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Exposure draft of SRS 615: *Public policy*

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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 615: *Public policy* 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 615: *Public policy* contains the Public Policy Aspect 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 615: Public policy*, 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 615: Public policy*

This draft Standard incorporates the disclosures and guidance from the Public Policy Aspect in 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:

- A new 'Background context' section has been developed in the Introduction, which includes a description of the topic. This content is based on the text from the 'Relevance' sections in G4 but has been revised to update the content and align it with authoritative intergovernmental instruments, where applicable.
- 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 G4 Aspect-specific management approach guidance for this topic has been included as reporting recommendations in this draft Standard.

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 615: Public policy* at its meetings on 3-5th November 2015, 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 5-7th April 2016. Meeting minutes and a full recording of the meeting can be accessed on the [GSSB website here](#).

Exposure draft for comment

- 1 Sustainability Reporting Standard 615:
- 2 Public policy 2016

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17 **Introduction**

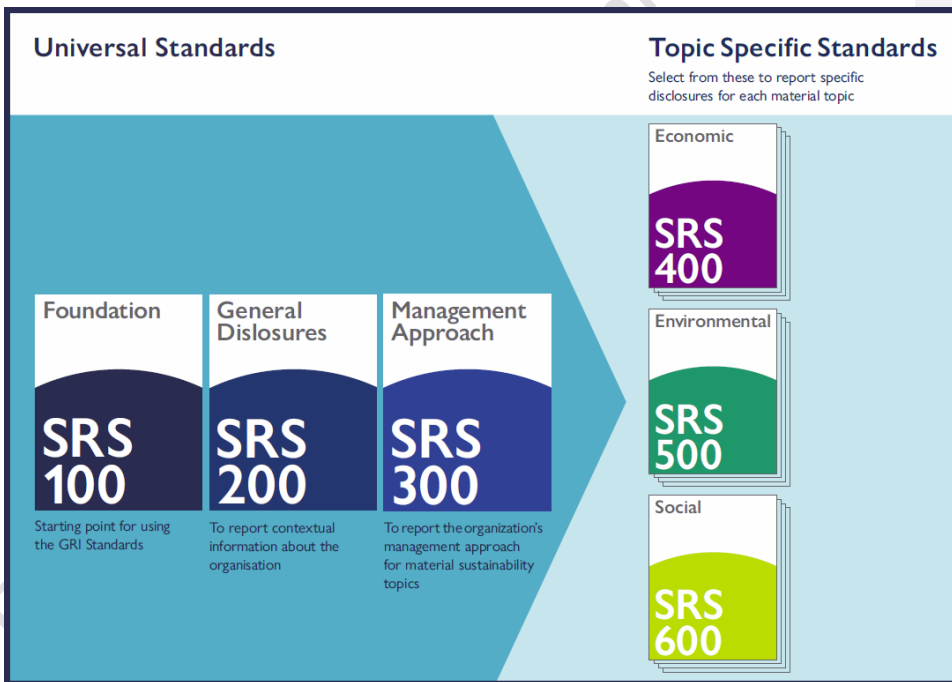
18 *A. Overview of the GRI Sustainability Reporting Standards*

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

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

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

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



29 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.

30 *B. Responsibility for this Standard*

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

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

37
38 Any feedback or comments on the GRI Standards can be submitted to
39 standards@globalreporting.org for the consideration of the GSSB.

40 C. Scope

41 SRS 615: *Public policy* sets out reporting requirements on the topic of public policy, including
 42 political contributions. It is part of the series of GRI Standards designed to elicit information
 43 about specific social topics.

44 This Standard applies to any reporting organization that has identified the topic of public policy
 45 as material, and wishes to report on its impacts related to this topic.

46 SRS 615 can be used by an organization of any size, type, sector, or geographic location.

47 D. Using this Standard

48 Requirements, recommendations, and guidance

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

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

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

67 E. Normative references

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

- 71 SRS 101: *Foundation*
- 72 SRS 301: *Management approach*
- 73 GRI Standards *Glossary of terms*

74 *F. Effective date*

75 SRS 615: Public policy is effective for all reports published on or after 1 January 2018. Earlier
76 adoption of this Standard is encouraged.

77 *G. Background context*

78 In the context of the GRI Standards, the social dimension of sustainability concerns an
79 organization's impacts on the social systems within which it operates.

80 SRS 615 addresses the topic of public policy. This includes an organization's participation in the
81 development of public policy, and activities such as lobbying, and making financial or in-kind
82 contributions to political parties, politicians, or causes.

83 While an organization can positively support the public political process and encourage the
84 development of public policy that benefits society at large, this can also bring risks associated
85 with corruption, bribery, and undue influence, among others. Organizations need to ensure such
86 behavior is avoided, and that any public policy positions are in line with their stated policies,
87 goals, or other public positions.

Commented [SD1]:
Type of change: Clarification [Clarifying topic descriptions]

Source:
G4 RPSD p. 64; G4 IM pp. 142, 209

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88 SRS 615: Public policy

89 1. Management approach disclosures

90 Reporting requirements

91 1.1 The reporting organization shall report its management approach for public policy as
92 specified in *SRS 301: Management approach*.

93 **Guidance 1.1**

94 Reporting on the management approach, as well as completing topic-specific disclosures for all material
95 topics, is required for any organization that wishes to make a claim of being in accordance with the GRI
96 Standards. The management approach is a narrative explanation of how an organization manages the topic,
97 associated impacts, and stakeholders' reasonable expectations and interests.

98 This Standard is therefore designed to be used together with *SRS 301: Management approach* in order to
99 provide a full disclosure of an organization's impacts for a given topic. SRS 301 specifies how to report on
100 an organization's management approach and what information to include.

101 Reporting recommendations

102 1.2 The reporting organization should report:

103 1.2.1 the significant issues that are the focus of the organization's participation in
104 public policy development and lobbying; and

105 1.2.2 its stance on these issues, and any differences between its lobbying positions and
106 any stated policies, goals, or other public positions.

Commented [SD2]:

Type of change: Clarification

Guidance added to explain the new structure.

Commented [SD3]:

Type of change: Change in instructive verb

Original wording:

Describe the significant issues that are the focus of the organization's participation in public policy development and lobbying.

Provide the organization's core position for each of the identified issues, and **describe** any significant differences between lobbying positions and stated policies, sustainability goals, or other public positions.

Source: G4 IM p. 209

107 **2. Topic-specific disclosures**

108 **Political contributions**

109 **Guidance**

110 The purpose of this disclosure is to identify the reporting organization’s support for political causes.

111 This disclosure can provide an indication of the extent to which the organization’s political contributions
 112 are in line with its stated policies, goals, or other public positions.

113 Direct or indirect contributions to political causes can also present corruption risks, because they can be
 114 used to exert undue influence on the political process. Many countries have legislation that limits the
 115 amount an organization can spend on political parties and candidates for campaigning purposes. If an
 116 organization channels contributions indirectly through intermediaries, such as lobbyists or organizations
 117 linked to political causes, it can improperly circumvent such legislation.

118 **Reporting requirements**

119 2.1 The reporting organization shall report the following information for **Disclosure 615-1**:

Disclosure 615-1	
a.	Total monetary value of financial and in-kind political contributions made directly and indirectly by the reporting organization, with a breakdown by country and recipient/beneficiary.
b.	If applicable, how the monetary value of in-kind contributions was estimated.

120 2.2 The reporting organization shall **calculate** financial political contributions in compliance
 121 with national accounting rules, where these exist.

Commented [SD4]: Source: G4 IM p. 210

Commented [SD5]:
Type of change: Clarification – guidance added to clarify the purpose of this disclosure

Commented [SD6]: Source: G4 IM p. 210

Commented [SD7]:
Type of change: Change in instructive verb

Original wording:
Calculate financial political contributions in accordance with national accounting rules (where these exist).

Source: G4 IM p. 210

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122 References

Commented [SD8]: Source: G4 IM pp. 237-242

123 The following documents informed the development of this Standard and can improve
124 understanding of this Standard.

125 **Authoritative intergovernmental instruments:**

- 126 1. Organisation for Economic Co-operation and Development (OECD) Principles,
127 'G20/OECD Principles of Corporate Governance', 2015.
- 128 2. Organisation for Economic Co-operation and Development (OECD) Recommendation,
129 'Recommendation of the Council on Principles for Transparency and Integrity in
130 Lobbying', 2010.

Commented [SD9]: Type of change: Other – updated reference

Original wording:
Organisation for Economic Co-operation and Development (OECD) Principles, 'Principles of Corporate Governance', 2004.

Source: G4 IM p. 209

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131 Annex I. Summary of key changes for SRS 615: Public policy

132 This Annex summarizes the key changes found in *SRS 615: Public policy*. The following types of change might apply to this Standard:

- 133 • Change in location
- 134 • Clarification – changes or additions to text to improve clarity
- 135 • Employee/worker terminology revision
- 136 • Changes to instructive verbs – to clarify the intent of guidance text that comes from the G4 Implementation Manual
- 137 • Deleted text – the text is duplicated, unnecessary or obsolete
- 138 • Other

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

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

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

143 Legend

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

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

Changes in location, clarifications, employee/worker terminology, and other				
<i>SRS clause number</i>	<i>SRS section</i>	<i>Type of change</i>	<i>Description or rationale</i>	<i>Source of original G4 text</i>
N/A	Introduction G	Clarification	Clarifying topic descriptions.	G4 RPSD p. 64 G4 IM pp. 142, 209
Guidance I.1	Management approach disclosures	Clarification	Guidance added to explain the new structure.	N/A
N/A	Political contributions	Clarification	Guidance added to clarify the purpose of this disclosure.	N/A
N/A	References	Other – updated reference	Reference to the OECD 'Principles of Corporate Governance' has been updated.	G4 IM p. 209

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
<i>SRS clause number</i>	<i>SRS section</i>	<i>SRS wording</i>	<i>Original G4 text</i>	<i>Source of original G4 text</i>
I.2	Management approach disclosures	The reporting organization should also report: the significant issues that are the focus of the organization's participation in public policy development and lobbying its stance on these issues, and any differences between its lobbying positions and any stated policies, goals, or other public positions.	Describe the significant issues that are the focus of the organization's participation in public policy development and lobbying. Provide the organization's core position for each of the identified issues, and describe any significant differences between lobbying positions and stated policies, sustainability goals, or other public positions.	G4 IM p. 209

Changes to instructive verbs				
To clarify the intent of guidance text that comes from the G4 Implementation Manual				
<i>SRS clause number</i>	<i>SRS section</i>	<i>SRS wording</i>	<i>Original G4 text</i>	<i>Source of original G4 text</i>
2.2.1	Political contributions	The reporting organization shall: calculate financial political contributions in compliance with national accounting rules, where these exist.	Calculate financial political contributions in accordance with national accounting rules (where these exist).	G4 IM p. 210

Deleted text	
<i>Deleted text</i>	<i>Source of original G4 text</i>
[The following text from the G4 Implementation Manual has been deleted because it duplicates Disclosure 615-1-a] Identify in which countries and to which political parties, politicians or causes financial and in-kind political contributions have been made directly or indirectly by the organization.	G4 IM p. 210
[The following text from the G4 Implementation Manual has been deleted because it duplicates Disclosure 615-1-b] The value of in-kind political contributions is to be estimated.	G4 IM p. 210