Global Reporting Initiative™

2012/13 Sustainability Report

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Acknowledgements

The Global Reporting Initiative (GRI) receives core funding from several governments and corporations, and through its Organizational Stakeholder Program. In 2012/13, GRI received financial support from the State Secretariat for Economic Affairs Switzerland, the Swedish International Development Cooperation Agency, and the Norwegian Ministry of Foreign Affairs. GRI thanks its supporters for helping the transition to a sustainable global economy.

GRI would like to thank former and current members of the board: Denise Esdon, Malini Mehra, Herman Mulder and Peter Wong for their valuable contributions in the preparation of this report.

Design and layout
www.scribbledesign.nl

Image credits
iStockphoto: pages 1, 3, 6, 17, 20, 25, 33 and 39

01/ To GRI's Stakeholders G4-1

The right focus

Assessing the sustainability performance of a company in the mining or automotive sector would invariably require focusing on the specific parts of the business where the most significant impacts occur. But what of an organization such as the Global Reporting Initiative (GRI)? An organization whose vision is a more sustainable global economy, and whose most significant impact is on other organizations' own sustainability performance? In this, GRI's ninth Sustainability Report, we hope to answer that question, and give you a focused insight into what we do and how effective we are at doing it.

1 July 2012 to 30 June 2013, the reporting period that the GRI Sustainability Report 2012/13 covers, saw yet more examples and incidents that illustrate some of the effects of living in an unsustainable way; a planet living beyond its means. From floods inundating much of Europe and Asia to fires raging across the USA and Australia, extreme weather events have become ever more common. And the more common they become, the more we understand that climate change affects large multinationals every bit as much as SMEs. Similarly, the tragic loss of 1,000 lives in the Rana Plaza factory collapse in Dhaka, Bangladesh, in April 2013 was not an isolated incident; it was both a symptom and warning of what happens when businesses fail to understand how critical their supply chains decisions are, and fail to value their most important resource of all: their workforce.

From an organizational perspective, this report spans 12 of the most important months in GRI's 17-year history. The launch of the fourth generation of its Sustainability Reporting Guidelines at GRI's Global Conference in May 2013 was the culmination of a two-year process in which over 2,000 people participated. The fourth global conference was a great success, with over 1,500 participants from 69 countries, including numerous high-profile speakers from business, stock exchanges, civil society and government.

The rising interest in sustainability reporting is evidenced not only by this noteworthy interest in GRI's launch of its G4 Guidelines but also borne out by authoritative research. Thousands of companies, including over 90 percent of the largest 250 companies in the world and over 70 percent of the largest 100 companies in 41 countries, now disclose sustainability information – something unimaginable two decades ago. We are proud that the vast majority of these companies choose to use GRI's Sustainability Reporting Guidelines, and that is why our Guidelines are widely regarded as the *de facto* global standard.

Evaluating our mission

In different ways, the G4 Guidelines and GRI's Global Conference both demonstrate how our stakeholders' collective understanding of sustainability issues is continuing to evolve, and how GRI must continue to evolve in order to fulfill its mission. The new Indicators, changes to reporting boundaries and the increased emphasis on materiality in G4, all reflect this new and evolved understanding of how we should view and examine sustainability. Similarly, the fact that GRI's Global Conference attracted such a wide array of people advocating the introduction of policy for sustainability reporting underlines just how far it has progressed; from fringe to a mainstream policy issue. Yet, while sustainability reporting is fast becoming mainstream, uptake of reporting remains a key challenge both for the marketplace and for GRI, and more has to be done. The content of this report reflects this, both directly in the case of public policy (which is helping to increase the number of organizations that report) and indirectly in the case of staff training at GRI (which enhances GRI's ability to meet its objectives).

G4 is about material information; about focusing on what matters most. That's why this report doesn't seek to list every single detail of our work. It explains the process of how we identified what was most significant and then examines GRI's performance. While we can be proud of the progress we've made, we always strive to do more and no organization is perfect. Identifying where improvements are required, and the means to do so, is every bit as important as celebrating success. As is the case for many organizations, people make GRI what it is. Improving how GRI engages with the thousands of expert stakeholders from around the world who voluntarily contribute to GRI's work through the Board, Stakeholder Council, Technical Advisory Committee and the many working groups, consultations, and events continues to be a priority. While air travel is often an inevitable necessity in maintaining these relations, GRI is, amongst other things, committed to reducing its carbon footprint through investing in better remote conferencing equipment. GRI's staff has further grown in numbers and is operating in more locations, which is also driving management to invest more in internal communication and coordination. GRI is built on intellectual capacity and is therefore also dependent on well-educated and trained employees. The hiring and retention of staff, with the opportunity to further develop professionally, has to be a key focus of GRI.

Looking to the future

Since this reporting period ended in June 2013, many positive developments have taken place in the world of sustainability reporting. The number of companies and other organizations across the world that report, from cities to state-owned enterprises, has continued to rise. In addition, more and more governments, stock exchanges and other policy makers have also introduced legislation, requirements and other initiatives in order to promote the disclosure of sustainability information.

In little under a decade, the sustainability reporting landscape in which GRI operates has been transformed from an empty to a crowded space. The advent of new organizations with overlapping and shared goals is a very positive development. As the most widely-used sustainability reporting framework in the world, the onus is on GRI to continue to lead and work with other organizations wherever possible. For example, GRI was a founder of the International Integrated Reporting Council (IIRC) and sees great potential in its new Integrated Reporting Framework. With high-quality sustainability information at their core, the integrated reports of tomorrow will help new and existing audiences to discern the relevance of sustainability performance to an organization's capacity to generate and to preserve value.

GRI's funding and governance arrangements have been appropriate, trusted and largely effective for its development to date. However, moving from *de facto* global standard to be accepted formally as a global standard setter – recognized and referenced by governments and other policy makers alike – means that GRI needs to strengthen these arrangements to be able to assure everyone that it is working only in the public interest and in an objective and transparent fashion. In the coming months, we will undertake a public consultation on how the GRI of tomorrow will meet the diverse demands of our multiple stakeholders, and continue to drive uptake and quality of sustainability reporting in the public interest. We hope as many people as possible that read this report will take the opportunity to get involved.

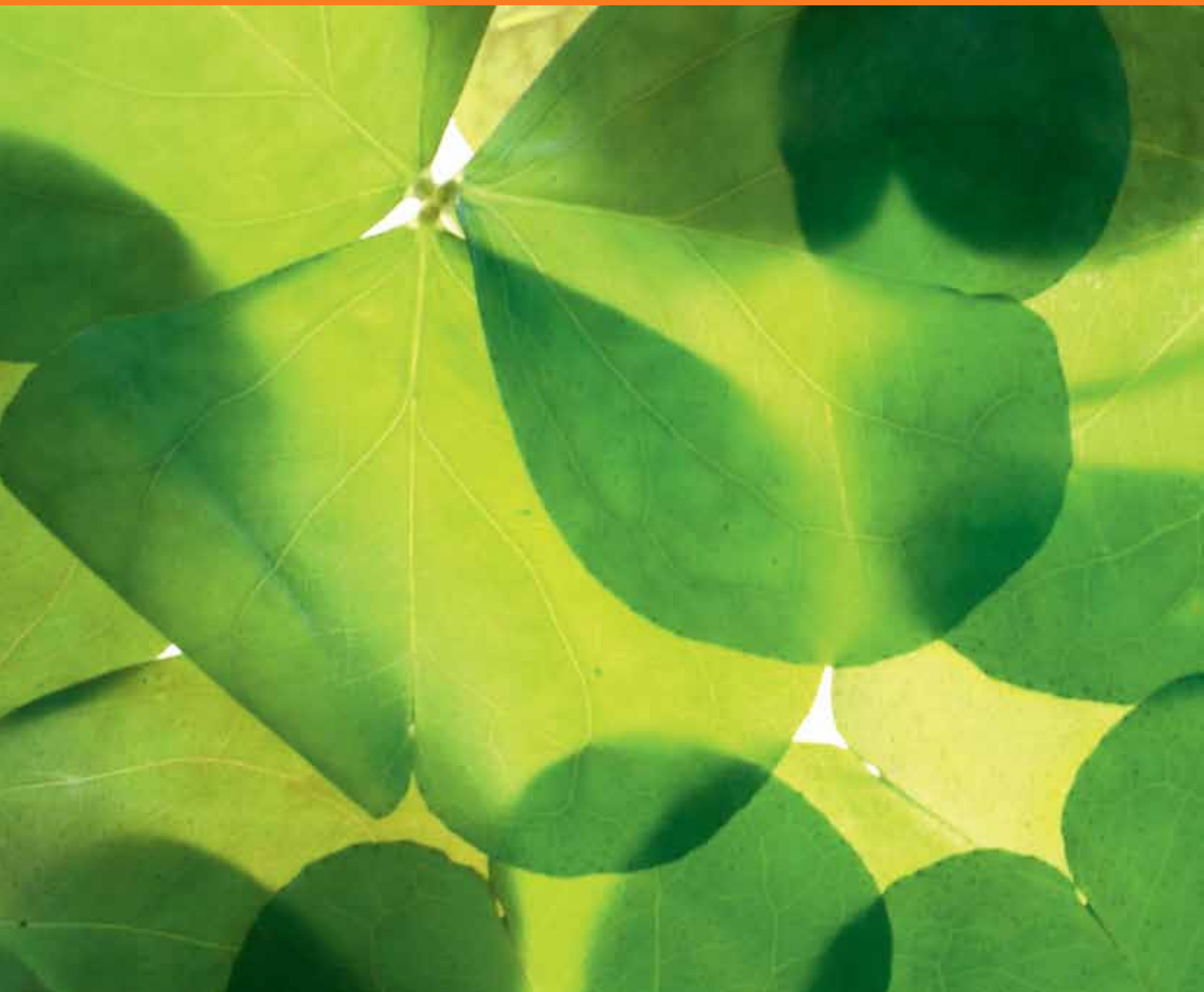
On behalf of everyone at GRI, we would like to express our gratitude to all those individuals and organizations whose input was vital in order to help define the content of this report. We hope reading it gives you not only a greater understanding of GRI's work, but inspires you to help create a more sustainable and better tomorrow through increased transparency and greater uptake of sustainability reporting. Your feedback remains important and will be given due consideration as we continue our reporting cycle.

Christianna Wood
Chairman, Board of Directors

Ernst Ligteringen
Chief Executive

May 2014

02/ About This Report



- This annual Sustainability Report (Report) covers the period 1 July 2012 – 30 June 2013. GRI's most recent previous report, the Annual Report 2011/12, was dated 5 November 2012, and covered the period from 1 July 2011 – 30 June 2012. The Annual Report was a combined report that addressed financial and sustainability performance, and organizational activities. This year, GRI published the GRI Annual Activity Review 2012/13 separately. This Sustainability Report should be read in combination with the Activity Review. G4-28, 29, 30
- This report covers all the entities in GRI's consolidated financial statements, including GRI's head office in The Netherlands and, for the first time, the Focal Point offices in Australia, Brazil, China, India and South Africa. It also accounts for GRI's Focal Point office in the USA, even though GRI's consolidated financial statements do not include the USA office as, legally, it is an independent public charity. G4-17
- This report has been prepared 'In accordance' with GRI's G4 Guidelines' Core option. GRI compiled stakeholders' expectations for this report through a stakeholder engagement exercise. For future reports, GRI will make an assessment based on stakeholders' expectations to decide if GRI will continue using the Core 'in accordance' criteria or report based on Comprehensive 'in accordance' criteria. The Content Index on page 42–43 indicates where G4 disclosures are addressed. G4-32
- To define the content for this report, GRI followed the four-step process of Identification, Prioritization, Validation and Review outlined in the G4 Guidelines. Because of its emphasis on materiality and the Aspect Boundaries, this report is more concise and focused than GRI's previous sustainability reports. More information on the materiality process employed can be found on pages 21–22.
- A significant change in the report boundary since the last report is the addition of the South African Focal Point. Also, in line with the new guidance on boundary setting in G4, boundaries are specific to each Aspect. G4-13, 23
- Unless otherwise noted, data does not cover contractors or temporary employees.
- None of the data included in GRI's most recent previous report has been restated in this report. G4-22
- Financial data is expressed in euros and environmental data in metric units.
- GRI's Sustainability Management and Reporting Team (SMART), representing various departments, has developed this report.
- The accuracy of this report is extremely important to GRI. Senior management and relevant staff have reviewed all the information herein and believe it is an accurate representation of GRI's performance. External assurance of this report was not conducted. GRI will consider having its next sustainability report externally assured. G4-33
- In addition to the GRI Content Index, which includes the complete overview of all disclosures, superscript figures throughout the report indicate the corresponding disclosures.
- GRI also produces activity and financial reports that include further information.

03/ Executive Summary

- GRI is an international not-for profit-organization based in Amsterdam. Its mission is to make sustainability reporting standard practice by providing guidance and support to organizations.
- In May 2013, GRI launched its Sustainability Reporting Guidelines - G4. In line with G4, this report focuses on the topics that matter most regarding GRI's sustainability impacts and performance.
- In determining content for this report, GRI engaged stakeholders to help identify material topics. This resulted in a list of 15 prioritized topics (see TABLE 10).
- In total, seven material Aspects – divided into **Mission-Critical** and **Operational Aspects** – were assessed.

- **Mission-Critical Aspects**

1 **Affected Stakeholder Engagement**
The 2013 GRI Global Conference on Sustainability and Reporting was a unique opportunity for GRI to engage with its stakeholders and create a platform for them to interact.

GRI's Technical Advisory Committee (TAC) evaluates compliance in Guidelines development with GRI's formal due process. Before approving the G4 Guidelines, the Board was advised by the TAC that they had evaluated stakeholder engagement in G4's development positively.

2 **Public Policy, and Public Awareness and Advocacy**
In the reporting year, one of the ways that GRI achieved its advocacy and outreach was through sustainability reporting awareness-raising.

The 2013 GRI Global Conference confirmed an ever-growing willingness of the participants to engage on the topic of sustainability reporting. From a total of around 1,600 participants, 135 were government representatives and public policy makers.

GRI met or exceeded its annual targets on four key performance indicators related to public policy and advocacy (see TABLE 15).

3 **Coordination**
GRI has received positive feedback on its provision of linkage documents and alignment efforts.

In 2013, GRI released the G4 Guidelines for reporting performance against different codes and norms for sustainability. G4 Guidelines are harmonized with other main global frameworks, including the OECD Guidelines for Multinational Enterprises, the UN Global Compact Principles, and the UN Guiding Principles on Business and Human Rights.

4 Feedback, Complaints and Action

GRI conducted a one-year trial to collect and register all complaints received throughout the organization. This trial period ran from October 2012 until September 2013, so this reporting period partly falls within the trial period. During this one year trial period, GRI received a total of 12 complaints, of which two were related to the online session registration and the ability to download and use the conference App during the conference, and one was related to participation in the G4 Pioneers Program.

During the reporting year, GRI set up a system to collect feedback on its global conferences. Furthermore, GRI created a detailed internal evaluation document to capture the knowledge and lessons learned from the 2013 Global Conference.

- **Operational Aspects**

1 Diversity and Equal Opportunity

The gender balance in GRI's workforce has remained constant over the past three years. GRI's workforce is significantly younger and more female than in most organizations.

2 Training and Education

Average hours of training have increased significantly for the entire workforce and in every employee category. GRI's employee training target for the next reporting year is an average of eight hours per employee.

Training sessions in the reporting year focused on the G4 content, website Content Management System, customer relationship management, and presentation training for online/electronic working, as well as courses for professional skills.

A formal evaluation process for GRI's management approach to training and education is currently not in place. An informal evaluation will be developed within the next year.

3 Emissions

GRI started using energy from renewable sources for the Secretariat office in January 2012, provided by a supplier called Main Energy. During this reporting period, GRI has used solely renewable energy.

For the 2013/14 reporting year, GRI aims to reduce its GHG emissions considerably by implementing an in-house videoconference system at the Secretariat's office, which will reduce the necessity for air travel.

GRI does not currently have a formal mechanism in place to evaluate the effectiveness of the management approach to GHG emissions. However, measurement of GRI's performance against its GHG reduction goals is one way to evaluate effectiveness.

GRI reduced Scope 3 emissions related to air travel by 226 tonnes of carbon dioxide equivalent (CO_2e), or 42 percent, in comparison to the previous reporting year. All emissions were offset.

GRI did not achieve its target of reducing office-related GHG emissions by 25 percent. Due to the Secretariat office move in December 2013, GRI will re-assess the systems used to collect GHG emissions information for the new office.

The GHG emissions generated as a result of the 2013 Global Conference were fully offset by GRI, through an organization called Climate Care.

04/ About GRI[G4-9]

The Global Reporting Initiative (GRI) is a leader in the sustainability reporting field. GRI's mission is to make sustainability reporting standard practice by providing guidance and support to organizations. Its Sustainability Reporting Framework (Framework) is a reporting system that provides metrics and methods for measuring and reporting sustainability-related impacts and performance. Sustainability reporting can play a vital role in building and maintaining a sustainable global economy.

GRI is an international, not-for-profit organization headquartered in Amsterdam, The Netherlands, and its full legal name is 'Stichting Global Reporting Initiative'. *Stichting* is the Dutch term for a foundation. GRI has been registered as a *stichting* under Dutch law since 2002. G4-3, 5, 7

The small team that established GRI in the USA in 1997 has grown into a fully-fledged networked organization, with a worldwide reach, representing many different constituencies. This dynamic network has enabled GRI to establish a set of guidelines which is relevant to all types of organizations in all contexts. It is central to GRI's way of operating.

Coordination of GRI's activities lies with the Secretariat. GRI also has representatives (known as GRI Focal Points) based in Australia, Brazil, China, India, South Africa and the USA to help coordinate GRI's network and activities in these regions. In addition, there are GRI-Certified Training Partners on all continents. GRI engages thousands of stakeholders all over the world through workshops, programs, conferences, working group meetings, and the GRI governance structure. G4-6, 9

Providing Essential Products and Services G4-4

GRI offers some products as free public goods, and some for a fee (see TABLE 01).

GRI's Sustainability Reporting Framework consists of the Sustainability Reporting Guidelines and Sector Guidance. The Framework is a free public good and has been developed using the GRI's prescribed due process. Organizations of all sizes, sectors and locations use the Framework to report their economic, environmental, social, and governance performance and impacts.

GRI's reporting guidance and other publications are developed and published initially in English. To increase global accessibility, a variety of GRI publications are available in different languages (a total of 25 languages are represented).

GRI Fast Facts

- 87 employees worldwide
- Major product is *Sustainability Reporting Framework*
- Headquarters in Amsterdam
- Approximately €8 million in revenues

01 GRI's Products and Services

Free Public Goods and Services
The G3, G3.1 and G4 Sustainability Reporting Guidelines
Guidance Publications
Linkage Documents
Research Publications
Sector Supplements (G3/G3.1)/ Sector Disclosures (G4)
Sustainability Disclosure Database
The GRI Taxonomy (G3, G3.1 and G4 XBRL)
Products and Services for a Fee
Application Level Check (G3/G3.1)/ Materiality Matters Check (G4)
Business Transparency Program
Certified Software and Tools Program
Certified Training Programs
Featured Reports
The Global Conference on Sustainability and Reporting
Learning Publications
Local Outreach Programs
Organizational Stakeholder Program

As well as producing the Framework, GRI offers support to organizations to help build their sustainability reporting capacity. This support includes training, research and guidance publications, network coordination, and services that are designed to make reporting simpler and more effective. G4-9

Analysis of GRI's Sustainability Disclosure Database indicates that organizations from more than 90 countries and territories have used the GRI Reporting Framework. The greatest number of reporters using the GRI Guidelines are from the Financial Services sector, followed by organizations from the Energy, and Food and Beverage Products sectors. Organizations from almost 40 different sectors use the GRI Reporting Framework. G4-8

Foundations for a Purpose-Driven Organization

A clear and compelling vision, mission and principles are the foundations for a purpose-driven organization. The building blocks for a sustainable organization include robust governance, solid business ethics, a rigorous management approach, public consultation and meaningful stakeholder engagement (see GRAPH 02).

GRI's Vision

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

GRI's Mission

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

Ethics, Values and Principles G4-56

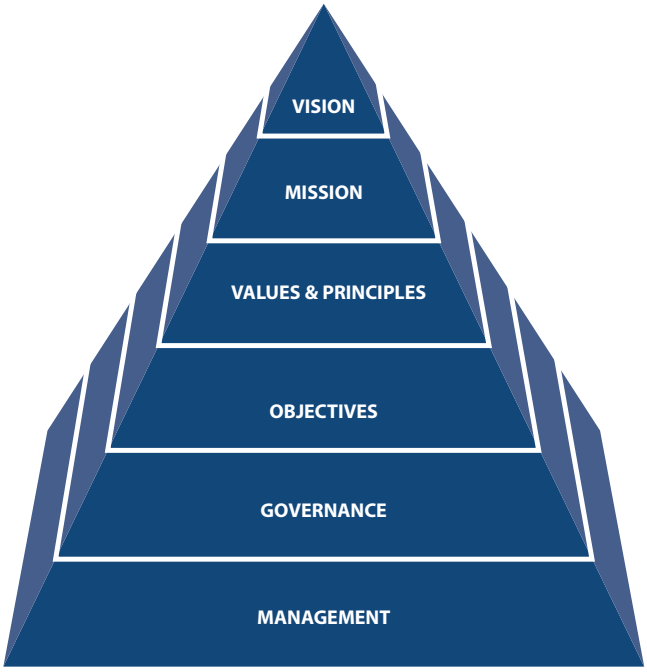
GRI is committed to maintaining the highest standards of honesty and integrity in its activities. As an organization whose main product is sustainability reporting guidelines, GRI truly believes in transparency and providing balanced, open information. The GRI Code of Conduct directs all employees, directors and independent contractors that conduct activities on behalf of GRI, in the practice of ethical business behavior. Among other issues, the Code addresses: conflict of interest, fair dealings, gifts, legal compliance, safety, and confidentiality. Directors and employees must be familiar with these standards and agree to comply with the Code. GRI encourages all employees to report any misconduct through a confidential and anonymous mechanism, without the threat or fear of dismissal, harassment or other retaliation.

Universal values guide the behavior of GRI staff:

- Respect
- Engagement
- Forward looking
- Accountability

In addition, GRI is committed to the below principles (see TABLE 03).

02 Foundations for a Purpose-Driven Organization



03 GRI's Principles

Adapting and Responding to Change
Adapt to changing circumstances
Accept new ideas and change initiatives
Adapt interpersonal style to suit different people, cultures or situations
Show an interest in new experiences
Delivering Results and Meeting Expectations
Focus on customer needs and satisfaction
Set high standards for quality and quantity
Monitor and maintain quality and productivity
Work in a systematic, methodical and orderly way
Consistently achieve goals

GRI applies a precautionary principle through its own environmental programs and focus on employee safety. A Risk Inventory & Evaluation (RIE) assessment of GRI's office and work circumstances is reviewed annually and amended when needed. Among other aspects, the RIE covers health and safety for staff while working in the GRI office. Three staff members are trained on First Aid support and their skills are kept up to date through mandatory annual training. G4-14

Tackling Strategic Objectives

GRI sets and strives to achieve long-term strategic objectives in pursuit of the organization's mission. The following is a summary of GRI actions on its objectives.

Objective 1: Mainstream ESG/sustainability reporting

GRI encourages sustainability reporting as a mainstream practice so that the reporting organizations measure and manage their sustainability performance and inform their stakeholders and other users of information which ultimately changes the way they operate to become more sustainable. GRI contributes in achieving this through training and outreach, participation in public policy, harmonization with other sustainability initiatives, and efforts to achieve objectives 2, 3 and 4 below.

Objective 2: Enhance and expand the technical features of the GRI Framework

The development of new content in the G4 Guidelines was a major element of this objective. In the reporting period, GRI undertook updates to the Sector Supplements to bring them in line with the G4 Guidelines. By the time of the publication of this report, updates had been made to all 10 Sector Supplements. These are now called Sector Disclosures.

Objective 3: Offer a platform and supporting materials for 'Report or Explain'

GRI created the Report or Explain Campaign Forum as a convening space for anyone who wants to drive sustainability disclosure as a mainstream management and accountability tool. The Forum gathers and shares vital information about how governments and other organizations are pursuing the goal of a widespread 'Report or Explain' culture.

Objective 4: Contribute to the development of integrated reporting

GRI is an active member of the International Integrated Reporting Council (IIRC). This is in response to an increasing awareness of the value of integrating financial and sustainability results, and strategies in corporate reporting. GRI investigated how over 750 GRI reporters have dealt with the concept of integration in The sustainability content of integrated reports – a survey of pioneers, published in May 2013.

Objective 5: Institutional and Operational Objectives

These objectives can be found in TABLE 04.

Ernst Ligteringen
Chief Executive, GRI

"By presenting the link between a company's financial management and its social and environmental capital, integrated reporting provides a key opportunity to articulate the value of integrated thinking, demonstrating to investors and other stakeholders how business interests are enhanced by embracing a sustainable future."

04 Institutional and Operational Objectives

Goals 2012/13	Progress	Goal 2013/14
Launch the G4 Guidelines in May 2013.	Achieved	Not Applicable
Develop and implement a research project on the indirect impacts of GRI and its Framework.	For GRI's Certified Training Program, GRI researched 'The effects of Sustainability Reporting on Sustainable Development, Impacts of GRI reporting in South Africa, Impact Analysis'.	Continue researching indirect impacts of GRI and its Framework.
Continue to strive for balanced gender representation in the governance bodies.	Female representation on the Board (43 percent), Technical Advisory Committee (33 percent), and Stakeholder Council (54 percent) are at their highest levels for the past three years.	Continue to strive for balanced gender representation in the governance bodies.
Secure diverse funding for GRI.	For the reporting period, GRI generated 47 percent of its income from contributions (approximately 80 percent from the business sector and 20 percent from governments). The remaining 53 percent was generated by providing services, and through the Global Conference on Sustainability and Reporting.	Continue to balance funding, with approximately one-third coming from Organizational Stakeholders and services (mainly the business community), one-third from governments and foundations, and one-third for program-based work from a diversity of sources, including business and foundations.
Analyze the need for a formalized policy and procedure on feedback and complaints.	GRI conducted a one-year pilot for complaints collection that covered the majority of the reporting period.	Evaluate the pilot project data and decide on the need for a formalized policy and procedure.
Register and offset the travel-related greenhouse gas emissions of all participants at the 2013 Global Conference on Sustainability and Reporting.	Achieved	Not Applicable
Reduce office-related greenhouse gas emissions by 25 percent.	Not achieved. Electricity consumption decreased by 6.5 percent but gas consumption increased by 13 percent.	Due to the Secretariat office move in 2013, GRI will assess the systems to collect office-related greenhouse gas emissions information for the new office.

Ensuring Prudent Financial Management

Global network-based organizations that offer public goods are typically resource-constrained. The main business challenge for GRI is to effectively implement its mission, while ensuring financial stability and adequate reserves to safeguard its long-term existence. This requirement is reflected in GRI's financial management objectives: at a minimum, a balanced annual budget; optimum use of funds; and prudent expense management. GRI monitors its financial position closely, and strives to achieve an optimal balance between various program goals and the need to further strengthen the organization's financial position.

Delivering Balanced and Effective Governance G4-34

Three multi-stakeholder governance bodies formally coordinate and oversee GRI's work and the Secretariat, including the Focal Points (see GRAPH 05). Each of the governance bodies has a balanced representation from stakeholder groups and geographic regions.

Board of Directors

GRI's Board of Directors (the Board) has the ultimate fiduciary, financial and legal responsibility for GRI, including final decision-making authority on GRI Guidelines revisions, organizational strategy, and work plans. The Board is assisted by the Audit, Finance and Remuneration Committee in exercising its fiduciary duties regarding the financial resources of the organization and the GRI Nominating Committee with the coordination of the annual nomination processes for the Board, Technical Advisory Committee and Stakeholder Council.

Technical Advisory Committee

The Technical Advisory Committee (TAC) consists of up to 15 international experts in the fields of the environment, human rights, labor, economics and finance, reporting and accountancy. Its key function is to maintain the overall quality and coherence of the GRI Framework by providing high-level technical advice and expertise. The TAC also ensures that technical documents are created following a specified process. It submits a yes/no recommendation to the Board to approve drafts of GRI's documents that have undergone due process.

Stakeholder Council

The Stakeholder Council (SC) is GRI's formal stakeholder policy forum that discusses key strategic and policy issues. With a maximum of 60 members, the SC meets at least once a year.

The SC's key governance functions include approving nominations for the Board, and making strategic recommendations to the Board, such as future policy or business planning activities. They are also the 'eyes and ears' of the GRI network in their diverse locations and constituencies.

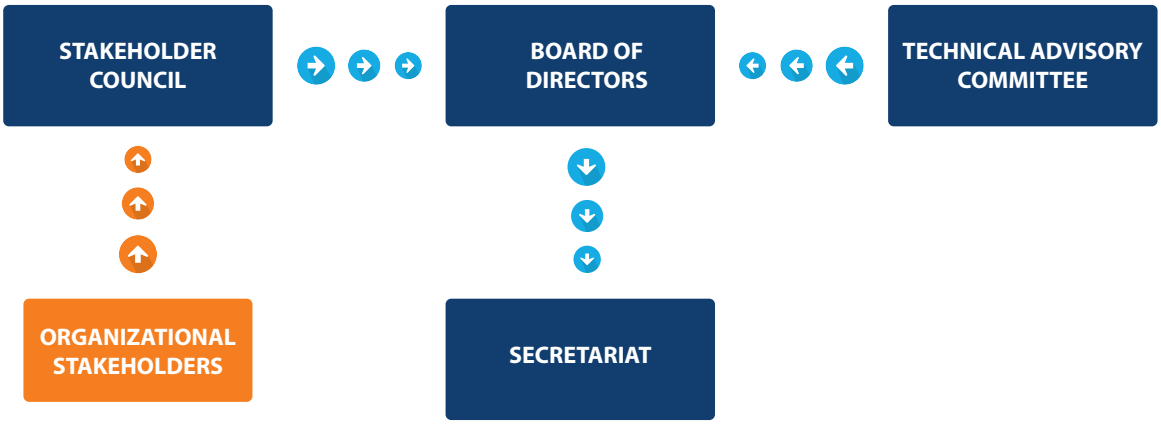
Organizational Stakeholders (OS) are at the heart of GRI's network activity. As GRI's core supporters, OS publicly support GRI's mission, contribute their expertise, elect 60 percent of the Stakeholder Council, and invest in GRI through annual financial contributions. GRI has OS from more than 60 countries around the world. G4-8

Secretariat

The Secretariat executes the work plan set out by the Board on the advice of the SC and TAC. A Chief Executive leads the Secretariat, and serves as a non-voting member of the Board.

The Sustainability Management and Reporting Team (SMART) within the Secretariat is primarily focused on GRI's own sustainability. This team sets the tone for GRI's sustainability management, monitors best practices, develops the organization's policies and standards, reports on performance, and supports GRI's operations in adhering to these policies and standards.

05 GRI's Multi-Stakeholder Governance Bodies



Understanding GRI's Supply Chain

Beyond the relatively straightforward supply chain related to office operations (e.g., energy, water, paper), GRI has a predominantly service-based supply chain focused on projects. GRI makes use of suppliers as resource support, as well as external consultants and working group members for intellectual support. Resource support refers to the support required in the form of human resources, and intellectual support refers to the support needed from specialists for their expertise for specific project-related activities. In the reporting year, most of the resource support was needed for the Global Conference 2013, and intellectual support was mainly needed for the development of G4 Guidelines. The resource needs for the 2013 Global Conference were related to venue, accommodation, event agency partner, printed materials and the event marketplace. GRI considered the sustainability performance of key suppliers from planning to execution. G4-12

Greening the Global Conference

GRI selected a conference venue and partner that helped GRI mitigate the environmental impacts of the 2013 Global Conference on Sustainability and Reporting. The Amsterdam RAI, where the conference was held, is the first convention center in Europe to be certified under both the Green Globe Benchmark and the Green Key programs. Key performance areas of the RAI include:

- Effective waste management, including recycling in public and private areas
- Renewable energy use
- Energy and water efficiency practices and investments in new technology
- Location close to accommodation
- Less paper usage

All hotels recommended to conference attendees were evaluated and benchmarked for their sustainability performance. In addition, GRI selected catering that offered fresh, local, organic, seasonal and/or sustainable menus. More information about the sustainability related practices and procurement during the conference is available online.

05/ About G4

In May 2013, GRI launched the fourth generation of the most widely used comprehensive sustainability reporting framework in the world, its Sustainability Reporting Guidelines - G4 (see GRAPH 06). The launch marked the culmination of two years' extensive stakeholder consultation and dialogue with a diverse constituency of hundreds of experts across the world (see TABLE 07). GRI's aim through G4 is twofold: to help reporters prepare sustainability reports that matter; and to make robust and purposeful sustainability reporting standard practice.

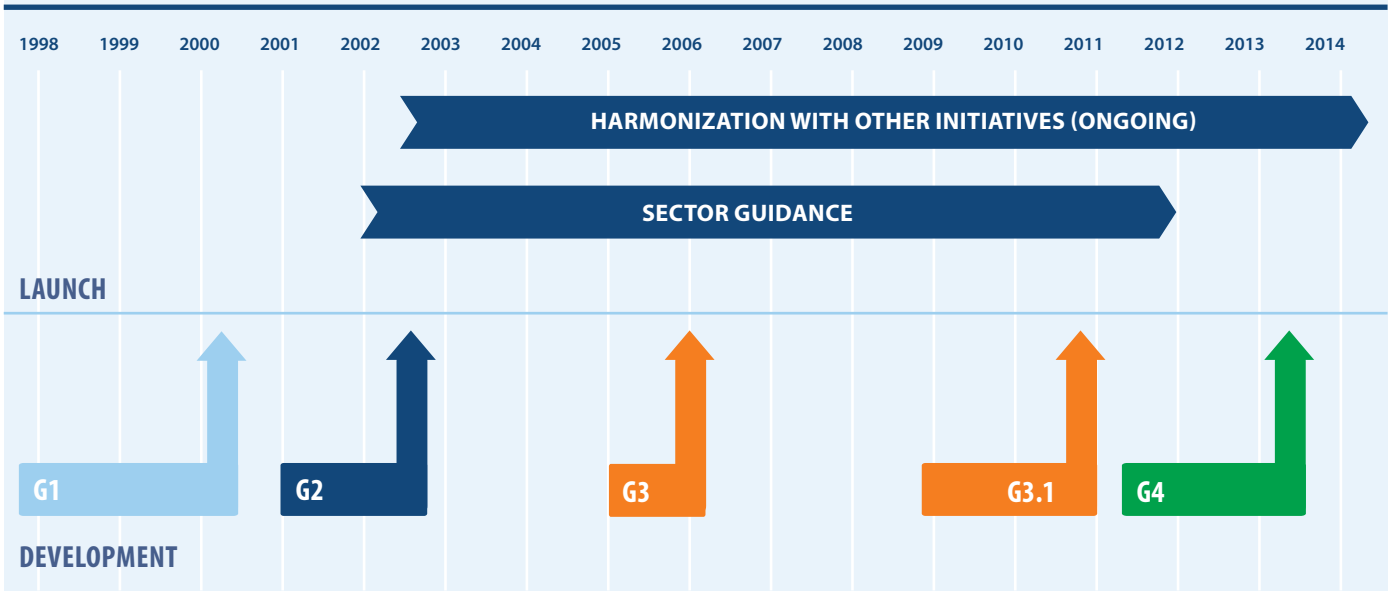
G4 places the concept of materiality at the heart of sustainability reporting. This means encouraging organizations to report only on issues that are material to their organization, on the basis of a dialogue with their stakeholders. This in turn will result in sustainability reports that are more strategic, more focused, more credible, and easier for stakeholders to navigate. Such reports will center on the issues critical for achieving the organization's main goals, and managing its economic, environmental and social impacts. An organization might monitor many sustainability indicators, but it should report only on the material ones.

Dividing G4 Guidelines into two documents – *Reporting Principles and Standard Disclosures*, and the *Implementation Manual* – makes the Guidelines easier to use, both for experienced reporters and for those new to sustainability reporting.

Key features of G4 include:

- Flexibility for preparers to determine the report focus.
- Detailed guidance on how to select material aspects, and to identify the boundaries of where material impacts occur.
- A generic method for Disclosures on Management Approach (DMA). The DMA provides narrative information on how the organization identifies, analyzes and responds to its sustainability impacts.
- Two 'in accordance' reporting options – Core and Comprehensive. The options do not relate to the report quality or to the performance of the organization; they reflect compliance of the report with the Guidelines.
- New disclosures on governance, ethics and integrity, supply chain, anti-corruption, energy and greenhouse gas emissions. Many disclosures were revised for greater clarity and applicability.
- Harmonization with other global frameworks, the most important of which are the OECD Guidelines for Multinational

06 Evolution of the GRI Guidelines



Enterprises, the United Nations Global Compact Ten Principles, and the UN Guiding Principles on Business and Human Rights.

- Designed as a consolidated framework for reporting performance against local and regional reporting requirements and frameworks.

Extensive online assistance, summaries, resources, downloads and other information about G4 is available.

The Guidelines were initially published in English, with translations planned for 5 languages by the end of 2013. By the end of April 2014, there were 10 translations.

The development process for G4 was inclusive, collaborative and based on multi-stakeholder consensus. As a result, the G4 Framework has been built on understanding among its stakeholders about the essentials in disclosure, and can be used by organizations all over the world.

07 G4 Development Process in Numbers

Working Groups
7 working groups
119 experts
11 in-person meetings
> 300 hours of face-to-face interaction
> 60 webinars
31 countries represented
Public Comment Periods *
2 Public Comment Periods
70 workshops with > 2,000 attendees
First Public Comment Period involved around 2,300 participants
Second Public Comment Period generated around 800 submissions

* The second Public Comment Period occurred during the 2012/13 reporting period. Out of the totals listed above, it involved 51 workshops, 1,764 attendees, and 798 submissions.

Nelmara Arbex
Chief Advisor on Innovation in Reporting, GRI

"GRI uses a multi-stakeholder approach to developing guidance because sustainability issues by their nature connect finance with environmental and social matters. Since the GRI Guidelines are developed with a direct involvement of many stakeholders who also use them, the framework is offered by GRI as a free public good. Realism is one major benefit of a Public Comment Period. GRI doesn't just produce guidance because it's 'right': it has to be realistic and useable."

06/ What Matters Most

Identifying Material Topics G4-18

In line with G4, this report focuses on the topics that matter most regarding GRI's sustainability impacts and performance. By concentrating on the most relevant topics in this report, readers are able to quickly go through the report to understand the sustainability issues that matter most to GRI and its stakeholders.

Stakeholder inclusiveness is at the heart of all the GRI activities. Accordingly, in determining content for this report, GRI engaged stakeholders to help identify material topics (see TABLE 08).

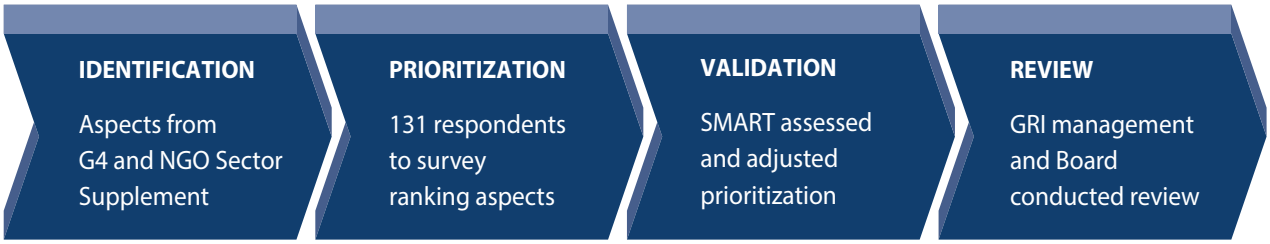
GRI reconnected with its stakeholders in 2013 to update the list of its most relevant sustainability topics. In consulting the stakeholders, GRI used the list of stakeholder groups from a similar process undertaken in 2011 as a point of departure. The list was reviewed by GRI to make sure that all relevant stakeholder groups were included. See TABLE 09 for the final list of stakeholder groups contacted for this process.

GRI reached out to more than 450 stakeholders, directing potential respondents to an online survey, which was also announced in a GRI Newsletter and promoted through social media. The survey included the list of all topics that related to the Aspects from the G4 Guidelines plus the Sector Specific Aspects from the NGO Sector Disclosures, totalling 51 Aspects. Respondents were asked to rank their 10 most important Aspects. The total score for each Aspect was calculated by multiplying the number of responses with the average score. Stakeholders also had the opportunity to suggest a topic not covered in the survey and to provide related comments. There were 131 responses to the survey.

09 Stakeholders Engaged

Internal
Board of Directors
Focal Point staff
Secretariat staff
Stakeholder Council
Technical Advisory Committee
External
Certified Software and Tools providers
Certified Training partners
Data Partners
Donors
Governmental Advisory Group members
Organizational Stakeholders
Reporting organizations
Suppliers
Working Group members

08 Process for Identifying Material Topics



Leeora Black
Managing Director, Australian Centre for Corporate Social Responsibility

"…those organizations that realize the full value of sustainability reporting see beyond the report itself and use the materiality and sustainability reporting processes to review their own business strategies and maintain their stakeholder relationships."

TABLE 10 includes all the prioritized topics from the stakeholder survey. The order of topics in the table is based on the number of groups who identified the topic. The blue check symbol indicates the listed stakeholder groups that raised the topic. G4-26

GRI reviewed the survey results and the highly ranked Aspects based on the significance of their economic, environmental and social impacts, as well as their influence on broad stakeholder assessment and decisions. GRI used the list of prioritized topics to consult with two groups of internal stakeholders (GRI's Executive Management Team and four members from the Board, responsible for providing feedback on GRI's sustainability reporting process) to validate the final topics for inclusion in the sustainability report. To ensure a focused sustainability report, two topics raised in the Prioritization stage were reassessed and a decision was made at the Validation stage to not address these topics in this report: *GRI's corruption risks* and the *Direct economic impacts of GRI's activities*. Even though GRI sees these topics as important social and economic issues, GRI finds the rest of the listed topics to have more significant sustainability impacts when it comes to its own activities.

Focusing on Material Aspects G4-19

The material aspects were divided into two groups: Mission-Critical and Operational Effectiveness. GRI's work aims to enhance society's wellbeing, but it also should be undertaken in a sustainable manner.

Mission-Critical Aspects are important to GRI's mission, and comprise the central part of this report:

1. Affected Stakeholder Engagement (found in NGO Sector Disclosures - NGOSD)
2. Public Policy (G4 Society - SO) and Public Awareness and Advocacy (NGOSD)
3. Coordination (NGOSD)
4. Feedback, Complaints and Action (NGOSD)

Operational Effectiveness Aspects relate to GRI's own operations:

1. Emissions (G4 Environmental - EN)
2. Diversity and Equal Opportunity (G4 Labor Practices and Decent Work - LA)
3. Training and Education (G4 LA)

It is important to note that the Aspects identified as material are not the only topics upon which GRI focuses its efforts. The material Aspects receive the greatest focus, but GRI also measures and manages numerous other topics that are important for a not-for-profit organization. Also, it should be clear that this list is not a statement of societal relevance. For example, child labor and safety are highly important to society; however, their relevance to GRI are low because the sector is not prone to problems in these topic areas. This list is specifically relevant to GRI and its stakeholders in relation to GRI's work.

10 Topics Identified by Stakeholders G4-27

Topic	Raised By								Where Addressed
	Governance Body Members	Secretariat and Focal Points staff	Organizational Stakeholders	Reporting organizations	Data partners	Certified Training Partners	Working Group members	Other stakeholders	
GRI's coordination with other organizations in similar or related fields of work	✓	✓	✓	✓	✓	✓	✓	✓	This report
Participation of stakeholders in GRI's activities	✓	✓	✓	✓	✓	✓	✓	✓	This report
GRI's engagement in influencing government/public policy formulation	✓	✓	✓	✓	✓	✓	✓	✓	This report
The sources and value of GRI's funding	✓	✓	✓	✓	✓	✓	✓	✓	Annual Activity Review
GRI's process for handling feedback and complaints	✓	✓	✓	✓	✓	✓	✓	✓	This report
GRI's processes to assess participation in public awareness and advocacy campaigns	✓		✓	✓	✓	✓	✓	✓	This report
Monitoring the quality and effectiveness of GRI's programs and policies	✓	✓	✓	✓	✓	✓		✓	This report
GRI's fundraising and marketing policies, and procedures	✓	✓	✓	✓	✓	✓		✓	Annual Activity Review
The diversity of GRI's employees and members of governance bodies	✓	✓	✓	✓		✓			This report
GRI's spending	✓	✓				✓			Annual Activity Review
GRI's activities towards employee training and education	✓							✓	This report
GRI's travel-related environmental impacts				✓				✓	This report
GRI's corruption risks and measures to prevent them				✓			✓		Not addressed
Direct economic impacts of GRI's activities					✓				Not addressed
GRI's approach to integrating gender and diversity in its processes					✓				This report

Looking Outside GRI at Impacts

The material Aspects were assessed to determine whether the impacts occur within or outside of GRI. Due to their relationship with GRI, other organizations or entities outside of GRI cause impacts related to certain Aspects (see TABLE 11).

In this report, GRI combines two Aspects for reporting purposes: Public Policy; and Public Awareness and Advocacy. Due to the nature of GRI's activities, reporting on these two Aspects together gives the most comprehensive picture of GRI's advocacy campaigns and influence on public policy.

11 Material Aspects and their Boundaries G4-20, 21

Aspect	Where Impacts Occur Within GRI	Where Impacts Occur Outside GRI
Affected Stakeholder Engagement	• Governance bodies • Secretariat and Focal Points	• GRI Certified Software and Tools partners • GRI Certified Training Partners • GRI strategic partner organizations • Industry associations and other membership organizations that have certain GRI-related requirements for their members/participants • Partners for specific activities (with whom GRI holds a Memorandum of Understanding - MoU) • Regulators
Feedback, Complaints and Action	• Governance bodies • Secretariat and Focal Points	
Coordination	• Governance bodies • Secretariat and Focal Points	• GRI data partners • GRI strategic partner organizations • Partners for specific activities (with whom GRI holds an MoU) • Program-specific donors • Regulators
Public Policy/ Public Awareness and Advocacy	• Secretariat and Focal Points	• Civil society organizations and associations • GRI strategic partner organizations • Industry associations and other membership organizations that have certain GRI-related requirements for their members/participants • Partners for specific activities (with whom GRI holds an MoU) • Regulators
Emissions	• Governance bodies • Secretariat and Focal Points	• GRI Certified Training Partners and participants that travel to the training courses • Participants that travel to conferences and events organized by GRI
Training and Education	• Governance bodies • Secretariat and Focal Points	
Diversity and Equal Opportunity	• Governance bodies • Secretariat and Focal Points	

07/ GRI's Mission-Critical Aspects

Mission-Critical Aspects are a core element of being accountable for GRI because they present how the GRI Guidelines affect its users. Stakeholders should expect that GRI operates effectively and efficiently, consistent with its mission, and offers value for money and time invested by donors and stakeholders. GRI holds itself accountable to its stakeholders for its actions. Effective program management enables GRI to generate value. This section demonstrates how GRI's programs align with its mission.

The ability to influence

'GRI's greatest potential for making the world more sustainable is primarily via external programs and its ability to influence improved sustainability of other organizations'

The following are GRI's four Mission-Critical Aspects that are highly relevant to the organization and its stakeholders.

1. **Affected Stakeholder Engagement** – GRI's success is largely attributable to its dedication to stakeholder engagement. This topic is particularly relevant for this reporting period as GRI involved stakeholders on multiple levels in the development of G4.
2. **Public Policy, and Public Awareness and Advocacy** – GRI engages with governments, regulators and policy makers worldwide to increase the effectiveness of policies and regulations on sustainability reporting.
3. **Coordination** – GRI collaborates with organizations with similar or complementary objectives to capitalize on synergies, avoid overlap and harmonize efforts.
4. **Feedback, Complaints and Action** – Feedback and complaints influence GRI's actions to improve its operations and products.

12 Stakeholders Engaged › G4-24

Internal
Board of Directors
Stakeholder Council
Technical Advisory Committee
Secretariat staff members
Focal Points staff members
External
Academia
Accountancy associations
Assurance providers for non-financial reports
Civil society organizations/associations
Consultants, service providers/reporting professionals
Data Partners
Donors/Sponsors (including prospective donors)
Governments, policy makers and regulators
Governmental agency representatives
GRI Guideline users/reporters
GRI Working Groups
Investors
Key information user/reader communities (including NGOs)
Labor unions
Market regulators and operators
Organizational Stakeholders
Other normative standard setters/framework providers
Partners for specific activities (with whom GRI holds an MoU), including prospective partners
Rating agencies
Suppliers of goods or services to the Secretariat
Trade and industrial associations
Training organizations in the CSR field

In many cases, GRI's activities and performance on the Aspects listed above are primarily described qualitatively in the following pages. Where available, quantitative measures have been included.

GRI considers its major sustainability impacts are indirect rather than direct. GRI's greatest potential for making the world more sustainable is primarily via external programs and its ability to influence improved sustainability of other organizations, rather than through its own relatively modest operations. Having said that, GRI strives for sustainable daily operations by also monitoring and managing its operational effectiveness (see pages 34–38) as well as other minor topics that are not included in the report, such as printing and waste management.

1 Affected Stakeholder Engagement

Engaging with stakeholders that affect GRI's programs and policies, and stakeholders affected by GRI is essential for the development of GRI's core product, the Sustainability Reporting Framework. GRI defines stakeholders as persons or groups who are directly or indirectly influenced by GRI's operations, as well as those who may influence GRI's operations, especially its performance and goals. G4-25
See TABLE 12 for a list of engaged stakeholders.

Thousands of individuals and organizations engage with GRI globally, and contribute to its work. These stakeholders include subject matter experts, reporting organizations and report users. They share an interest in the development of sustainability reporting and so commit their time to working with and supporting GRI. Their knowledge and experience in sustainability and organizational reporting help to make GRI's reporting guidance relevant and credible. Many of GRI's stakeholders use and promote the Framework to make their own and other organizations more transparent, more responsible, and more sustainable. Stakeholders influence everything GRI does, and what GRI does influences them.
G4-DMA (a)

Managing for Success G4-DMA (b), G4-26

To create a robust Sustainability Reporting Framework, GRI uses a multi-stakeholder approach to capture essential input from all stakeholders. The multi-stakeholder approach is also used to drive the effective governance of the organization.

The Framework is developed according to GRI's prescribed due process, which involves stakeholders extensively. The Guidelines are subject to a process of revision and updating, which involves setting priorities and developing proposals for revision, connecting with stakeholders during Public Comment Periods, and approval of the final Guidelines by GRI's governance bodies. Various Working Groups, as well as other stakeholder groups such as reporters, GRI Certified Training Partners, Organizational Stakeholders and report readers, engage in the development of the Framework. During a Public Comment Period for proposed new or revised guidance, the draft must be made available to all interested external parties for a period of at least 90 days, and the comments received are considered public record.

GRI monitors stakeholder participation during the Public Comment Period to ensure balanced input (i.e., from diverse geographies and stakeholder groups) is received. Corrective action is taken when necessary to involve underrepresented groups in GRI outreach activities. See TABLE 13 for processes used for involving stakeholders in GRI policies and programs.

Li Kai
State Information Centre China (leader of Chinese Delegation)

"We and our delegation members benefited a lot from the conference. We not only learnt about G4 and the latest trends, but were also informed about sustainability reporting developments in other developing countries. It was also a great opportunity for us to talk to CSR experts and practitioners from around the world, to learn best practice."

Taking Action

In addition to engaging stakeholders in the development of GRI Guidelines and other related documents, GRI engages with individuals and organizations at events, on initiatives and through networks (see TABLE 14).

The 2013 Global Conference was a unique opportunity for GRI to engage with its stakeholders and create a platform for them to interact. More than 1,500 people from around the world, including sustainability thought leaders and practitioners, convened in Amsterdam to learn about the G4 Guidelines, advance sustainability reporting and the transition to a sustainable global economy.

Evaluating Performance G4-DMA (c)

In evaluating the effectiveness of the affected stakeholder engagement management approach, GRI relies on feedback received from stakeholders through different channels, such as email, phone calls, face-to-face meetings, events, and workshops. The amount and type of feedback helps

13 Processes for Involving Stakeholders in GRI Policies and Programs

Stakeholders	Processes/Mechanisms									Improvements/Outcomes						
	Email	Phone Calls	Meetings	Website/Portal	Social Media	Events/Webinars	Survey	Public Comment Period	Employee Representation	Reporting Framework	Programs	Linkage Documents	Agreements	New Projects	Training Materials	Employment Practices
INTERNAL																
Board of Directors	✓	✓	✓									✓	✓			
Stakeholder Council	✓	✓	✓							✓						
Technical Advisory Committee	✓	✓	✓							✓		✓				
Secretariat and Focal Points Staff Members	✓						✓		✓							✓
EXTERNAL																
Data Partners	✓	✓	✓	✓	✓	✓	✓	✓						✓		
Donors	✓	✓	✓											✓		
Civil society organizations & associations	✓	✓	✓	✓	✓	✓	✓	✓					✓	✓		
Suppliers	✓	✓					✓						✓			
Organizational Stakeholders	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓					
Reporting organizations	✓			✓	✓	✓		✓		✓	✓					
Governmental Advisory Group members			✓								✓			✓		
Certified Training Partners	✓	✓	✓		✓		✓								✓	
Certified Software and Tools providers	✓	✓		✓	✓									✓		
Working Group Members			✓			✓				✓						

14 Stakeholder Engagement Activities › G4-26

Activity	Stakeholders Involved	Frequency
GOVERNANCE		
Official meetings	Board of Directors	At least twice a year
	Stakeholder Council	At least once a year
	Technical Advisory Committee	Twice a year plus conference calls as needed
FRAMEWORK DEVELOPMENT		
Meetings, calls	Working Groups	Ongoing
Public Comment Periods	All	For G4 Guidelines 2 Public Comment Periods plus additional Public Comment Period for thematic revisions
Surveys, research projects	All	Ongoing
INITIATIVES		
Joint development and promotion	Numerous governments, NGOs, business and multilateral groups, Government Advisory Group	Ongoing
EVENTS		
Training courses, workshops, conferences, Focal Point outreach	All	Ongoing
In-country events	Organizational Stakeholders, other interested stakeholders	Ongoing
Webinars	Organizational Stakeholders	At least once a month

GRI to understand how effective it has been in engaging its stakeholders.

GRI's Technical Advisory Committee is responsible for evaluating whether the development of the Guidelines has been carried out in accordance with due process. This includes oversight of the integration of the comments received on exposure into the final Guidelines, as well as maintaining the overall quality and coherence of the Guidelines.

2 Public Policy, and Public Awareness and Advocacy

In this report, GRI combines two Aspects for reporting purposes: (i) Public Policy; and (ii) Public Awareness and Advocacy. Due to the nature of GRI's activities, reporting on these two Aspects together gives the most comprehensive picture of GRI's advocacy campaigns and influence on public policy.

GRI engages with stakeholders worldwide on sustainability reporting, and closely monitors public policy developments in the area. Its stakeholders include: governments and other policy makers and regulators; civil society; and companies –which either develop, influence or comply with policy on sustainability reporting. GRI regularly engages with these stakeholders by providing guidance, support and advice.

GRI plays a crucial role in working to increase the number and effectiveness of policies and regulations on sustainability reporting worldwide. › G4-DMA (a)

Managing for Success › G4-DMA (b)

GRI incorporates public policy activities in its annual organizational objectives. The importance of public policy and advocacy is reflected in the Secretariat's structure. The Government Relations, International Organizations,

Development and Advocacy (GIDA) Team in the Secretariat is primarily responsible for the activities around this topic. The Chief Executive, the Deputy Chief Executive, the Secretariat's Network Relations Team and GRI Focal Points are also active in advocacy at national and international levels.

GRI's mission to make sustainability reporting a mainstream activity is implemented in part through its Report or Explain Campaign. Through this campaign, GRI champions Report or Explain policy, which requires companies to either report on their material sustainability impacts or explain why they have not reported on a particular area. This approach allows flexibility and limits administrative burden. As part of this campaign, GRI developed awareness raising and advocacy tools, including briefing materials, a video and additional publications. GRI shares knowledge and raises awareness with governments as well as other policy makers and regulators – in many cases at the invitation of those entities – about sustainability reporting policies around the world. GRI provides a hub for information on sustainability reporting policies worldwide, which includes an online database that keeps track of all policy developments.

GRI collaborates with other key international organizations on public policy and awareness, including the Corporate Social Responsibility Coalition and the Green Economy Coalition.

GRI also seeks advice from governments: for instance, via its Governmental Advisory Group – a high-level advisory body that provides GRI's Board with a direct source of strategic advice. Formed in 2008, and composed of 15 government representatives from all continents at the end of the Financial Year 2012/13, it is an informal body without a constitutional role, thereby preserving GRI's independence.

In the broader field of sustainable development, GRI engages in policy dialogue mainly in developing countries and through the UN. Strategic partnerships, such as the one between GRI and the UN Global Compact, are another avenue for GRI's policy engagement. The 2012/13 Annual Activity Review contains substantive information on GRI's contribution to sustainable development policy.

GRI does not make financial or in-kind contributions to political parties, politicians and related institutions. G4-SO6

Taking Action

In the reporting year, one of the ways that GRI achieved its advocacy and outreach was sustainability reporting awareness-raising. An example of this was promoting the Report or Explain campaign in the European Union (EU) context, and within the UN system.

The Power of Policy

Q&A with Teresa Fogelberg, GRI's Deputy Chief Executive

What do you think the role of governments should be in relation to sustainability reporting?

The role of governments is extremely important and varied. They are policy and regulation makers, owners of state owned companies, investors and reporters. As our research shows, over the past couple of decades, governments have increasingly moved from encouraging reporting, to recommending it, to requiring it. Governments have multiple tools to advance corporate reporting. They have "carrots and sticks" - ways to encourage and ways to require reporting. GRI collaborated with UNEP, KPMG and the Centre for Corporate Governance in Africa to update the *Carrots and Sticks* report in May 2013. The report documents all of the different regulatory initiatives and policy approaches on sustainability reporting taken around the world.

How has GRI's role changed?

GRI has expanded its focus from facilitating a due process in developing and providing guidance, to one that also involves actively working with regulators and governments to encourage or require reporting. GRI has a strong track record in bringing together diverse groups and individuals, whether it is through the Report or Explain Campaign Forum, our Secretariat role with the governmental Group of Friends of Paragraph 47, or through our work on harmonizing international accountability and reporting initiatives. GRI incorporated G4 with strong influences from leading principles-based initiatives. We see GRI as helping hand in increasing accountability through reporting on sustainability principles.

15 Performance Indicators Related to Public Policy and Advocacy

Indicator	Objective	Outcome
Countries where either government or stock exchange initiatives refer to GRI	20	23
New national policies on sustainability reporting	5	5
Governmental Advisory Group members	13	15
Governments GRI engaged with in a policy dialogue	10	12

The 2013 GRI Global Conference on Sustainability and Reporting demonstrated the role of governments and policy makers in sustainability reporting. With 63 government representatives, 23 public agencies, and 49 international organizations present, the conference confirmed an ever-growing willingness to engage on the topic.

Evaluating Performance G4-DMA (c)

GRI uses a management dashboard to track key performance indicator progress on a quarterly basis. GRI met or exceeded its annual targets on the four indicators listed in TABLE 15 related to public policy and advocacy.

3 Coordination

As a multi-stakeholder organization striving to achieve an ambitious mission, it is essential for GRI to collaborate with a range of actors from different sectors and constituencies. Engaging groups with similar objectives can lead to mutually enhanced impact, cost and program effectiveness, and learning.

The Corporate Sustainability Reporting Coalition, the World Business Council for Social Development (WBSCD), the Green Economy Coalition, and the National Capital Declaration (NCD) are just some of the associations which GRI has collaborated and become involved with.

In the past few years, more global and national organizations have become involved in sustainability reporting initiatives. GRI appreciates the expanded interest and looks to collaborate with newer organizations and traditional allies alike.

Harmonization of reporting frameworks and accountability initiatives will make it easier for organizations to use GRI's Framework. It is in the interest of GRI to reduce organizations' reporting burden so that more organizations start to report on their sustainability performance. Collaboration is a means by which GRI can contribute to current and future developments in the reporting area. G4-DMA (a)

Managing for Success G4-DMA (b)

There is no formal policy or process in place for coordinating GRI's activities with those of other actors. However, GRI is driven by its mission to coordinate with organizations that have complementary or similar objectives on a regular basis on knowledge development, events, outreach and meetings. GRI continually monitors the activities of other actors in the field of sustainability reporting.

To coordinate many of these activities, GRI has separate partnership agreements with several groups. An agreement will often include how to monitor the results of the partnership. Additionally, GRI has specific goals and targets that have been agreed upon with funding organizations and donors. GRI has regular contact with each funding organization to report on and review these specific goals and targets.

Although GRI does not subscribe to, nor is a member of the following initiatives, GRI supports and partners with these leaders in reporting and accountability. G4-15, 16

GRI has global strategic partnerships with:

- Carbon Disclosure Project (CDP)
- International Integrated Reporting Council (IIRC)
- International Organization for Standardization (ISO)
- Organisation for Economic Co-operation and Development (OECD)
- United Nations Environment Programme (UNEP)
- United Nations Global Compact (UNGC)

GRI and its Guidelines also have synergies with:

- Earth Charter
- International Finance Corporation (IFC)
- United Nations Conference on Trade and Development (UNCTAD)

Collaborating with other organizations is an important element of GRI's work. The relationships that GRI enjoy with organizations are, wherever possible, explained in memoranda of understanding and formal agreements.

In addition, GRI also publishes linkage documents, showing the links between GRI's Framework and other organizations' reporting and accountability guidance or requirements. During the next fiscal year, GRI's aim is to mutually develop linkage documents between G4 and the UNGC's Communication on Progress, CDP's reporting requirements on climate change and water, and the ISO 26000 Social Responsibility guidance.

Taking Action

In 2013, GRI released the G4 Guidelines for reporting performance against different codes and norms for sustainability. G4 Guidelines are harmonized with other main global frameworks, including the OECD Guidelines for Multinational Enterprises, the UN Global Compact Principles, and the UN Guiding Principles on Business and Human Rights.

Evaluating Performance G4-DMA (c)

GRI has received positive feedback on its provision of linkage documents and alignment efforts.

4 Feedback, Complaints and Action

GRI values feedback from its stakeholders and takes complaints seriously. It is important for GRI to know how its stakeholders feel about the work and products that GRI delivers, as they are in essence GRI's customers – stakeholders create demand for GRI's Framework and other materials and services. Stakeholder feedback helps in determining the need for revision of the GRI Guidelines, or changes to other GRI programs. G4-DMA (a)

Managing for Success G4-DMA (b)

Feedback on GRI's programs is received through many channels, including Public Comment Periods, and dedicated email addresses for different programs.

All unsolicited feedback and complaints to GRI regarding its programs and services are dealt with on a case-by-case basis at the departmental level. Each program manager is ultimately responsible for any feedback received regarding their team's work. Most departments have a similar informal, interpersonal method for responding. Through regular public consultation and feedback collection on its products and programs, GRI aims to maintain a good understanding of stakeholders' expectations, and to obviate complaints.

To prevent concerns regarding nomination and election of GRI's governance, the nominating and election processes, and assessment criteria for inclusion are openly shared. Any complaint or feedback regarding GRI's governance is directed to and is addressed by the Board.

The due process document on the GRI website explains what must be followed when developing Framework documents. It explicitly explains how feedback must be received, shared and acted upon.

Taking Action

During the reporting year, GRI set up a system to collect feedback on its global conferences. Attendees to the 2013 Global Conference were invited to complete a post-conference survey to help GRI plan and execute future events and tailor them to meet stakeholders' needs. Furthermore, GRI created a detailed internal evaluation document to capture the knowledge and lessons learned from the conference.

Evaluating Performance G4-DMA (c)

GRI conducted a one-year trial to collect and register all complaints received throughout the organization. This trial period ran from October 2012 until September 2013, so this reporting period partly falls within the trial period. During this one year trial period, GRI received a total of 12 complaints, of which two were related to the online session registration and the ability to download and use the conference App during the conference, and one was related to participation in the G4 Pioneers Program.

The G4 Feedback Process

The first Public Comment Period on G4 occurred prior to the reporting period. The second Public Comment Period, which occurred in mid-2012, involved just over 50 workshops and generated around 650 submissions on the exposure draft, around 70 submissions on Anti-Corruption and around 70 submissions on GHG emissions.

The GRI website houses numerous documents related to the G4 feedback process, including feedback received, the methodology for analyzing feedback, and how GRI addressed the feedback. A document called "Basis for Conclusions" presents a high-level summary of the feedback received during the second Public Comment Period.

08/ GRI's Operational Effectiveness

GRI's operations, although relatively small, do have some direct impacts on people and the environment. As an organization that espouses improved sustainability performance, GRI needs to 'walk the talk'. GRI is working to reduce the negative impacts of its operations, and increase the positive ones.

The following three Aspects regarding operational effectiveness are highly relevant to GRI and its stakeholders:

1. **Diversity and Equal Opportunity** – GRI's employee diversity is crucial to its success when working on a global issue with diverse stakeholders.
2. **Training and Education** – When an organization's primary asset is knowledge, employee development is a wise investment.
3. **Emissions** – As an organization with international stakeholders, networks, and offices, GRI generates most of its greenhouse gas emissions from air travel.

GRI does have other impacts than those listed above. The organization is working to reduce energy and paper use, buy environmentally friendly office supplies, and ensure workplace safety. However, due to the fact that stakeholders did not consider these topics as material, they are not included in this report.

1 Diversity and Equal Opportunity

GRI values diversity in its workforce and believes that its sustainability-focused mission and the global nature of its network make it vital to attract employees with a wide range of backgrounds and viewpoints. To be successful, GRI must have a culture that respects and celebrates diversity. G4-DMA (a)

Managing for Success G4-DMA (b)

GRI has a Diversity Policy in place. The Secretariat's Operations department is responsible for diversity and equal opportunity issues, policy development and the implementation of internal procedures.

To help ensure effectiveness globally, GRI seeks to reflect in its staff composition the diversity of the local and global communities in which it operates. GRI is committed to providing equal opportunity of employment and advancement on the basis of ability, necessary qualifications and fitness for work regardless of sex, age, civil status, sexual orientation, color, race, creed, religion, and national or ethnic origin. In addition, GRI fairly considers the particular aptitudes and abilities of disabled persons seeking employment. This same consideration continues should a current employee become disabled.

An equitable workplace extends beyond the hiring process to all areas of employment at GRI, including: training, promotion, transfer, compensation and benefits, working conditions, social and recreational programs, and grievance procedures.

None of GRI's employees are covered by collective bargaining agreements. G4-11

Evaluating Performance G4-DMA (c)

Ongoing monitoring of adherence to GRI's Diversity Policy is done on an informal basis. Measurement of GRI's gender diversity is one way to evaluate the organization's performance against its commitments. G4-LA12

There is still a significant majority of men in the membership of the Technical Advisory Committee, yet among the total numbers of GRI staff there is a strong female majority. The three-year trends, however, show marked improvements in female representation in all GRI governance bodies (see TABLE 16).

The gender balance in GRI's workforce (see TABLE 17) has remained constant over the past three years. GRI's workforce is significantly younger and more female than other organizations due to the demographics of those applying for positions at GRI, from intern to director level. Making the workforce more balanced continues to be a significant challenge, whilst observing the principle of giving equal opportunity to all applicants.

In the reporting year, the GRI Executive Management Team consisted of 6 members, with 4 women and 2 men.

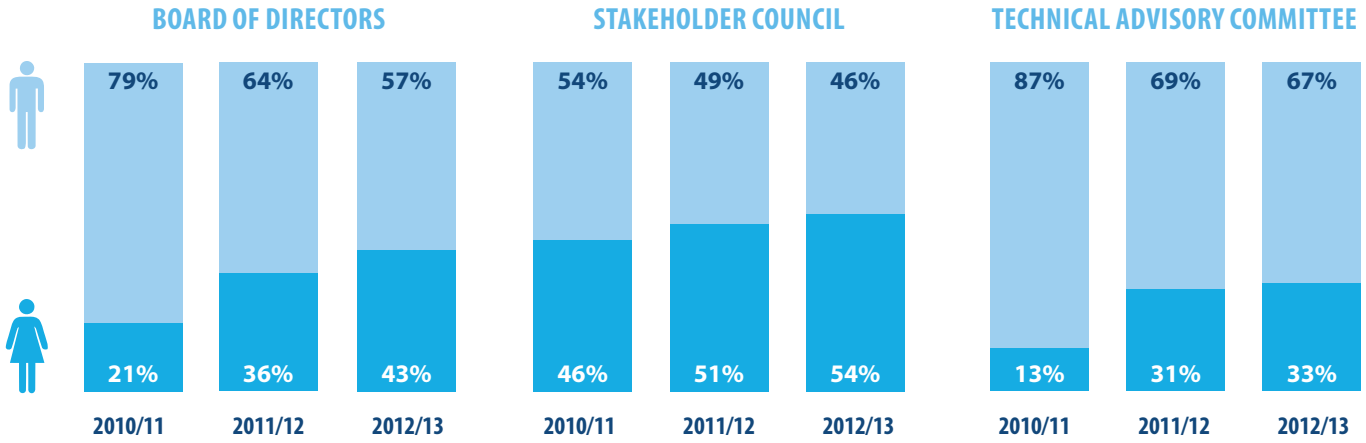
Another measure of workforce diversity is the age distribution. A blend of younger and more experienced employees generates diverse ways of thinking. GRI's workforce is relatively young, with 39 percent under the age of 30 and 91 percent under 50 (see TABLE 18).

Further demographic breakdowns of the GRI workforce and governance bodies are presented in TABLE 19 and the Performance Summary table on pages 40–41.

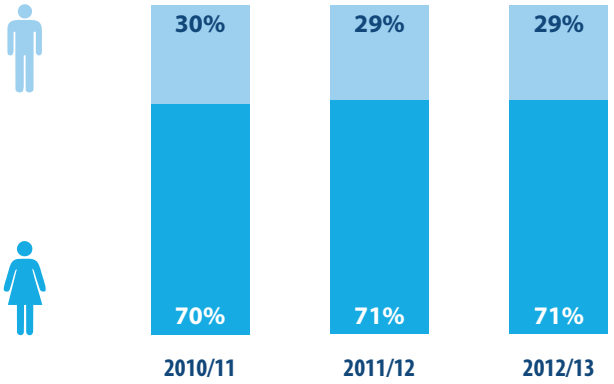
2 Training and Education

The quality of GRI's products and services is dependent on a well-educated and trained staff. GRI is built on intellectual capacity. Additionally, employee development and education not only help GRI to retain its staff, but also contribute to maximizing the potential of the employees, and are in the best interest of the organization. G4-DMA (a)

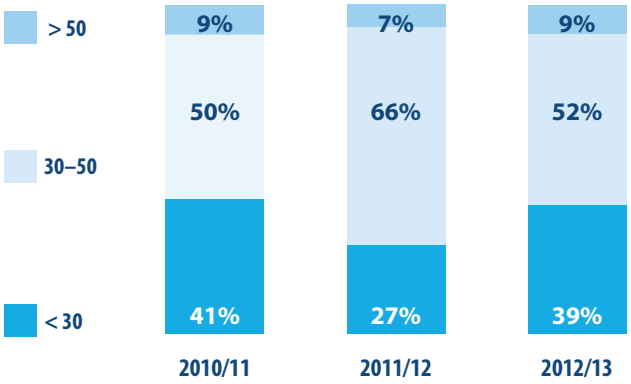
16 Gender Diversity in Governance Bodies



17 Workforce Gender Diversity



18 Age Composition of GRI's Workforce



Managing for Success G4-DMA (b)

GRI aims to attract, retain and develop staff in alignment with the organization's values, mission and vision. In addition, GRI aims to provide equal opportunity for job growth, employment security, and career advancement in a safe and nurturing environment. Professional development often leads to increased job satisfaction.

Training and education are included in the GRI Human Resources Policy. GRI's Operations department is responsible for training and education, policy development, and implementation of internal procedures.

Each GRI employee is expected to have an annual discussion with his/her manager regarding work objectives and career development. A yearly performance appraisal is part of a broader performance management methodology, and assesses employees against jointly set objectives. It also provides constructive feedback on their performance during the past year.

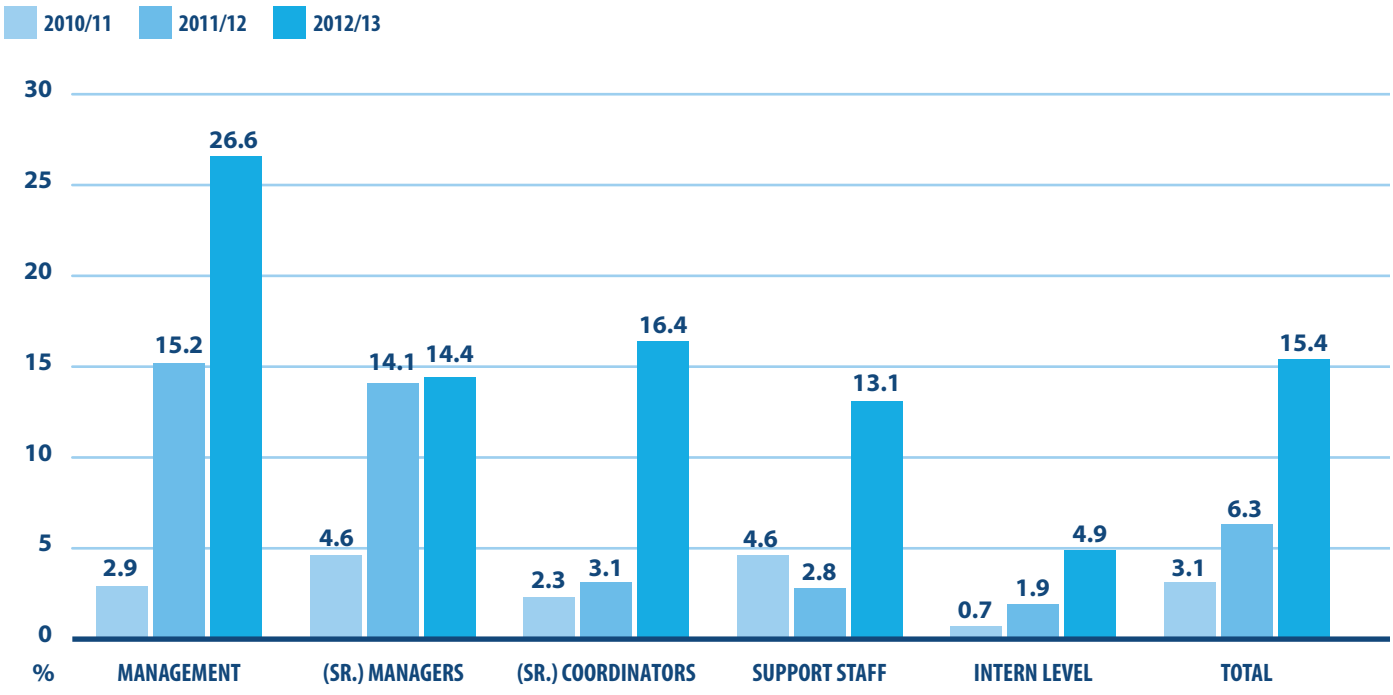
Taking Action

Training sessions in the reporting year focused on the website Content Management System, customer relationship management, and presentation training for online/electronic working, as well as courses for professional skills (including

19 Geographic and Constituency Diversity in the Governance Bodies

BOARD OF DIRECTORS	Africa	Asia-Pacific/ Oceania	Latin America/ Caribbean	North America/ Europe/CIS	West Asia
Business	0	1	0	4	0
Civil Society Organizations	0	1	1	0	1
Investment Institutions	0	0	0	0	0
Labor	0	0	0	2	0
Mediating Institutions	1	1	0	1	1
STAKEHOLDER COUNCIL					
Business	3	2	2	11	2
Civil Society Organizations	3	1	1	2	3
Investment Institutions	0	1	1	3	0
Labor	0	1	1	1	0
Mediating Institutions	0	4	3	2	1
TECHNICAL ADVISORY COMMITTEE					
Business	1	2	0	3	0
Civil Society Organizations	0	0	0	0	0
Investment Institutions	0	0	0	0	0
Labor	0	0	0	1	0
Mediating Institutions	0	1	2	4	1

20 Average Hours of Training per Employee



written communications and familiarization with trends in sustainability/corporate reporting).

Evaluating Performance › G4-DMA (c)

A formal evaluation process for GRI's management approach to training and education is currently not in place. An informal evaluation will be developed within the next year. Measurement of employee training and reviews helps GRI evaluate performance against its commitments.

Average hours of training have increased significantly for the entire workforce and in every employee category (see TABLE 20). This is primarily due to the launch of the G4 Guidelines, as staff were trained on the Guidelines. GRI's employee training target for the next reporting year is an average of 8 hours per employee. Further data on employee training is available in the Performance Summary table on pages 40–41.

Almost all employees receive annual performance reviews (see TABLE 21).

3 Emissions

Greenhouse gas (GHG) emissions are a major contributor to climate change. Some GHGs are also air pollutants that have significant adverse impacts on ecosystems, air quality, agriculture, and human and animal health. GRI's work involves a large amount of travel by staff and stakeholders, which accounts for the biggest share of GRI's GHG emissions. There is no other environmental impact that is more significant for GRI than GHG emissions. › G4-DMA (a)

Managing for Success › G4-DMA (b)

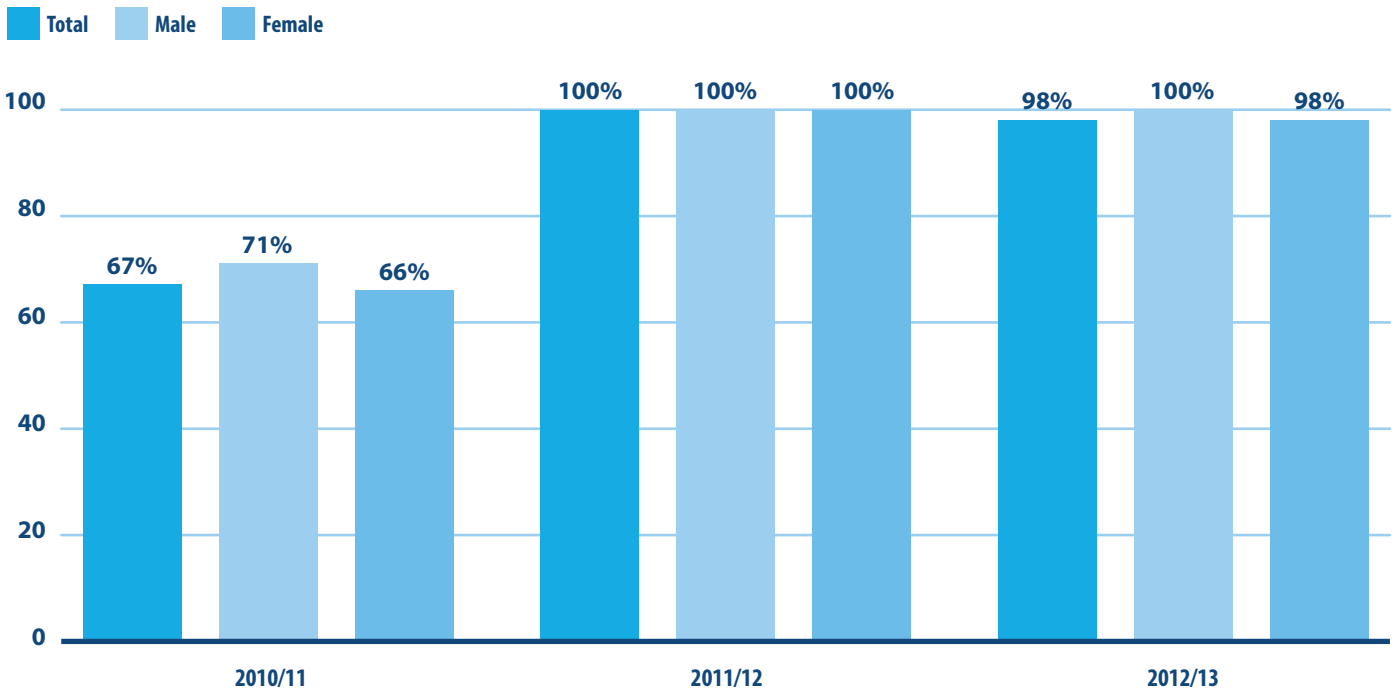
GRI's environmental policy states that the organization strives to minimize its environmental impact by creating awareness and managing carbon dioxide (CO_2) emissions.

Over the years, GRI has set greenhouse gas reduction or offset goals. Since 2011, it has been an ongoing goal for GRI to offset all business travel-related GHG emissions. More recently, goals for the reporting year have included:

- Registering and offsetting the travel-related greenhouse gas emissions of all participants at the 2013 Global Conference.
- Reducing office-related greenhouse gas emissions by 25 percent.

Most of GRI's indirect GHG emissions are produced by air travel – this includes business trips taken by the Secretariat, governance bodies and Working Group members.

21 Employees receiving Performance Reviews › G4-LA11



The Secretariat has an internal team that manages the numerous speaking events of GRI staff. In addition to assessing typical business criteria for each event, the team tries to combine different speaking engagements into one trip to reduce impact on its staff, as well as to reduce travel, and related GHG emissions. An associated effort to reduce travel-related emissions is GRI's use of WebEx and Skype for virtual meetings.

Taking Action G4-EN19

The attendee travel, venue, hotels, food production, and paper- and waste-related GHG emissions generated as a result of the 2013 Global Conference were fully offset by GRI, through an organization called Climate Care.

GRI started using energy from renewable sources for the Secretariat office in January 2012, provided by a supplier called Main Energy. During this reporting period, GRI has used solely renewable energy.

For the 2013/14 reporting year, GRI aims to reduce its GHG emissions considerably by implementing an in-house videoconference system at the Secretariat's office, which will reduce the necessity for air travel.

Evaluating Performance G4-DMA (c)

GRI does not currently have a formal mechanism in place to evaluate the effectiveness of the management approach to GHG emissions. However, measurement of GRI's performance against its GHG reduction goals is one way to evaluate effectiveness. G4-EN17

GRI reduced Scope 3 emissions related to air travel by 226 tonnes of carbon dioxide equivalent (CO_2e), or 42 percent, in comparison to the previous reporting year. All emissions were offset (see TABLE 22).

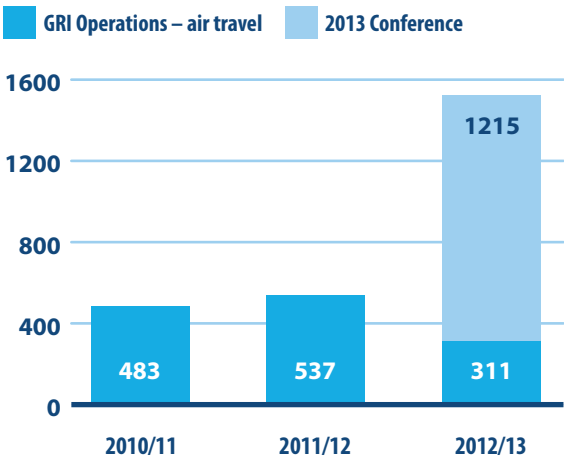
GRI did not achieve its target of reducing office-related GHG emissions by 25 percent, as gas consumption increased by 13 percent, and electricity consumption decreased by only 6.5 percent. Various tenants shared the building where the GRI office was located and the cost for energy consumption was a combined bill covering usage by all building occupants. This means that GRI did not have full control over final consumption. Due to the Secretariat office move in December 2013, GRI will re-assess the systems used to collect greenhouse gas emissions information for the new office. G4-EN19

GRI calculates its GHG emissions by using a calculation database provided by the Climate Neutral Group. In this database, GRI enters the place of origin, the destination, and whether the traveler flies economy or business class. The system automatically calculates the GHG emissions for the specified flight. G4-EN17, 19

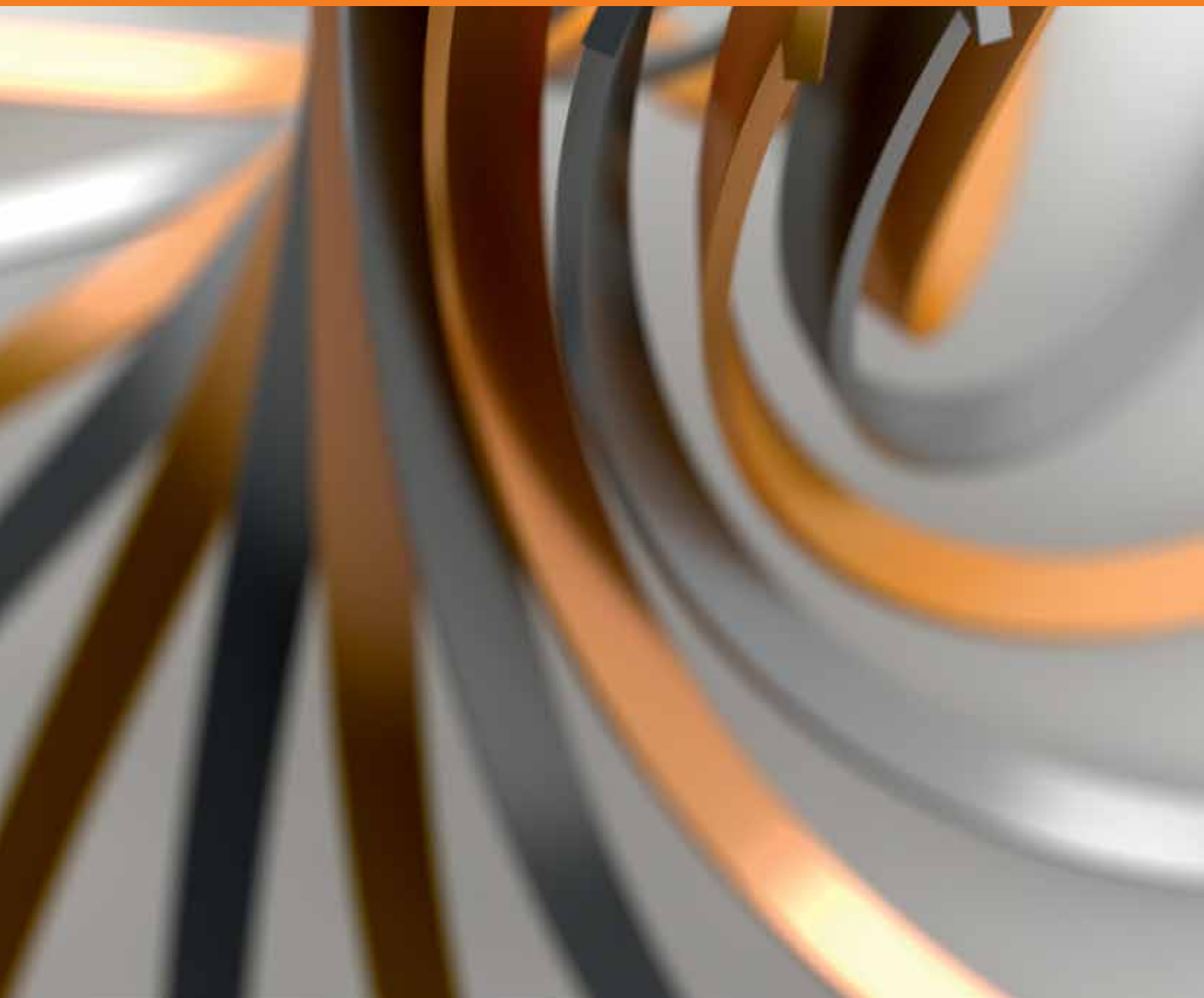
Terminology Explained

- **GHG Offsets** – A reduction in emissions of greenhouse gases by someone else to compensate for or offset an emission made by one's own organization.
- **Direct GHG Emissions** (also called Scope 1) – From burning natural gas and other fuels in one's own operations.
- **Indirect GHG Emissions** (Scope 2) – From the off-site generation of purchased electricity, steam and heat.
- **Other Indirect Emissions** (Scope 3) – All other indirect emissions not covered in Scope 2 (e.g. air travel, waste disposal).

22 GHG Emisions



09/ Performance in Figures



Workforce Profile 2012/13 G4-10

By Region	Total	Male	Female
Europe	69	21	48
Asia	6	1	5
North America	3	1	2
South America	2	0	2
Africa	2	1	1
Australia and Oceania	5	1	4
Total	**87**	**25**	**62**
By Contract Type			
Indefinite	38	8	30
Definite	37	14	23
Internships	9	1	8
Volunteers	3	2	1
Total	**87**	**25**	**62**
Permanent employees [1]			
Full-time	67	22	45
Part-time	8	0	8
Total	**75**	**22**	**53**
Supervised workers [2]			
Full-time	1	0	1
Part-time	3	0	3
Total	**4**	**0**	**4**

Employee Training G4-LA 9

	2010/11	2011/12	2012/13		
Average hours of training per employee per category	**Total**	**Total**	**Total**	**Male**	**Female**
Management/Directors	2.9	15.2	26.6	40.9	17.6
(Sr.) Managers level	4.6	14.1	14.4	16.5	13.0
(Sr.) Coordinators level	2.3	3.1	16.4	30.6	12.3
Support Staff	4.6	2.8	13.1	19.8	10.6
Intern level	0.7	1.9	4.9	8.5	4.5
Volunteer	-	-	-	-	-
For all employees	3.1	6.3	15.4	24.7	11.7

1 This number does not include interns or volunteers.

2 A supervised worker is an individual who performs regular work on-site for, or on behalf of, the organization but is not recognized as an employee under national law or practice. These employees are in addition to all direct GRI employees (87).

Percentage of Employees[3] receiving Performance Reviews G4-LA 11	2010/11	2011/12	2012/13
Of Total	67%	100%	98%
By Gender			
Male	71%	100%	100%
Female	66%	100%	98%

Indicators of Diversity G4-LA 12	2010/11	2011/12	2012/13
Employees[4]			
By Gender			
Male	30%	29%	29%
Female	70%	71%	71%
By Age Group			
Age Group <30	41%	27%	37%
Age Group 30-50	50%	66%	55%
Age Group >50	9%	6%	8%
Governance Bodies			
Female Representation			
Board of Directors	21%	36%	43%
Stakeholder Council	46%	51%	54%
Technical Advisory Committee	13%	31%	33%
By Region[5]			
Europe	29%	31%	31%
Asia	28%	30%	23%
North America	15%	8%	14%
South America	13%	14%	14%
Africa	7%	7%	8%
Australia and Oceania	8%	11%	11%

GHG Emissions (metric tonnes of CO_2 equivalent) G4-EN17	2010/11	2011/12	2012/13
GRI operations air travel[6]	483	537	311
Conference-related emissions[7]	-	-	1,215
Total	**483**	**537**	**1,527**

3 This percentage is of eligible employees to receive performance reviews. In order to receive performance reviews an employee must have joined GRI before October 1st of the past calendar year.

4 Includes interns and volunteers.

5 The percentage of representatives by region combines all three governance bodies: Board of Directors, Stakeholder Council and the Technical Advisory Committee.

6 GRI operations air travel includes air travel by GRI Secretariat and Focal Point staff. GRI fully offsets these CO2 emissions.

7 Conference-related emissions include attendee travel, venue, hotels, food production, and paper- and waste-related greenhouse gas emissions. These were fully offset by GRI, through Climate Care's LifeStraw Carbon for Water project.

10/ GRI Content Index

This report has been prepared 'in accordance' with the GRI G4 Sustainability Reporting Guidelines Core option.

General Standard Disclosures

General Standard Disclosures	Page Number (or Link)	External Assurance
	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	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	4-5	No
ORGANIZATIONAL PROFILE		
G4-3	11	No
G4-4	11-12	No
G4-5	11	No
G4-6	11	No
G4-7	11	No
G4-8	12 and 15	No
G4-9	11-12	No
G4-10	40	No
G4-11	34	No
G4-12	16	No
G4-13	7	No
G4-14	13	No
G4-15	31	No
G4-16	31	No

General Standard Disclosures	Page Number (or Link)	External Assurance
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	7	No
G4-18	21	No
G4-19	22	No
G4-20	24	No
G4-21	24	No
G4-22	7	No
G4-23	7	No
STAKEHOLDER ENGAGEMENT		
G4-24	26	No
G4-25	27	No
G4-26	27 and 29	No
G4-27	23	No
REPORT PROFILE		
G4-28	7	No
G4-29	7	No
G4-30	7	No
G4-31	44	No
G4-32	7 and 42	No
G4-33	7	No
GOVERNANCE		
G4-34	15	No
ETHICS AND INTEGRITY		
G4-56	12	No

Specific Standard Disclosures

DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	In exceptional cases, if it is not possible to disclose certain required information, explain the reasons why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: EMISSIONS					
G4-DMA	37-38				No
G4-EN17	38, 41				No
G4-EN19	38				No
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	34–35, and 37				No
G4-LA9	40				No
G4-LA11	37 and 41				No
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	34				No
G4-LA12	34-36, and 41				No
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA	29-31				No
G4-SO6	30				No
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: AFFECTED STAKEHOLDER ENGAGEMENT (NGO SECTOR DISCLOSURES)					
G4-DMA	27-29				No
MATERIAL ASPECT: FEEDBACK, COMPLAINTS AND ACTION (NGO SECTOR DISCLOSURES)					
G4-DMA	32				No
MATERIAL ASPECT: PUBLIC AWARENESS AND ADVOCACY (NGO SECTOR DISCLOSURES)					
G4-DMA	29-31				No
MATERIAL ASPECT: COORDINATION (NGO SECTOR DISCLOSURES)					
G4-DMA	31-32				No

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GRI values your feedback. Comments are welcome at grisownreports@globalreporting.org G4-31

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