Commented [SD97]: Source: G4 RPSD p. 41

Disclosure 201-37
<p>a. Process for determining remuneration.</p> <p>b. Whether and how remuneration consultants are involved in determining remuneration and whether they are independent of management.</p> <p>c. Any other relationships that the remuneration consultants have with the reporting organization.</p>

439 **Stakeholders involvement in remuneration**

440 **Reporting requirements**

441 4.24 The reporting organization shall report the following information for Disclosure 201-38:

Commented [SD98]: Source: G4 RPSD p. 41

Disclosure 201-38
<p>a. How stakeholders' views are sought and taken into account regarding remuneration.</p> <p>b. If applicable, the results of votes on remuneration policies and proposals.</p>

442 **Annual total compensation ratio**

443 **Reporting requirements**

444 4.25 The reporting organization shall report the following information for Disclosure 201-39:

Commented [SD99]: Source: G4 RPSD p. 41

Disclosure 201-39
<p>a. Ratio of the annual total compensation for the reporting organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.</p>

445 4.26 When compiling the information specified in Disclosure 201-39, the reporting
446 organization shall for each country of significant operations:

Commented [SD100]: Type of change: Change in instructive verb
Original wording: Identify the highest-paid individual ...
Source: G4 IM p. 58

447 4.26.1 identify the highest-paid individual for the reporting period, as defined by total
448 compensation;

Commented [SD101]: Type of change: Change in instructive verb
Original wording: Calculate the highest-paid individual's ...
Source: G4 IM p. 58

449 4.26.2 calculate the highest-paid individual's annual total compensation; and

450 4.26.3 calculate the median annual total compensation for all employees, except the
451 highest-paid individual.

Commented [SD102]: Type of change: Change in instructive verb
Original wording: Calculate the median annual compensation ...
Source: G4 IM p. 58

452 **Reporting recommendations**

453 4.27 When compiling the information specified in Disclosure 201-39, the reporting
454 organization **should** for each country of significant operations define and report the
455 composition of the annual total compensation for all employees as follows:

- 456 4.27.1 list types of compensation included in the calculation;
- 457 4.27.2 specify whether **full-time and part-time employees** are included in this
458 calculation;
- 459 4.27.3 specify whether full-time equivalent pay rates are used for each part-time
460 employee in this calculation; and
- 461 4.27.4 specify which operations or countries are included, if the organization chooses
462 to not consolidate this ratio for the entire organization.

Commented [SD103]: Type of change: Change in instructive verb
Original wording: **Define and disclose** ...
Source: G4 IM p. 58

Commented [SD104]: Type of change: Employee/worker review
Original wording: **full-time, part-time, and contracted employees**
Source: G4 IM p. 58

463 **Guidance 4.27**

464 Depending on the reporting organization's remuneration policies and availability of data, the following
465 components can be considered for the calculation:

- 466 • base salary: guaranteed, short term, and non-variable cash compensation;
- 467 • cash compensation: sum of base salary + cash allowances + bonuses + commissions + cash profit-sharing + other forms of variable cash payments; or
- 468 • direct compensation: sum of total cash compensation + total fair value of all annual long-term
469 incentives, such as stock option awards, restricted stock shares or units, performance stock shares or
470 units, phantom stock shares, stock appreciation rights, and long-term cash awards.

Commented [SD105]: Source: G4 IM p. 58

472 **Percentage increase in annual total compensation ratio**

473 **Reporting requirements**

474 4.28 The reporting organization shall report the following information for **Disclosure 201-40**:

Commented [SD106]: Source: G4 RPSD p. 41

Disclosure 201-40

- a. Ratio of the percentage increase in annual total compensation for the reporting organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.

475 4.29 When compiling the information specified in Disclosure 201-40, the reporting
476 organization shall for each country of significant operations:

- 477 4.29.1 **identify** the highest-paid individual for the reporting period, as defined by total
478 compensation;
- 479 4.29.2 **calculate** the percentage increase in the highest-paid persons' compensation
480 from prior period to the reporting period;
- 481 4.29.3 **calculate** median annual total compensation for all employees except the highest-
482 paid individual;

Commented [SD107]: Type of change: Change in instructive verb
Original wording: **Identify** the highest-paid individual ...
Source: G4 IM p. 59

Commented [SD108]: Type of change: Change in instructive verb
Original wording: **Calculate** the percentage increase ...
Source: G4 IM p. 59

Commented [SD109]: Type of change: Change in instructive verb
Original wording: **Calculate** median annual total ...
Source: G4 IM p. 59

483 4.29.4 calculate the percentage increase of the median annual total compensation from
484 the prior period to the reporting period; and

485 4.29.5 calculate the ratio of the annual total compensation percentage increase of the
486 highest-paid individual to the median annual total compensation percentage
487 increase for all employees.

488 **Reporting recommendations**

489 4.30 When compiling the information specified in Disclosure 201-40, the reporting
490 organization should for each country of significant operations define and report the
491 composition of the annual total compensation for all employees as follows:

492 4.30.1 list types of compensation included in the calculation;

493 4.30.2 specify whether full-time and part-time employees are included in this
494 calculation;

495 4.30.3 specify whether full-time equivalent pay rates are used for each part-time
496 employee in this calculation; and

497 4.30.4 specify which operations or countries are included, if the organization chooses
498 to not consolidate this ratio for the entire organization.

499 **Guidance 4.30**

500 Depending on the reporting organization's remuneration policies and availability of data, the following
501 components can be considered for the calculation:

- 502 • base salary: guaranteed, short term, and non-variable cash compensation;
- 503 • cash compensation: sum of base salary + cash allowances + bonuses + commissions + cash profit-
504 sharing + other forms of variable cash payments; or
- 505 • direct compensation: sum of total cash compensation + total fair value of all annual long-term
506 incentives, such as stock option awards, restricted stock shares or units, performance stock shares or
507 units, phantom stock shares, stock appreciation rights, and long-term cash awards.

Commented [SD110]: Type of change: Change in instructive verb
Original wording: Calculate the percentage increase ...
Source: G4 IM p. 59

Commented [SD111]: Type of change: Change in instructive verb
Original wording: Calculate the ratio of the of the annual total compensation percentage increase ...
Source: G4 IM p. 59

Commented [SD112]: Type of change: Change in instructive verb
Original wording: Define and disclose ...
Source: G4 IM p. 59

Commented [SD113]: Type of change: Employee/worker review
Original wording: full-time, part-time, and contracted employees
Source: G4 IM p. 59

Commented [SD114]: Source: G4 RPSD p. 59

508 **5. Stakeholder engagement**

509 **Guidance 5**
 510 These disclosures provide an overview of the reporting organization’s approach to stakeholder
 511 engagement. These disclosures do not have to be limited to engagement that was conducted for the
 512 purposes of preparing the report. For additional guidance on stakeholder engagement, see the Stakeholder
 513 Inclusiveness principle in *SRS 101: Foundation* and the How-to-Guide.

Commented [SD115]: Source: G4 IM p. 43

514 **List of stakeholder groups**

515 **Reporting requirements**

516 5.1 The reporting organization shall report the following information for **Disclosure 201-41**:

Commented [SD116]: Source: G4 RPSD p. 29

Disclosure 201-41
a. A list of stakeholder groups engaged by the reporting organization.

517 **Guidance 5.1**
 518 Examples of stakeholder groups are:
 519 • civil society
 520 • customers
 521 • employees and other workers who are not employees as well as their respective trade unions
 522 • local communities
 523 • shareholders and providers of capital
 524 • suppliers

Commented [SD117]: Source: G4 IM p. 43

Commented [SD118]: Type of change: Employee/worker review
 Original text: employees, other workers, and their trade unions
 Source: G4 IM p. 43

525 **Identifying and selecting stakeholders**

526 **Reporting requirements**

527 5.2 The reporting organization shall report the following information for **Disclosure 201-42**:

Commented [SD119]: Source: G4 RPSD p. 30

Disclosure 201-42
a. The basis for identifying and selecting stakeholders with whom to engage.

528 **Reporting recommendations**

529 5.3 When compiling the information specified in Disclosure 201-42, the reporting
 530 organization should describe the process for defining its stakeholder groups, and for
 531 determining which groups it will or will not engage with.

Commented [SD120]: Type of change: Change in instructive verb
 Original wording: Describe the organization’s process for defining its stakeholder groups ...
 Source: G4 IM p. 43

532 **Approach to stakeholder engagement**

533 **Reporting requirements**

534 5.4 The reporting organization shall report the following information for Disclosure 201-43:

Commented [SD121]: Source: G4 RPSD p. 30

Disclosure 201-43

a. The reporting organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group.

535 **Guidance 5.4**

Commented [SD122]: Source: G4 RPSD p. 44

536 Methods of stakeholder engagement can include surveys (such as supplier or customer surveys), focus
537 groups, community panels, corporate advisory panels, written communication, management or union
538 structures, and other mechanisms.

Commented [SD123]: Type of change: Clarification
Source: G4 IM p. 44

539 **Key topics and concerns raised**

540 **Reporting requirements**

541 5.5 The reporting organization shall report the following information for Disclosure 201-44:

Commented [SD124]: Source: G4 RPSD p. 30

Disclosure 201-44

a. Key topics and concerns that have been raised through stakeholder engagement, including:
i. how the reporting organization has responded to those key topics and concerns;
and
ii. the stakeholder groups that raised each of the key topics and concerns.

542 **6. Reporting practice**

543 **Guidance 6**

544 These disclosures provide an overview of the process that the reporting organization has followed to
 545 define the sustainability report content. They also review the process it followed to identify its material
 546 topics and their Boundaries, along with any changes or restatements. They also provide an overview of the
 547 basic information about the report, the claims made about the use of the GRI Standards, the content
 548 index, and the organization’s approach to seeking external assurance.

Commented [SD125]: Source: G4 IM pp. 31, 45

549 **Entities included in the consolidated financial statements**

550 **Reporting requirements**

551 6.1 The reporting organization shall report the following information for **Disclosure 201-45**:

Commented [SD126]: Source: G4 RPSD p. 30

Disclosure 201-45
a. A list of all entities included in the reporting organization’s consolidated financial statements or equivalent documents. b. Whether any entity included in the reporting organization’s consolidated financial statements or equivalent documents is not covered by the report.

552 **Guidance 6.1**

553 The reporting organization can report Disclosure 201-45 by referencing the information in publicly
 554 available consolidated financial statements or equivalent documents.

Commented [SD127]: Source: G4 IM p. 31

555 **Defining report content and topic Boundaries**

556 **Reporting requirements**

557 6.2 The reporting organization shall report the following information for **Disclosure 201-46**:

Commented [SD128]: Source: G4 RPSD p. 28

Disclosure 201-46
a. An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the reporting organization has implemented the Reporting Principles for defining report content.

558 **Reporting recommendations**

559 6.3 When compiling the information specified in Disclosure 201-46, the reporting
 560 organization should include an explanation of:

Commented [SD129]: **Type of change:** Clarification
 [Reporting the process for defining report content]

Additional content added as recommendations to better clarify how to report this disclosure
 Source: G4 IM pp. 31-33

561 6.3.1 the steps taken to define the content of the report and to define the topic
 562 Boundary;

- 563 6.3.2 at which steps in the process each of the Reporting Principles for defining report
564 content were applied;
- 565 6.3.3 any assumptions and subjective judgements made in this process; and
- 566 6.3.4 any challenges the organization encountered when applying the Reporting
567 Principles for defining report content.

568 **Guidance 6.2 and 6.3**

569 This disclosure asks the reporting organization to explain the process it has gone through to determine
570 the content to include in its sustainability report. This disclosure can be used to explain how the
571 organization identified relevant sustainability topics and prioritized them using the Materiality and
572 Stakeholder Inclusiveness principles. The explanation can also include how stakeholders' views were
573 sought throughout this process, although this can also be covered in the general disclosures related to
574 stakeholder engagement of this Standard.

575 The disclosure also asks the organization to explain how it has applied the four Reporting Principles for
576 defining report content during this process. Together, these four principles help the organization to make
577 choices on what content to report, by considering its activities and impacts, along with the reasonable
578 interests and expectations of its stakeholders.

579 This explanation can include a description of:

- 580 • the steps taken to identify relevant sustainability topics (i.e., those that potentially merit inclusion in
581 the report);
- 582 • how these relevant topics were prioritized to identify the material topics to report on; and
- 583 • how thresholds (criteria that render a topic material) were defined.

584 For more information on applying the Reporting Principles for defining report content, see *SRS 101:*
585 *Foundation* and the *How-to-Guide*.

586 For a description of the topic Boundaries for each material topic, see *SRS 301: Management approach*.

587 **List of material topics**

588 **Reporting requirements**

589 6.4 The reporting organization shall report the following information for **Disclosure 201-47**:

Disclosure 201-47

- a. A list of material topics identified in the process for defining report content.

590 **Guidance 6.4**

591 Material topics are sustainability topics that the reporting organization has prioritized for inclusion in the
592 sustainability report. This prioritization exercise is based on the Materiality and Stakeholder Inclusiveness
593 principles, which assess each topic based on the following two dimensions:

- 594 • The significance of the organization's economic, environmental, and social impacts; and
- 595 • Their substantive influence on the assessments and decisions of stakeholders.

Commented [SD130]: Type of change: Clarification
[Reporting the process for defining report content]
Clarifying what is expected to be reported for defining
report content and topic Boundaries.

Note – additional guidance from the G4 IM on G4-I8 will be
incorporated into a separate 'How-to-Guide' which will be an
optional resource for reporters
Source: G4 IM pp. 31-33

Commented [SD131]: Source: G4 RPSD p. 28

Commented [SD132]: Type of change: Clarification
G4 RPSD p. 11, G4 IM pp. 31-40

596 In applying the Materiality principle, 'impacts' refers to the organization's impacts on the economy, the
 597 environment, and/or society – in other words, the organization's contribution (positive or negative) to
 598 sustainable development. 'Impacts' in this context do not refer to consequences for the organization itself
 599 (such as financial costs or reputational risks).

600 A topic does not have to be highly significant with respect to both dimensions to be considered material.

601 For more information on the Reporting Principles for defining report content, see *SRS 101: Foundation* and
 602 the How-to-Guide.

603 The explanation of why each topic is material is reported under Disclosure 301-1 in *SRS 301: Management*
 604 *approach*.

605 Restatements of information

606 Reporting requirements

607 6.5 The reporting organization shall report the following information for **Disclosure 201-48**:

Commented [SD133]: Source: G4 RPSD p. 29

Disclosure 201-48

- a. The effect of any restatements of information provided in previous reports, and the reasons for such restatements.

608 **Guidance 6.5**

609 Restatements can result from:

- 610 • mergers or acquisitions
- 611 • change of base years or periods
- 612 • nature of business
- 613 • measurement methods

Commented [SD134]: Source: G4 IM p. 42

614 Changes in reporting

615 Reporting requirements

616 6.6 The reporting organization shall report the following information for **Disclosure 201-49**:

Commented [SD135]: Source: G4 RPSD p. 29

Disclosure 201-49

- a. Significant changes from previous reporting periods in the list of material topics included in the report and topic Boundaries.

617 **Reporting period**

618 **Reporting requirements**

619 6.7 The reporting organization shall report the following information for Disclosure 201-50:

Commented [SD136]: Source: G4 RPSD p. 30

Disclosure 201-50

a. Reporting period for information provided.

620 **Guidance 6.7**

621 The reporting period can be, for example, the fiscal or calendar year.

Commented [SD137]: Source: G4 IM p. 45

Commented [SD138]: Type of change: Clarification
Source: G4 RPSD p. 30

622 **Date of most recent report**

623 **Reporting requirements**

624 6.8 The reporting organization shall report the following information for Disclosure 201-51:

Commented [SD139]: Source: G4 RPSD p. 30

Disclosure 201-51

a. If applicable, the date of the most recent report.

625 **Guidance 6.8**

626 If this is the first report prepared by the reporting organization, the response to this disclosure can state
627 that this is the first report.

Commented [SD140]: Type of change: Clarification

628 **Reporting cycle**

629 **Reporting requirements**

630 6.9 The reporting organization shall report the following information for Disclosure 201-52:

Commented [SD141]: Source: G4 RPSD p. 30

Disclosure 201-52

a. Reporting cycle.

631 **Guidance 6.9**

632 The reporting cycle can be, for example, annual or biennial.

Commented [SD142]: Type of change: Clarification
Source: G4 RPSD p. 30

633 **Contact point for questions regarding the report**

634 **Reporting requirements**

635 6.10 The reporting organization shall report the following information for Disclosure 201-53:

Commented [SD143]: Source: G4 RPSD p. 31

Disclosure 201-53

- a. The contact point for questions regarding the report or its contents.

636 **'In accordance' claims**

637 **Reporting requirements**

638 6.11 The reporting organization shall report the following information for Disclosure 201-54:

Disclosure 201-54

- a. The 'in accordance' claim made by the reporting organization about its use of the GRI Standards, either:
 - i. *'This report has been prepared in accordance with the GRI Standards: core option';* or
 - ii. *'This report has been prepared in accordance with the GRI Standards: comprehensive option'.*

Commented [SD144]: Type of change: Clarification and Change in location.
The former disclosure G4-32 has been divided into three separate disclosures. This clause related to the in accordance option has been revised to be consistent with the in accordance criteria. See SRS 101: Foundation for more detail
 Source: G4 RPSD, p. 31

639 **Guidance 6.11**

640 A reporting organization that uses all or part of the GRI Standards to report sustainability information can
 641 make one of three types of claims. These claims can vary depending on the extent to which it applied the
 642 GRI Standards.

643 An organization that uses the set of GRI Standards as an overall framework for preparing a sustainability
 644 report, and which meets specific criteria, can make a claim that its sustainability report has been prepared
 645 in accordance with the GRI Standards. There are two options for preparing a report in accordance with
 646 the GRI Standards – comprehensive and core- with a specific claim that can be made for each one.

647 Any published materials that contain content based on the GRI Standards but do not meet the 'in
 648 accordance' criteria are required to include an 'SRS-referenced' claim. This is a statement referencing the
 649 specific GRI Standards or sections used.

650 For more information on these claims, see *SRS 101: Foundation*.

Commented [SD145]: Type of change: clarification [clarifying the in accordance criteria]
 New guidance text added to this section to be consistent with changes made in *SRS 101: Foundation* related to the in accordance criteria
 Source: G4 RPSD, p. 11-13

651 **Content index**

652 **Reporting requirements**

653 6.12 The reporting organization shall report the following information for **Disclosure 201-55:**

Commented [SD146]: Type of change: Clarification [Clarifying the role and expectations regarding the GRI Content Index]

This section, including the recommendation and guidance, has been revised and made less prescriptive about the format of the content index. An example table is included in Guidance only
 Source: G4 RPSD pp. 31-35, G4 IM pp. 256-257

Commented [SD147]: Source: G4 RPSD p. 31

Disclosure 201-55
<p>a. The content index for the report, which specifies each of the GRI Standards used to prepare the report and lists all relevant disclosures.</p> <p>b. For each disclosure, the content index shall include:</p> <ul style="list-style-type: none"> i. the number of the disclosure; ii. the page number(s) or URL(s) where the information for each disclosure can be found, either within the report or in another published material; and iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.

Commented [SD148]: Type of change: change in location.
 The former disclosure G4-32 has been divided into three separate disclosures.
 Source: G4 RPSD pp. 31

- 654 6.13 When compiling the information specified in Disclosure 201-55, the reporting
 655 organization shall:
- 656 6.13.1 ensure that all information in the content index is contained in one location; and
- 657 6.13.2 ensure that if the content index is not contained in the report, that a link or
 658 reference to the content index is provided in the report.

659 **Reporting recommendations**

- 660 6.14 When compiling the information specified in Disclosure 201-55, the reporting
 661 organization should:
- 662 6.14.1 use the title 'Content Index';
- 663 6.14.2 include the content index in the report or provide a direct link to where the
 664 content index can be found; and
- 665 6.14.3 include in the content index:
- 666 6.14.3.1 the number, title, and publication year for each of the GRI Standards
 667 used in the preparation of the report (e.g., SRS 201: General
 668 disclosures 2016);
 - 669 6.14.3.2 the title of each disclosure made (e.g., Name of the reporting
 670 organization), in addition to the number (e.g., 201-1); and
 - 671 6.14.3.3 any additional material topics reported on which are not covered by
 672 the GRI Standards, including page number(s) or URL(s) where the
 673 information can be found.

Commented [SD149]: Type of change: Clarification
 [Clarifying reporting on other material topics]

Commented [SD150]: Source: G4 RSPD pp. 31-35

674 **Guidance 6.14**

675 The content index required by this disclosure is a navigation tool that specifies which GRI Standards have
 676 been used, which disclosures have been made, and where these disclosures can be found in the
 677 sustainability report or other location. It enables stakeholders to gain a quick overview of the report and
 678 ensures easy navigation across reports. Any organization making a claim that its report has been prepared
 679 in accordance with the GRI Standards is required to include a content index in its report or provide a link
 680 to where the content index can be found. See *SRS 101: Foundation* for more information.

681 The disclosure number refers to the unique numeric identifier for each disclosure in the GRI Standards
 682 (e.g., 201-53). The name of the disclosure or a description of its contents can also be included.

683 The page number (when the report is PDF-based) or URL (when the report is web-based) referenced in
 684 the content index need to be specific enough to direct stakeholders to information related to a certain
 685 disclosure. If a disclosure is spread over multiple pages or URLs, the content index is expected to specify
 686 the page range where the information can be found.

687 References to webpages and documents other than the report, such as the annual financial report or a
 688 policy document, can be included in the content index as long as they have a specific page number or a
 689 direct URL to the webpage.

690 Material topics that are not covered by the GRI Standards but are included in the report are also
 691 expected to be listed in the content index. Here, the organization can specify the topic name and the page
 692 number(s) where disclosures on the management approach and topic-specific disclosures can be found.

693 While in principle it is up to the organization to add direct answers to the content index, too much text
 694 can diminish its clarity and navigation functionality.

695 Additional content can also be included in the content index, for example to show the connection with
 696 other reporting standards or frameworks. Such additions can be made to add clarity for stakeholders, as
 697 long as they do not compromise the readability of the content index.

698 See *SRS 101: Foundation* for guidance on reasons for omission.

699 Organizations can use Table 1 as one possible format to prepare the content index.

700 Table 1:

Content index			
GRI Sustainability Reporting Standard <i>[Include the number, title and publication year for each of the GRI Standards used to prepare the report.]</i>	Disclosure <i>[Include the number and title for each disclosure made.]</i>	Page number(s) or URL(s)	Omission <i>[In exceptional cases, and where permitted, if it is not possible to disclose certain required information, the reporting organization can provide a reason for omission. See SRS 101: Foundation.]</i>
General disclosures The list of general disclosures made, based on the in accordance claim chosen.			
SRS 201: General disclosures 2016	201-1 Name of the reporting organization	Page 7	-
	201-2 Activities, brands, products, and services	Corporate website [direct hyperlink]	-

Material topics The list of material topics included in the report, as reported in Disclosure 201-47. The reporting organization can include material topics identified that are not covered by the topic-specific Standards.			
Emissions [example topic covered by the GRI Standards]			
SRS 301: Management approach 2016	301-1 Explanation of the material topic and its Boundaries	Page 20	-
	301-2 The management approach and its components	Page 20	-

SRS 201: General disclosures

SRS 505: Emissions 2016	505-1 Direct (Scope 1) GHG emissions	Page 21	-
	505-2 Energy indirect (Scope 2) GHG emissions	Page 22	Data for this disclosure is not available. [Description of the steps being taken to obtain the data and the expected timeframe for doing so.]

Freedom of speech [example of topic not covered by the topic-specific Standards]			
SRS 301: Management approach 2016	301-1 Explanation of the material topic and its Boundaries	Pages 28-29	-
	301-2 The management approach and its components	Page 29	-

Not applicable	Title of organization-specific disclosure, if applicable	Page 29	-

701 **External assurance**

702 **Guidance**

703 The reporting organization can use a variety of approaches to enhance the credibility of its report.

704 The use of external assurance for sustainability reports is recommended in addition to any internal
705 resources, but it is not required in order to make a claim that a report has been prepared in accordance
706 with the GRI Standards.

707 The GRI Standards use the term 'external assurance' to refer to activities designed to result in published
708 conclusions on the quality of the report and the information (whether it be qualitative or quantitative)
709 contained within it. External assurance can also refer to activities designed to result in published
710 conclusions about systems or processes (such as the process for defining report content, including the
711 application of the Materiality principle or the stakeholder engagement process). This is different from
712 activities designed to assess or validate the quality or level of performance of an organization, such as
713 issuing performance certifications or compliance assessments.

714 **Reporting requirements**

715 6.15 The reporting organization shall report the following information for **Disclosure 201-56**:

Disclosure 201-56
a. A description of the reporting organization's policy and current practice with regard to seeking external assurance for the report.

Commented [SD151]: Type of change: Clarification [Clarifying the language regarding external assurance]
Source: G4 IM p. 51
Commented [SD152]: Source: G4 IM p. 51

Commented [SD153]: Source: G4 RPSD p. 37

Disclosure 201-56	
b.	A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process.
c.	The relationship between the reporting organization and the assurance provider.
d.	Whether and how the highest governance body or senior executives are involved in seeking external assurance for the reporting organization's sustainability report.

Commented [SD154]: Type of change: Change in location
Source: G4 RPSD p. 31

716 **Guidance 6.15**

717 Organizations can use a variety of approaches to seek external assurance, such as the use of professional
718 assurance providers, or other external groups or persons. Regardless of the specific approach, it is
719 recommended that external assurance is conducted by competent groups or persons who follow
720 professional standards for assurance, or who apply systematic, documented, and evidence-based processes
721 ('assurance providers').

722 Overall, for external assurance of reports that have used the GRI Standards, it is important that the
723 assurance providers:

- 724 • are independent from the organization and therefore able to reach and publish an objective and
725 impartial opinion or conclusions about the report;
- 726 • are demonstrably competent in both the subject matter and assurance practices;
- 727 • apply quality control procedures to the assurance engagement;
- 728 • conduct the engagement in a manner that is systematic, documented, evidence-based, and
729 characterized by defined procedures;
- 730 • assess whether the report provides a reasonable and balanced presentation of performance –
731 considering the veracity of data in the report as well as the overall selection of content;
- 732 • assess the extent to which the report preparer has applied the GRI Standards in the course of
733 reaching its conclusions; and
- 734 • issue a written report that is publicly available and includes: an opinion or set of conclusions; a
735 description of the responsibilities of the report preparer and the assurance provider; and a summary
736 of the work performed, which explains the nature of the assurance conveyed by the assurance report.

737 The language used in external assurance reports, statements, or opinions can be technical and is not
738 always accessible. Thus, it is recommended that information for this disclosure is to be included in
739 broadly-accessible language.

740 In addition to external assurance, an organization can have systems of internal controls in place. These
741 internal systems are also important to the overall integrity and credibility of a report.

742 In some jurisdictions, corporate governance codes can require directors to inquire, and then, if satisfied,
743 to confirm in the annual report the adequacy of an organization's internal controls. An organization can
744 also establish and maintain an internal audit function, as part of its processes for risk management and for
745 managing and reporting information.

746 An organization can also convene a stakeholder panel to review its overall approach to sustainability
747 reporting or to provide advice on the content of its sustainability report.

Commented [SD155]: Source: G4 IM p. 51

748

References

749 The following documents informed the development of this Standard and can improve
750 understanding of this Standard.

751 Authoritative intergovernmental instruments:

- 752 1. International Labour Organization (ILO) Convention 87, 'Freedom of Association and
753 Protection of the Right to Organise Convention', 1948.
- 754 2. International Labour Organization (ILO) Convention 98, 'Right to Organise and
755 Collective Bargaining Convention', 1949.
- 756 3. International Labour Organization (ILO) Convention 135, 'Workers' Representatives
757 Convention', 1971.
- 758 4. International Labour Organization (ILO) Convention 154, 'Collective Bargaining
759 Convention', 1981.
- 760 5. International Labour Organization (ILO) Declaration, 'Declaration on Fundamental
761 Principles and Rights at Work', 1998.
- 762 6. International Labour Organization (ILO), *Key Indicators of the Labour Market (KILM)*,
763 [http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--](http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm)
764 [en/index.htm](http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm), accessed on 22 March 2016.
- 765 7. International Labour Organization (ILO), *LABORSTA Internet*, <http://laborsta.ilo.org/>,
766 accessed on 22 March 2016.
- 767 8. International Labour Organization (ILO) Recommendation 91, 'Collective Agreements
768 Recommendation', 1951.
- 769 9. International Labour Organization (ILO) Recommendation 163, 'Collective Bargaining
770 Recommendation', 1981.
- 771 10. International Labour Organization (ILO), 'Resolution concerning the International
772 Classification of Status in Employment (ICSE)', 1993.
- 773 11. Organisation for Economic Co-operation and Development (OECD) Principles,
774 'Principles of Corporate Governance', 2004.
- 775 12. United Nations (UN), *Composition of macro geographical (continental) regions, geographical
776 sub-regions, and selected economic and other groupings*,
777 <http://unstats.un.org/unsd/methods/m49/m49regin.htm>, accessed on 22 March 2016.
- 778 13. United Nations (UN) Declaration 'The Rio Declaration on Environment and
779 Development', 1992.
- 780 14. United Nations (UN), 'Guiding Principles on Business and Human Rights, Implementing
781 the United Nations "Protect, Respect and Remedy" Framework', 2011.
- 782 15. United Nations (UN), 'Protect, Respect and Remedy: a Framework for Business and
783 Human Rights', 2008.

- 784 16. United Nations (UN), *Report of the Special Representative of the Secretary-General on the*
785 *Issue of Human Rights and Transnational Corporations and Other Business Enterprises*, John
786 Ruggie, 2011.

Exposure draft for comment only

787 **Annex I. Summary of key changes for SRS 201: General disclosures**

788 This Annex summarizes the key changes found in *SRS 201: General disclosures*. The following types of change might apply to this Standard:

- 789 • Change in location
- 790 • Clarification – changes or additions to text to improve clarity
- 791 • Employee/worker terminology revision
- 792 • Changes to instructive verbs – to clarify the intent of guidance text that comes from the G4 Implementation Manual
- 793 • Deleted or moved text – the text is duplicated, unnecessary or obsolete; or moved to another location
- 794 • Other

795 These types of change are listed in the tables below and highlighted within comment boxes throughout this Standard. Minor editorial changes are not
796 indicated.

797 A detailed overview of changes applied globally throughout the GRI Standards is available [here](#).

798 The content sourced from the G4 Guidelines can be identified using the following legend:

799 **Legend**

800 G4 RPSD = Text has been sourced from the [G4 Guidelines – Reporting Principles and Standard Disclosures](#)

801 G4 IM = Text has been sourced from the [G4 Guidelines – Implementation Manual](#)

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
N/A	Introduction C	Change in location	Text explaining the general disclosures.	G4 RPSD pp. 3, 24 G4 IM p. 25
N/A	<i>All sections</i>	Clarification	All general disclosures now include a title to improve navigation.	N/A
Disclosure 201-2-a	Activities, brands, products, and services	Updated content	'A description of the reporting organization's activities' added.	G4 RPSD p. 25
Disclosure 201-2-c	Activities, brands, products, and services	Change in location	Content from Indicator G4-PR6 added to this disclosure.	G4 RPSD p. 82
Guidance 1.3	Location of headquarters	Clarification	Guidance added to explain the term headquarters.	N/A
Guidance	Size and composition of workforce	Employee/worker terminology review	Replaced 'size of a workforce' by number of employees and workers involved in the reporting organization's core activities.	G4 IM p. 26
1.10.4	Size and composition of workforce	Employee/worker terminology revision	Replaced 'a full-time or part-time employment relationship' by employment type.	G4 IM p. 27
Disclosure 201-8	Size and composition of workforce	Updated content Employee/worker terminology review	Content in this disclosure has been updated in line with the employee/worker terminology review. Several elements from G4-10 are no longer required to be reported, and requirement (d) has been modified to be more clear and to improve the consistency of reporting.	G4 RPSD p. 27

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
Disclosure 201-9	Supply chain	Clarification	Clarifying the intention of reporting on supply chain.	G4 IM p. 29
Guidance	Precautionary Principle or approach	Change in location	Content from Precautionary Principle definition included as guidance.	G4 IM p. 251
Disclosure 201-13	Membership of associations	Clarification	This disclosure now requires reporting on only the main memberships.	G4 RPSD p. 28
Disclosure 201-14	Statement from senior decision-maker	Clarification	Text related to the presentation of the statement has been moved to reporting recommendations.	G4 RPSD p. 24
Disclosure 201-15	Key impacts, risks, and opportunities	Clarification	Text related to the focus of the description has been moved to reporting recommendations.	G4 RPSD p. 25
3.2.2	Values, principles, standards, and norms of behavior	Employee/worker terminology review	Replaced 'employees' by workers.	G4 IM p. 60
3.2.3	Values, principles, standards, and norms of behavior	Employee/worker terminology review	Replaced 'employees' by workers.	G4 IM p. 60
3.2.5	Values, principles, standards, and norms of behavior	Employee/worker terminology review	Replaced 'employees' by workers.	G4 IM p. 60

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
Guidance	Mechanisms for advice and concerns about ethics	Change in location	Part of the disclosure requirements of G4-57 and G4-58 moved to guidance, and part of mechanisms for reporting concerns definition moved to guidance.	G4 RPSD p. 42 G4 IM p. 250
Disclosure 201-17	Mechanisms for advice and concerns about ethics	Change in location	Disclosures G4-57 and G4-58 have been merged.	G4 RPSD p. 42
Guidance 3.3	Mechanisms for advice and concerns about ethics	Employee/worker terminology review	Replaced 'employees' by workers.	G4 IM pp. 60-61
Guidance 3.3	Mechanisms for advice and concerns about ethics	Employee/worker terminology review	Replaced 'employees' by workers.	G4 IM p. 61
Guidance 4	Governance	Change in location	Guidance text moved from governance structure and composition section to overarching governance section.	G4 RPSD p. 36
Disclosure 201-19	Delegating authority	Clarification	Clarifying the use of the term 'impacts'. Wording changed from 'topics' to 'impacts' to be consistent with other disclosures.	G4 RPSD p. 36
Disclosure 201-21	Consulting on economic, environmental, and social topics	Clarification	Content split into two disclosure requirements.	G4 RPSD p. 37
N/A	Collective bargaining agreements	Change in location	Content of G4-11 moved to Governance section.	G4 RPSD p. 27 G4 IM p. 28

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
Guidance	Collective bargaining agreements	Clarification	Additional guidance text added to clarify intention of this disclosure.	G4 IM p. 28
Disclosure 201-24	Chair of the highest governance body	Clarification	Content split into two disclosure requirements.	G4 RPSD p. 53
Disclosure 201-25	Nominating and selecting the highest governance body	Clarification	Content split into two disclosure requirements.	G4 RPSD p. 53
4.27.2	Annual total compensation ratio	Employee/worker terminology review	Removed 'contracted employees' as a category.	G4 IM p. 58
4.30.2	Percentage increase in annual total compensation ratio	Employee/worker terminology review	Removed 'contracted employees' as a category.	G4 IM p. 59
Guidance 5.1	List of stakeholder groups	Employee/worker terminology review	Added 'who are not employees' for clarification.	G4 IM p. 43
Guidance 5.4	Approach to stakeholder engagement	Clarification	'Customer' and 'employee' added.	G4 IM p. 44
6.3	Defining report content and topic Boundaries	Clarification	Clarifying reporting the process for defining report content. Additional recommendations added to help clarify the expectations for reporting on this disclosure.	G4 IM pp. 31-33

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
Guidance 6.2 and 6.3	Defining report content and topic Boundaries	Clarification	Clarifying reporting the process for defining report content. Guidance added on what is expected to be reported for defining report content and topic Boundaries.	G4 IM pp. 31-33
Guidance 6.4	List of material topics	Clarification	Guidance on material topics added. Clarifying the use of the 'term' impacts. Guidance added on definition of impacts.	G4 RPSD p. 11 G4 IM pp. 31-40
Guidance 6.7	Reporting period	Clarification	Examples that were previously in the disclosure requirement are now guidance.	G4 RPSD p. 30
Guidance 6.8	Date of most recent report	Clarification	Extra guidance on what to report when it is the first report.	N/A
Guidance 6.9	Reporting cycle	Clarification	Examples that were previously in the disclosure requirement are now guidance.	G4 RPSD p. 30
N/A	'In accordance' claims	Clarification	Clarifying the 'in accordance' criteria. In accordance claims adjusted.	G4 RPSD p. 31
Disclosure 201-54	'In accordance' claims	Change in location	G4-32-a made a separate disclosure.	G4 RPSD p. 31
N/A	Content index	Clarification	Clarifying the role and expectations regarding the GRI Content Index. More specific reporting requirements and additional guidance to clarify role and expectations regarding the content index.	G4 RPSD pp. 31-35 G4 IM pp. 256-257
6.14.3.3	Content index	Clarification	Clarifying reporting on other material topics.	N/A

Changes in location, clarifications and other				
SRS clause number	SRS section	Type of change	Description or rationale	Source of original G4 text
			Guidance added on how to report on material topics that are not included in the Standards.	
N/A	External assurance	Clarification	Clarifying the language regarding external assurance. Guidance added on external assurance.	G4 IM p. 51
Disclosure 201-56-b	External assurance	Change in location	G4-32-c merged with disclosure on external assurance.	G4 RPSD p. 31

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
1.8	Scale of the reporting organization	The reporting organization should provide the following additional information:	In addition to the above, organizations are encouraged to provide additional relevant information, such as:	G4 IM p. 26
1.10.1	Size and composition of workforce	The reporting organization should: express employee numbers as either head count or Full Time Equivalent (FTE), with the chosen approach stated and applied consistently	Employee numbers may be expressed as head count or Full Time Equivalent (FTE). The approach is disclosed and applied consistently in the period and between periods.	G4 IM p. 27

Changes to instructive verbs

To clarify the intent of guidance text that comes from the G4 Implementation Manual

SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
1.10.2	Size and composition of workforce	The reporting organization should: identify the contract type and full-time and part-time status of employees based on the definitions under the national laws of the country where they are based;	Identify the contract type and full-time and part-time status of employees based on the definitions under the national laws of the country where they are based.	G4 IM p. 27
1.10.3	Size and composition of workforce	The reporting organization should: use numbers as at the end of the reporting period, unless there has been a material change during the reporting period	Unless there has been a material change in the reporting period, numbers as at the end of the reporting period are used.	G4 IM p. 27
1.10.4	Size and composition of workforce	The reporting organization should: combine country statistics to calculate global statistics, and disregard differences in legal definitions.	Combine country statistics to calculate global statistics and disregard differences in legal definitions.	G4 IM p. 27
1.10.4	Size and composition of workforce	Although what constitutes a type of contract and employment type varies between countries, the global figure should still reflect the relationships under law.	Although the definitions of what constitutes types of contract and a full-time or part-time employment relationship may vary between countries, the global figure will still reflect the relationships under law.	G4 IM p. 27

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
I.15.1	External initiatives	The reporting organization should: include the date of adoption, the countries or operations where applied, and the range of stakeholders involved in the development and governance of these initiatives	Include date of adoption, countries or operations where applied, and the range of stakeholders involved in the development and governance of these initiatives (such as multi-stakeholder).	G4 IM p. 30
I.15.2	External initiatives	The reporting organization should: differentiate between non-binding, voluntary initiatives and obligatory initiatives	Differentiate between non-binding, voluntary initiatives and those with which the organization has an obligation to comply.	G4 IM p. 30
I.17	Membership of associations	The reporting organization should include memberships maintained at the organizational level in associations or organizations in which it holds a position on the governance body, participates in projects or committees, provides substantive funding beyond routine membership dues, or views its membership as strategic.	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:	G4 RPSD p. 28

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
3.2	Values, principles, standards, and norms of behaviour	The reporting organization should provide additional information about its values, principles, standards, and norms of behavior, including:	Identify how the organization's values, principles, standards and norms of behavior (such as codes of conduct, codes of ethics) have been developed, approved, and implemented, including:	G4 IM p. 60
4.10	Conflicts of interest	The reporting organization should align the definition of controlling shareholder to the definition used for the purpose of the organization's consolidated financial statements or equivalent documents.	Align the definition of controlling shareholder to the definition used for the purpose of the organization's consolidated financial statements or equivalent documents.	G4 IM p. 54
4.21.1	Remuneration policies	The reporting organization should: describe how remuneration and incentive-related pay for senior executives are designed to reward longer-term performance	If performance-related pay is used, describe how remuneration and incentive-related pay for senior executives are designed to reward longer-term performance.	G4 IM p. 57

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
4.21.2	Remuneration policies	The reporting organization should: describe how performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics for the reporting period and the period ahead.	If performance-related pay is used, describe how performance criteria in the remuneration policies relate to the highest governance body's and senior executives' economic, environmental and social objectives for the reporting period and the period ahead.	G4 IM p. 57
4.22	Remuneration policies	If termination payments are used, the reporting organization should explain whether:	If termination payments are used, explain whether:	G4 IM p. 57
4.26.1	Annual total compensation ratio	The reporting organization shall for each country of significant operations: identify the highest-paid individual for the reporting period, as defined by total compensation	For each country of significant operations: <ul style="list-style-type: none"> Identify the highest-paid individual for the reporting period, as defined by total compensation 	G4 IM p. 58
4.26.2	Annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate the highest-paid individual's annual total compensation	For each country of significant operations: <ul style="list-style-type: none"> Calculate the highest-paid individual's annual total compensation 	G4 IM p. 58

Changes to instructive verbs

To clarify the intent of guidance text that comes from the G4 Implementation Manual

SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
4.26.3	Annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate the median annual total compensation for all employees, except the highest-paid individual	For each country of significant operations: <ul style="list-style-type: none"> • Calculate the median annual compensation for all employees, except the highest-paid individual. 	G4 IM p. 58
4.27	Annual total compensation ratio	The reporting organization should for each country of significant operations define and report the composition of the annual total compensation for all employees as follows:	For each country of significant operations: <ul style="list-style-type: none"> • Define and disclose the composition of the annual total compensation for the highest-paid individual and for all employees as follows: 	G4 IM p. 58
4.29.1	Percentage increase in annual total compensation ratio	The reporting organization shall for each country of significant operations: identify the highest-paid individual for the reporting period, as defined by total compensation	For each country of significant operations: <ul style="list-style-type: none"> • Identify the highest-paid individual for the reporting year, defined by total compensation 	G4 IM p. 59

Changes to instructive verbs

To clarify the intent of guidance text that comes from the G4 Implementation Manual

SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
4.29.2	Percentage increase in annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate the percentage increase in the highest-paid persons' compensation from prior period to the reporting period	For each country of significant operations: <ul style="list-style-type: none"> • Calculate the percentage increase in the highest-paid individuals' compensation from prior year to the reporting year 	G4 IM p. 59
4.29.3	Percentage increase in annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate median annual total compensation for all employees except the highest-paid individual	For each country of significant operations: <ul style="list-style-type: none"> • Calculate median annual total compensation for all employees except the highest-paid individual 	G4 IM p. 59
4.29.4	Percentage increase in annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate the percentage increase of the median annual total compensation from the prior period to the reporting period	For each country of significant operations: <ul style="list-style-type: none"> • Calculate the percentage increase of the median total annual compensation from prior year to the reporting year 	G4 IM p. 59

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Changes to instructive verbs

To clarify the intent of guidance text that comes from the G4 Implementation Manual

SRS clause number	SRS section	SRS wording	Original G4 text	Source of original G4 text
4.29.5	Percentage increase in annual total compensation ratio	The reporting organization shall for each country of significant operations: calculate the ratio of the annual total compensation percentage increase of the highest-paid individual to the median annual total compensation percentage increase for all employees	For each country of significant operations: <ul style="list-style-type: none"> • Calculate the ratio of the of the annual total compensation percentage increase of the highest-paid individual to the median annual total compensation percentage increase for all employees 	G4 IM p. 59
4.30	Percentage increase in annual total compensation ratio	The reporting organization should for each country of significant operations define and report the composition of the annual total compensation for all employees as follows:	For each country of significant operations: <ul style="list-style-type: none"> • Define and disclose the composition of the annual total compensation for the highest-paid individual and for all employees as follows: 	G4 IM p. 59
5.3	Identifying and selecting stakeholders	The reporting organization should describe the process for defining its stakeholder groups, and for determining which groups it will or will not engage with.	Describe the organization's process for defining its stakeholder groups, and for determining the groups with which to engage and not to engage.	G4 IM p. 43

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<p>The General Standard Disclosures are divided into seven parts: Strategy and Analysis, Organizational Profile, Identified Material Aspects and Boundaries, Stakeholder Engagement, Report Profile, Governance, and Ethics and Integrity.</p> <p>This section presents Guidance to the General Standard Disclosures. Each General Standard Disclosure is presented here, including those which don't contain Guidance elements.</p> <p>Guidance is presented to the following General Standard Disclosures:</p> <p>GENERAL STANDARD DISCLOSURES</p> <ul style="list-style-type: none"> • Strategy and Analysis: G4-1 • Organizational Profile: G4-9, G4-10, G4-11, G4-12, G4-13, G4-14, G4-15 • Identified Material Aspects and Boundaries: G4-18, G4-19, G4-20, G4-21 • Stakeholder Engagement: G4-24, G4-25, G4-26 • Report Profile: G4-33 • Governance: G4-38, G4-41, G4-50, G4-51, G4-54, G4-55 • Ethics and Integrity: G4-56, G4-57, G4-58 	<p>G4 IM p. 22</p>

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Breaking down the workforce by employment type, employment contract, and region (region refers to 'country' or 'geographical area') demonstrates how the organization structures its human resources to implement its overall strategy. It also provides insight into the organization's business model, and offers an indication of job stability and the level of benefits the organization offers. Breaking down this data by gender enables an understanding of gender representation across an organization, and of the optimal use of available labor and talent. (...) A rise or fall in net employment, evidenced by data reported over the course of three or more years, is an important element of the organization's contribution to the overall economic development and sustainability of the workforce.	G4 IM p. 26
Supply chain workers are not included	G4 IM p. 27
Identify the total workforce (employees and supervised workers) by gender working for the organization at the end of the reporting period.	G4 IM p. 26
These Standard Disclosures provide an overview of: <ul style="list-style-type: none"> • The organization's values, principles, standards and norms • Its internal and external mechanisms for seeking advice on ethical and lawful behavior • Its internal and external mechanisms for reporting concerns about unethical or unlawful behavior and matters of integrity 	G4 RPSD p. 41
These Standard Disclosures describe how the highest governance body is established and structured in support of the organization's purpose, and how this purpose relates to economic, environmental and social dimensions.	G4 RPSD p. 36

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Freedom of association is a human right as defined by international declarations and conventions, particularly ILO Conventions 87 'Freedom of Association and Protection of the Right to Organise Convention' and 98 'Right to Organise and Collective Bargaining Convention'. Collective bargaining is an important form of stakeholder engagement and particularly relevant for reporting guidelines. It is a form of stakeholder engagement that helps build institutional frameworks and is seen by many as contributing to a stable society. Together with corporate governance, collective bargaining is part of an overall framework that contributes to responsible management. It is an instrument used by parties to facilitate collaborative efforts to enhance the positive social impacts of an organization. The percentage of employees covered by collective bargaining agreements is the most direct way to demonstrate an organization's practices in relation to freedom of association.	G4 IM p. 28
HIGHEST GOVERNANCE BODY'S ROLE IN SETTING PURPOSE, VALUES, AND STRATEGY The highest governance body sets the tone for the organization, and has a major role in defining its purpose, values and strategy.	G4 RPSD p. 38
HIGHEST GOVERNANCE BODY'S COMPETENCIES AND PERFORMANCE EVALUATION These Standard Disclosures describe the highest governance body's and senior executives' willingness and capability to understand, discuss, and effectively respond to economic, environmental and social impacts; and show if a process is in place, conducted internally or externally, to ensure the highest governance body's continuing effectiveness.	G4 RPSD p. 38
HIGHEST GOVERNANCE BODY'S ROLE IN RISK MANAGEMENT These Standard Disclosures describe whether the highest governance body is accountable for risk management process and its overall effectiveness. The highest governance body's and senior executives' consideration of longer term and broader-reaching risk elements and their integration into strategic planning are important governance disclosures.	G4 RPSD p. 39

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<p>HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING</p> <p>These Standard Disclosures show the extent of the highest governance body's involvement in developing and approving the organization's sustainability disclosures, and the degree by which it may be aligned with processes around financial reporting.</p>	G4 RPSD p. 39
<p>HIGHEST GOVERNANCE BODY'S ROLE IN EVALUATING ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE</p> <p>These Standard Disclosures show how the highest governance body is involved in monitoring and reacting to the organization's performance for economic, environmental and social topics. Economic, environmental and social performance presents major risks and opportunities that the highest governance body ensures are monitored and addressed, where appropriate. These Standard Disclosures also address the organization's processes for communicating critical concerns to the highest governance body.</p>	G4 RPSD p. 40
<p>REMUNERATION AND INCENTIVES</p> <p>These Standard Disclosures focus on the remuneration policies established to ensure that remuneration arrangements support the strategic aims of the organization, align with the interests of stakeholders, and enable the recruitment, motivation and retention of members of the highest governance body, senior executives, and employees.</p>	G4 RPSD p. 40
<p>References:</p> <ul style="list-style-type: none"> • United Nations Global Compact LEAD, A New Agenda for the Board of Directors: Adoption and Oversight of Corporate Sustainability, 2012. • United Nations Global Compact LEAD and Principles for Responsible Investment (PRI), Integrating ESG issues into Executive Pay, 2012. 	G4 IM pp. 52, 57
<p>Guidance for G4-18. This is moved to the How-to-Guide.</p>	G4 IM pp. 32-40

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See the Guidance for G4-18, Implementation Manual pp. 31-40.	G4 IM p. 41
<p><i>[The following text has been moved to SRS 301: Management approach]</i></p> <p>G4-20</p> <p>a. For each material Aspect, report the Aspect Boundary within the organization, as follows:</p> <ul style="list-style-type: none"> • Report whether the Aspect is material within the organization • If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> ○ The list of entities or groups of entities included in G4-17 for which the Aspect is not material or ○ The list of entities or groups of entities included in G4-17 for which the Aspects is material • Report any specific limitation regarding the Aspect Boundary within the organization 	G4 RPSD p. 29
See the Guidance for G4-18, Implementation Manual pp. 31-40.	G4 IM p. 41
<p><i>[The following text has been moved to SRS 301: Management approach]</i></p> <p>G4-21</p> <p>a. For each material Aspect, report the Aspect Boundary outside the organization, as follows:</p> <ul style="list-style-type: none"> • Report whether the Aspect is material outside of the organization • If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified • Report any specific limitation regarding the Aspect Boundary outside the organization 	G4 RPSD p. 29
See the Guidance for G4-18, Implementation Manual pp. 31-40.	G4 IM p. 41