Sustainability Reporting and GRI's G4 Guidelines

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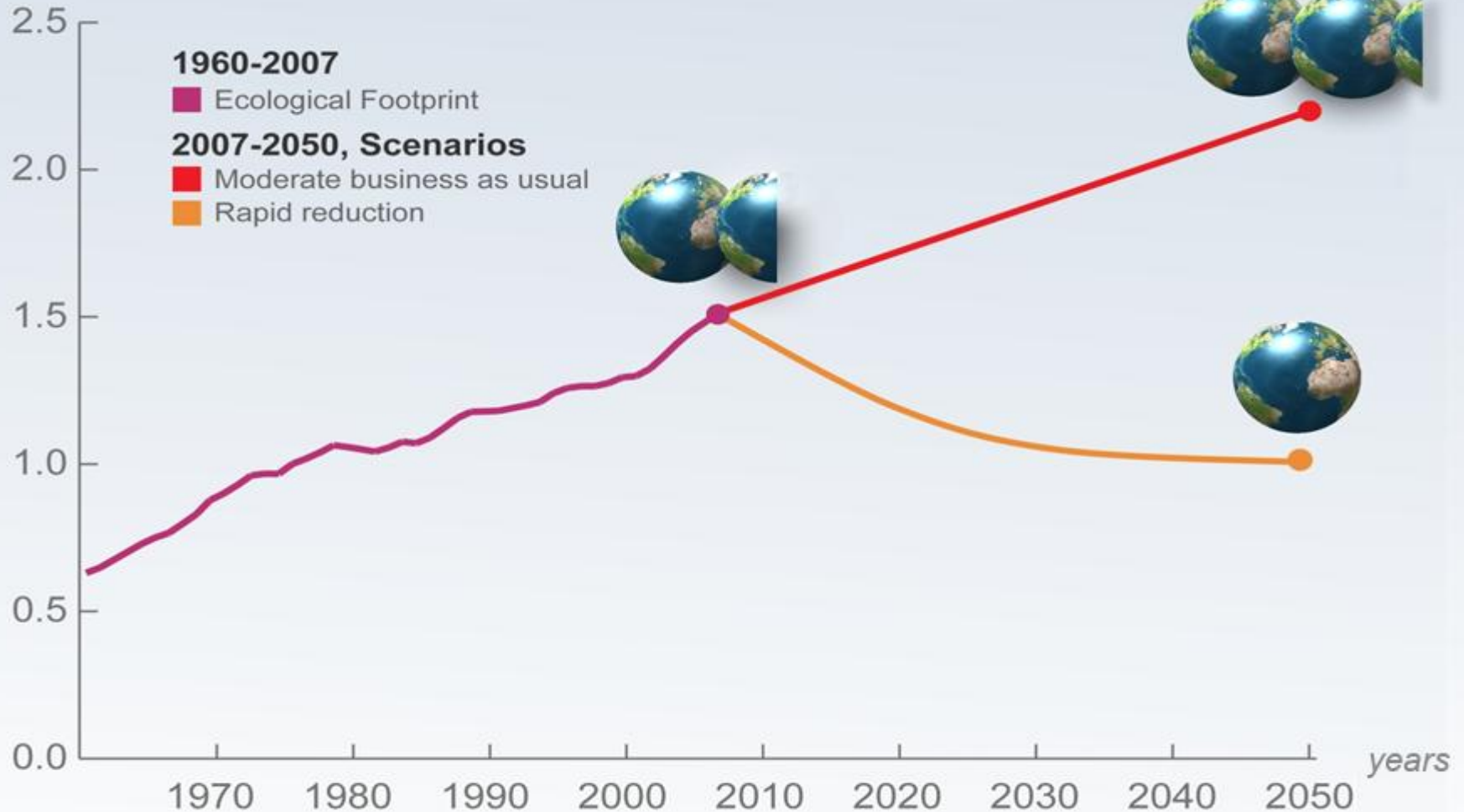Global Reporting Initiative™

Agenda

- Introduction

- G4: Focus on materiality

- G4: New and revised content

- Panel Discussion

- Q&A with audience

Our world today and tomorrow

Source: Global Footprint Network

The sustainability challenge

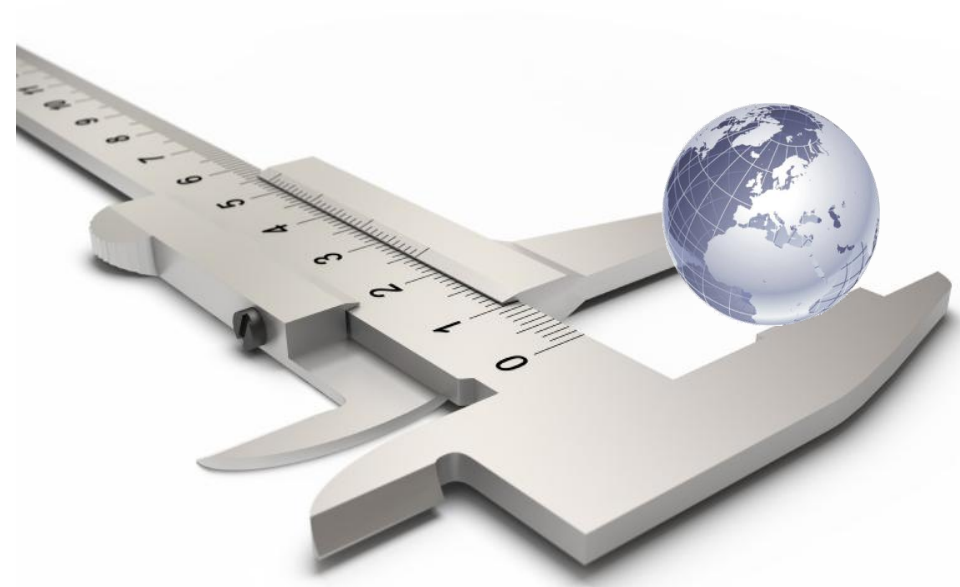

What should business do?

GRI's vision

A sustainable global economy where organizations manage their economic, environmental, social and governance performance and impacts responsibly, and report transparently
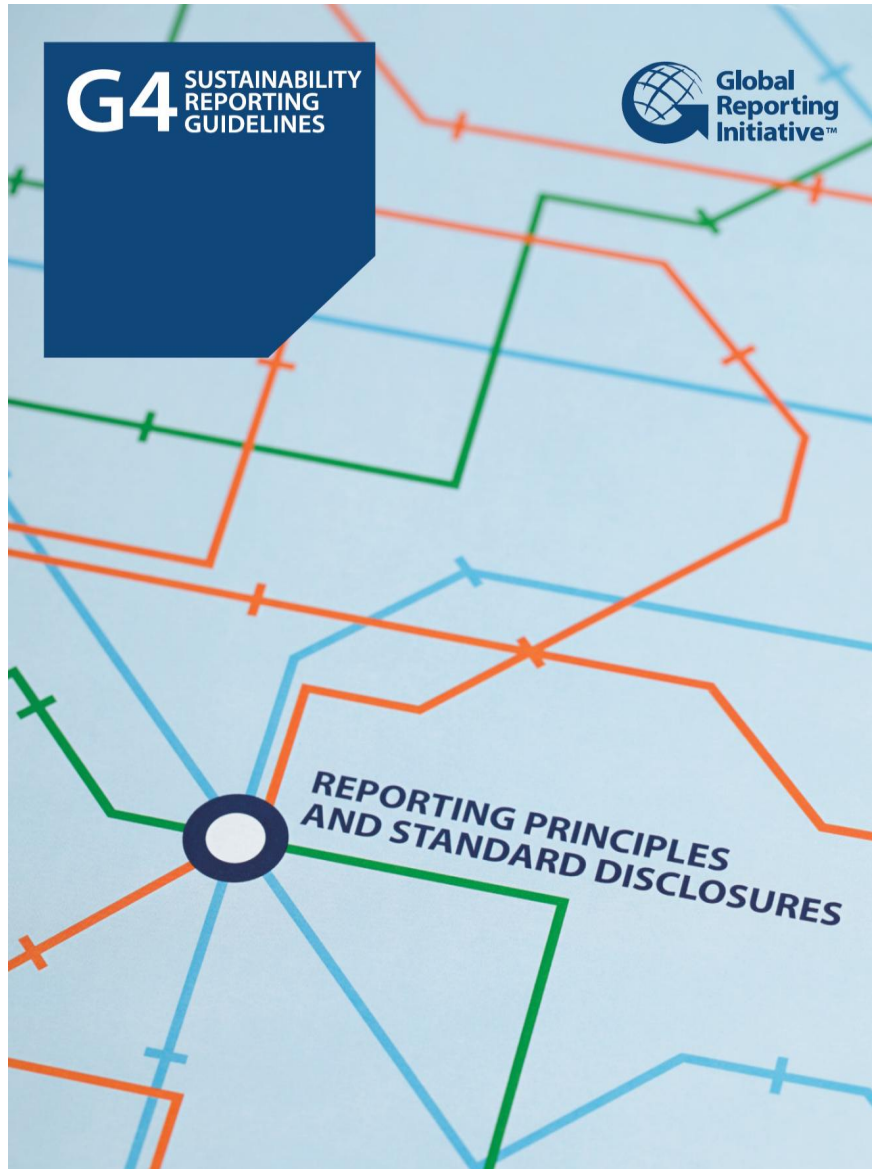
Sustainability Reporting

Managing change

"What you can't measure, you cannot manage.
What you can't manage, you cannot change."

G4 Guidelines

GRI's mission

To make sustainability reporting standard practice by providing guidance and support to organizations

GRI: A network organization

- Secretariat

- Focal Points & Ambassadors

- Governance bodies

- Organizational Stakeholders

- Governmental Advisory Group

- Training Partners & software providers

- Strategic Alliances

What is GRI about?

It is about measurements which enable organizations to change the way they manage their impacts

It is about promoting change

G4 is about 'focus' to promote significant change

In a nutshell: G4 Key Features

- Focus on **materiality**

- **Boundaries** can vary for material Aspects

- **Generic Disclosure Management Approach**

- **"In accordance"** – two options

- **New and revised disclosures** : Anti-corruption & Public Policy, Ethics & Integrity, GHG Emissions & Energy, Governance, Supply Chain

on G4 development

- Over **2,5 years** of activities

- **120 WG members selected** from hundreds candidates from all stakeholder groups (business, labor, investors, experts, civil society) , 11 in-person WG meetings and over 60 WG webinars

- Over **80 Workshops** with more than 2000 participants and **2 PCPs - with over 2500 participants**, generated over 3500 pages of written feedback, analyzed manually and digitally, and published

- 4 SC and BoD meetings, 5 TAC meetings and 15 TAC conferences calls

- **All steps of the Due Process checked and implemented**

- G4 approved by the BoD in April 2013 and …

Focus on what matters, where it matters

G4 is about

- The focus on **what matters, where it matters**

- Identifying **what is critical to be managed and changed**, even if the organization is **not ready** to measure/manage it

- Not about all possible sustainability related topics that the organization monitors. The **report is focused** on the material topics

Materiality

- Emphasis on what is material encourages organizations to **provide only information critical to their business and stakeholders**.

- Organizations and report users can **concentrate on sustainability impacts that matter**, resulting in reports that are more strategic, more focused, more credible, and easier to navigate.

- G4 provides guidance on how to **select material topics**, and **explain the boundaries** of where these occur

General Standard Disclosures

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17   G4-18   G4-19   G4-20   G4-21   G4-22   G4-23

List all the material Aspects identified in the process for defining reporting content

Defining Report Content and Boundaries: the Process

Topics ➔ Aspects ➔ Disclosures on Management Approach + Indicators

STEP 1 IDENTIFICATION — Sustainability Context

STEP 2 PRIORITIZATION — Materiality — takeholder Inclusiveness

STEP 3 VALIDATION — Completeness

REPORT

STEP 4 REVIEW — Sustainability Context — Stakeholder Inclusiveness
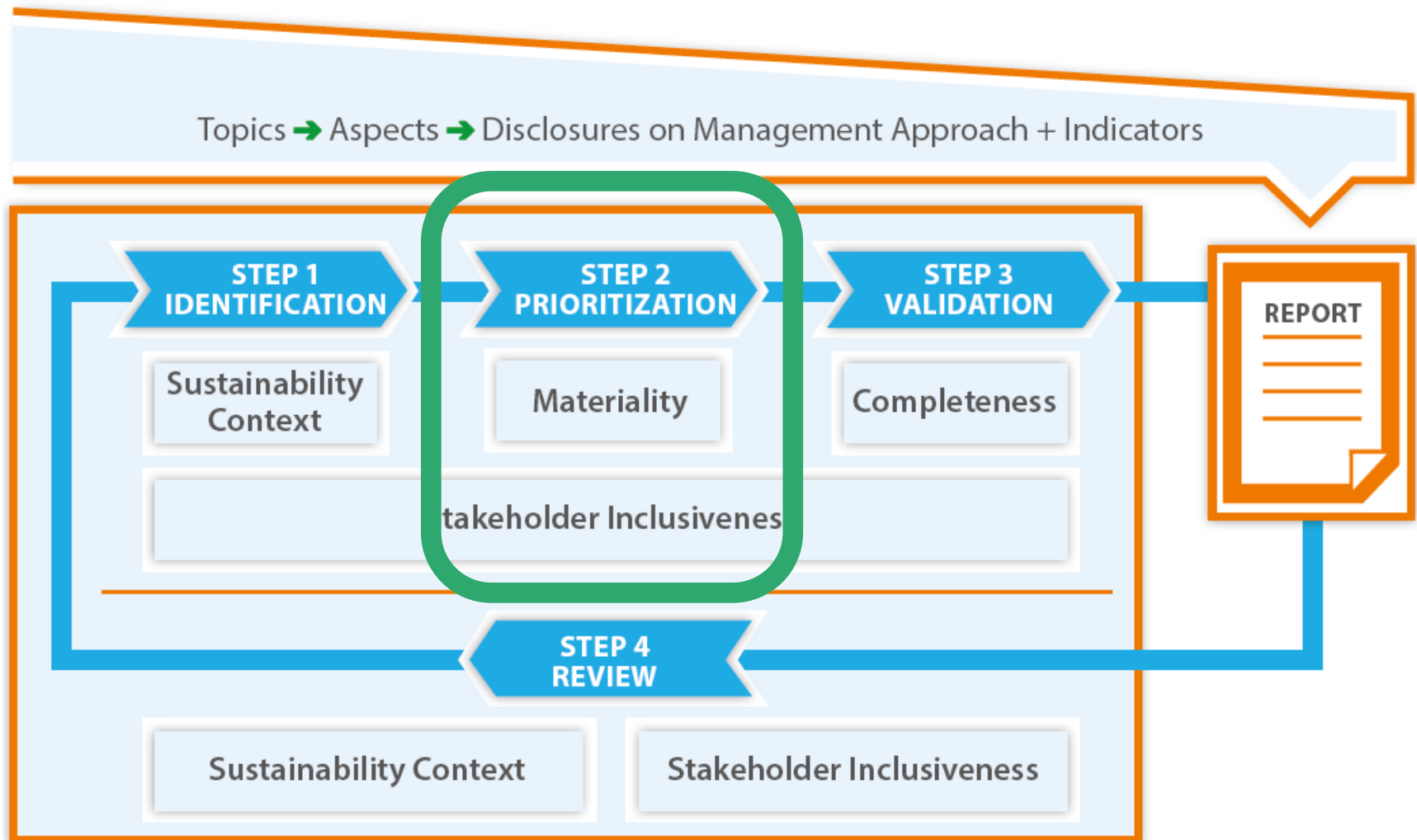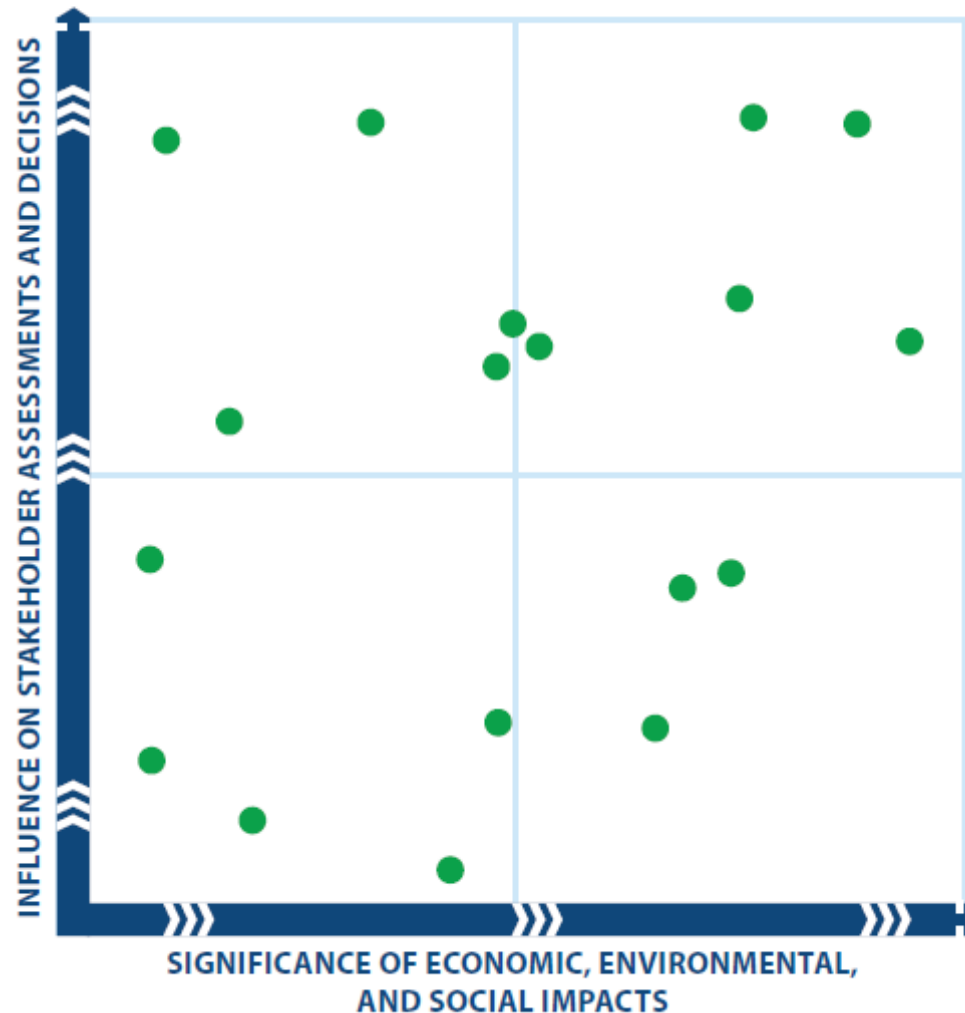
Materiality

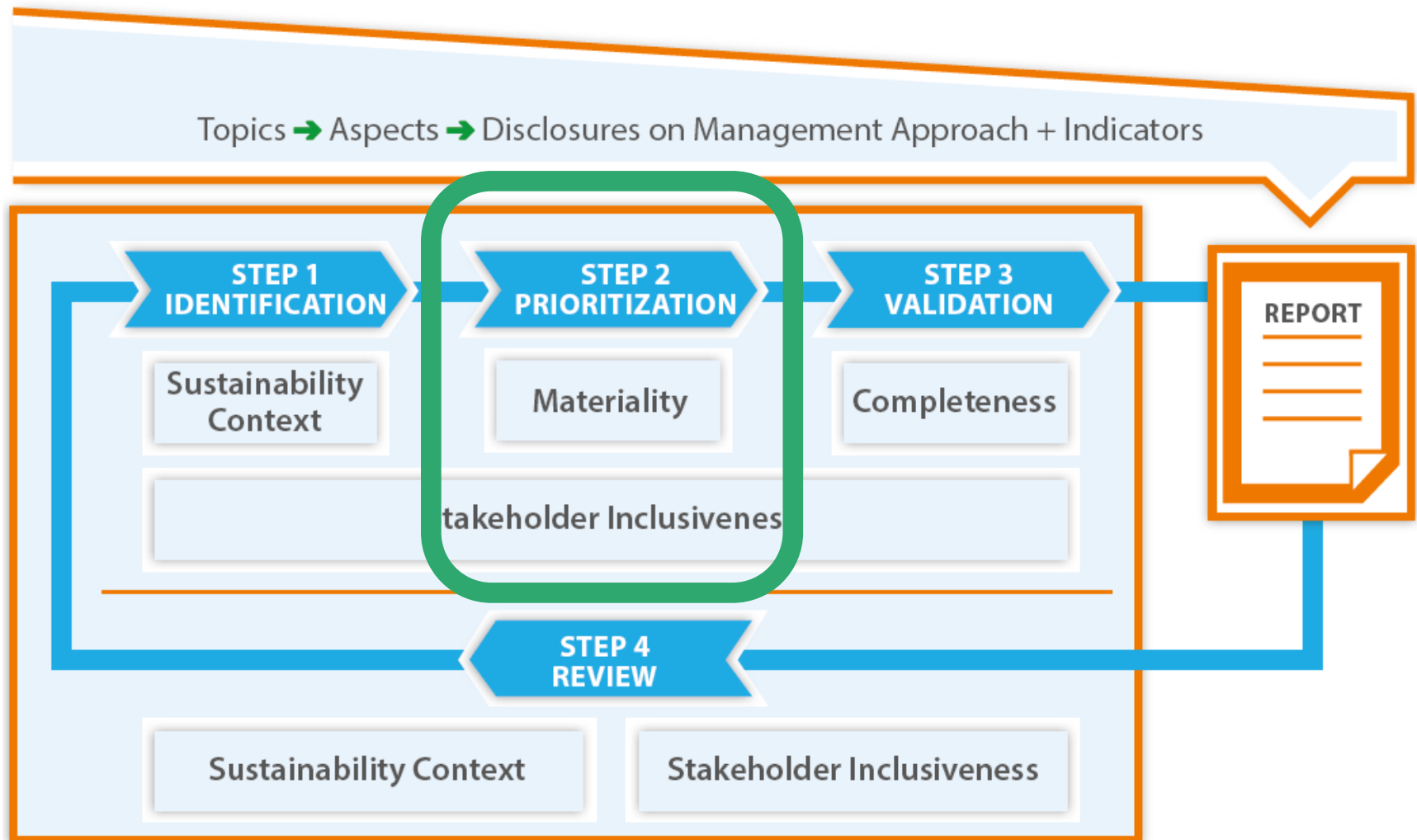**Materiality:** The report should cover Aspects that:

- Reflect the organization's significant economic, environmental and social impacts; or

- Substantively influence the assessments and decisions of stakeholders

Defining Report Content and Boundaries: the Process

Visual representation of prioritization of Aspects

Defining Report Content and Boundaries: the Process

Topics ➔ Aspects ➔ Disclosures on Management Approach + Indicators

STEP 1 IDENTIFICATION	STEP 2 PRIORITIZATION	STEP 3 VALIDATION	REPORT
Sustainability Context	Materiality	Completeness	
	Stakeholder Inclusiveness		

STEP 4 REVIEW

Sustainability Context   Stakeholder Inclusiveness

In Accordance – Two Options

Two options

- **Core**

- **Comprehensive**

Both have focus on process to define material Aspects and Boundaries

New and revised disclosures

New and revised disclosures

- Ethics & Integrity

- Governance

- Supply Chain

- GHG Emissions & Energy

- Anti-corruption and Public Policy

- Generic DMA

Alignment with other frameworks

- **OECD Guidelines** for Multinational Enterprises
- **United Nations Global Compact** 'Ten Principles'
- UN Guiding Principles on **Business and Human Rights**

Sector Disclosures

- **Current 10 Sector** Supplements content is reorganized based on G4

- Reporters to consider this content when defining **what is material**

- If material, sector disclosures are to be reported

- 10 "Sector Disclosures" tables will be published **on GRI website**

G4 and Integrated Reporting

*'**G4 is designed to** provide guidance on how to best **present sustainability disclosures** in different report formats.....*

..... be they alone sustainability reports, integrated reports, annual reports or other disclosure formats'

Transition from G3/G3.1 to G4

- Reports published after **31 December 2015** should be prepared in accordance with the G4 Guidelines

- GRI recommends that **first time reporting** organizations use the **G4** Guidelines

- Tools to help! www.globalreporting.org

G4

The map for your sustainability journey

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To provide feedback, please email
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Panel Discussion

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Nikki Mckean-Wood

Stephen Bullock, Head of Sustainability Reporting, AngloAmerican Platinum

Milagros Zamudio, Head of Corporate Image and Reporting**,** Electro Peru

Remco Neumann, Head of Reporting, Port of Rotterdam

Carlota Garcia-Manas, Head of Research**,** EIRIS

In Accordance – Two Options

TABLE 3: REQUIRED GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	**'In accordance' – Core** (This information should be disclosed in all cases)	**'In accordance' – Comprehensive** (This information should be disclosed in all cases)
Strategy and Analysis	G4-1	G4-1, G4-2
Organizational Profile	G4-3 to G4-16	G4-3 to G4-16
Identified Material Aspects and Boundaries	G4-17 to G4-23	G4-17 to G4-23
Stakeholder Engagement	G4-24 to G4-27	G4-24 to G4-27
Report Profile	G4-28 to G4-33	G4-28 to G4-33
Governance	G4-34	G4-34 G4-35 to G4-55(*)
Ethics and Integrity	G4-56	G4-56 G4-57 to G4-58(*)
General Standard Disclosures for Sectors	*Required, if available for the organization's sector(*)*	*Required, if available for the organization's sector(*)*

In Accordance – Two Options

TABLE 4: REQUIRED SPECIFIC STANDARD DISCLOSURES (DMA AND INDICATORS)		
Specific Standard Disclosures	'In accordance' – Core	'In accordance' – Comprehensive
Generic Disclosures on Management Approach	For material Aspects only(*)	For material Aspects only(*)
Indicators	At least one Indicator related to each identified material Aspect(*)	All Indicators related to each identified material Aspect(*)
Specific Standard Disclosures for Sectors	Required, if available for the organization's sector and if material(*)	Required, if available for the organization's sector and if material(*)

GRI Content Index – e.g. Comprehensive

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page	Omissions In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission (as defined on p. 13).	External Assurance Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
STRATEGY AND ANALYSIS			
G4-1		Not applicable	
G4-2		Not applicable	
ORGANIZATIONAL PROFILE			
G4-3		Not applicable	
G4-4		Not applicable	
G4-5		Not applicable	
G4-6		Not applicable	
G4-7		Not applicable	
G4-8		Not applicable	
G4-9		Not applicable	
G4-10		Not applicable	