Global Reporting Initiative (GRI) standards

Reporting on sustainability issues that matter most

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Making the most of global reporting initiative (GRI) Standards

As investors and stakeholders demand increased disclosure of sustainability risks and opportunities, frameworks for non-financial reporting have proliferated. Non-financial information may be disclosed in a variety of formats, including standalone sustainability reports or complementing traditional financial information in corporate annual reports.

The Global Reporting Initiative (GRI) is an independent, international organization dedicated to helping businesses and governments report effectively and publicly disclose the impact of their activities on key environmental, social, and governance (ESG) sustainability topics. This is accomplished through GRI’s newest iteration of guidelines, simply called the Sustainability Reporting Standards, launched in late 2016. These Standards are an evolution of the GRI G4 Sustainability Reporting Guidelines, which were released in 2013, and have since been widely adopted.

GRI adopted this modular set of Standards to allow for easier updates to specific topics without requiring the entire guidance set to be republished. This is intended to keep the Standards more relevant over time as GRI announces sections that are undergoing updates. Renaming the GRI “Reporting Guidelines” as “Standards” is also intended to lend further legitimacy and rigor to reporting activities.

A STANDARD FOR SUSTAINABILITY REPORTING

The GRI Standards begin with three Universal Standards to disclose general information about an organization and its approaches to sustainability management. Further topic-specific standards outline approaches to disclosing qualitative and quantitative information deemed material to each reporting organization.

Universal Standards

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<th>Foundation</th>
<th>General Disclosures</th>
<th>Management Approach</th>
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<tr>
<td>GRI 101: Foundation</td>
<td>GRI 102: General Disclosures</td>
<td>GRI 103: Management Approach</td>
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<tr>
<td>The starting point for using the GRI Standards</td>
<td>Used to report contextual information about the organization</td>
<td>Used to disclose how the organization manages impacts related to each of its material topics</td>
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Topic-specific standards

**200 Series Economic**
- GRI 201: Economic Performance
- GRI 202: Market Presence
- GRI 203: Indirect Economic Impacts
- GRI 204: Procurement Practices
- GRI 205: Anti-corruption 2016
- GRI 206: Anti-competitive Behavior

**300 Series Environmental**
- GRI 301: Materials
- GRI 302: Energy
- GRI 303: Water
- GRI 304: Biodiversity
- GRI 305: Emissions
- GRI 306: Effluents and Waste
- GRI 307: Environmental Compliance
- GRI 308: Supplier Environmental Assessment

**400 Series Social**
- GRI 401: Employment
- GRI 402: Labor/Management Relations
- GRI 403: Occupational Health and Safety
- GRI 404: Training and Education
- GRI 405: Diversity and Equal Opportunity
- GRI 406: Non-discrimination
- GRI 408: Child Labor
- GRI 409: Forced or Compulsory Labor
- GRI 410: Security Practices
- GRI 411: Rights of Indigenous Peoples
- GRI 412: Human Rights Assessment
- GRI 413: Local Communities
- GRI 414: Supplier Social Assessment
- GRI 415: Public Policy
- GRI 416: Customer Health and Safety
- GRI 417: Marketing and Labeling
- GRI 418: Customer Privacy
- GRI 419: Socioeconomic Compliance
How do the GRI Standards compare to the GRI G4 Guidelines?

Concepts and disclosures from the previous G4 Sustainability Reporting Guidelines have mostly carried over to the new Standards, been merged or revised for greater clarity.

Key updates include:

— Aligning language with that used by ISO Standards, giving organizations clearer distinctions between reporting requirements ("shall"), recommendations ("should"), and guidance.

— Revising many disclosure ‘requirements’ to ‘recommendations,’ providing organizations with flexibility to report available and material information.

— Changing the term ‘indicators’ to ‘disclosures,’ referring to both qualitative and quantitative disclosures.

— Defining key concepts in the Standards more clearly, making them more accessible for organizations looking to adopt GRI for the first time.

— Requiring more detail on describing the management approach to material topics, including information on policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms and specific actions that the organization uses.


Strategies for reporting using the GRI Standards

For current reporters

— Compare the GRI G4 Guidelines to the GRI Standards based on your organization’s reporting approach and material indicators. GRI advises that transitioning from G4 to the Standards should require minimal additional effort for those organizations that have used G4 in the past. Generally, the ease of switching will depend on how the organization has used G4. Some disclosures are unchanged or have become less stringent, while others require additional information.

— Use tools provided by GRI. The complete set of Standards can be downloaded at: [https://www.globalreporting.org/standards/gri-standards-download-center](https://www.globalreporting.org/standards/gri-standards-download-center). GRI has developed a simple mapping tool that provides a complete overview of changes between G4 and the Standards; this tool can be downloaded at: [https://www.globalreporting.org/standards/resource-download-center/mapping-document-complete-excel](https://www.globalreporting.org/standards/resource-download-center/mapping-document-complete-excel).

— Prepare to switch by July 1, 2018. GRI reports published on or after this date must report using the Standards. Reporters are encouraged to adopt the Standards before this deadline.

For new reporters

— Begin by using disclosures from the GRI Standards without developing a full, ‘in accordance’ report. GRI has designed these disclosures to structure relevant information both for organizations preparing a complete report, as well as those that need to include some sustainability information in a concise report or as part of an existing corporate communication.

— After becoming comfortable reporting select GRI disclosures, consider whether and when to prepare a full ‘in accordance’ report. A common strategy for new reporters is to disclose selected material indicators initially. These may be indicators for which information is already collected or that are significant to key stakeholders.

— When ready to begin preparing an ‘in accordance’ report, undertake a materiality assessment. Formalized in G4 and carried over to the GRI Standards, a materiality assessment is a process to identify what matters most for each reporting organization to disclose. This is done by understanding the industry context, formally engaging key stakeholders and ensuring complete and balanced reporting.

— Align reporting with organizational needs and goals. The Standards are designed to help organizations disclose material sustainability topics. Some organizations, such as small enterprises, may find that including some GRI disclosures is sufficient for their reporting needs and never develop a full ‘in accordance’ report. Others may find that an ‘in accordance’ report is a helpful resource to prepare and publish a disclosure that meets the non-financial information needs of their investors and stakeholders.

What’s next?

Following the October 2016 launch of the GRI Standards, GRI undertook a world tour to unveil the Standards in various regions. In December 2016, GRI announced the focus of updates to the Standards that will take place in 2017. These include reviews and discussions on Standards GRI 303: Water, GRI 403: Occupational Health and Safety, GRI 201: Economic Performance, GRI 306: Effluents and Waste, as well as human rights-related Standards.
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