INSIGHTS FROM THE GRI CORPORATE LEADERSHIP GROUP ON REPORTING 2025

Future Trends in Sustainability Reporting

GRI
Empowering
Sustainable
Decisions

JANUARY 2017 | IN COLLABORATION WITH SustainAbility

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2 Foreword: Eric Hespenheide, GRI

Sustainability reporting is an essential first step in the process by which organizations take action to create a truly sustainable global economy; this belief has always underpinned GRI's mission.

But reporting is not static – it evolves, through developments like emerging global challenges, new technologies and changing stakeholder interests – and companies need to take this into consideration.

As the global standard setter for sustainability reporting, GRI needs to be aware of these developments in reporting. GRI's global multi-stakeholder network is in the best position to provide cutting-edge information on where reporting is heading.

We launched a project to harness this information and analyze emerging trends in reporting: Reporting 2025 supported international dialogue on the topics likely to be on companies' agendas in the coming decade. Through interviews with some of the world's leading sustainability reporting experts and practitioners, we created a future vision of reporting that would form the basis of further exploration.
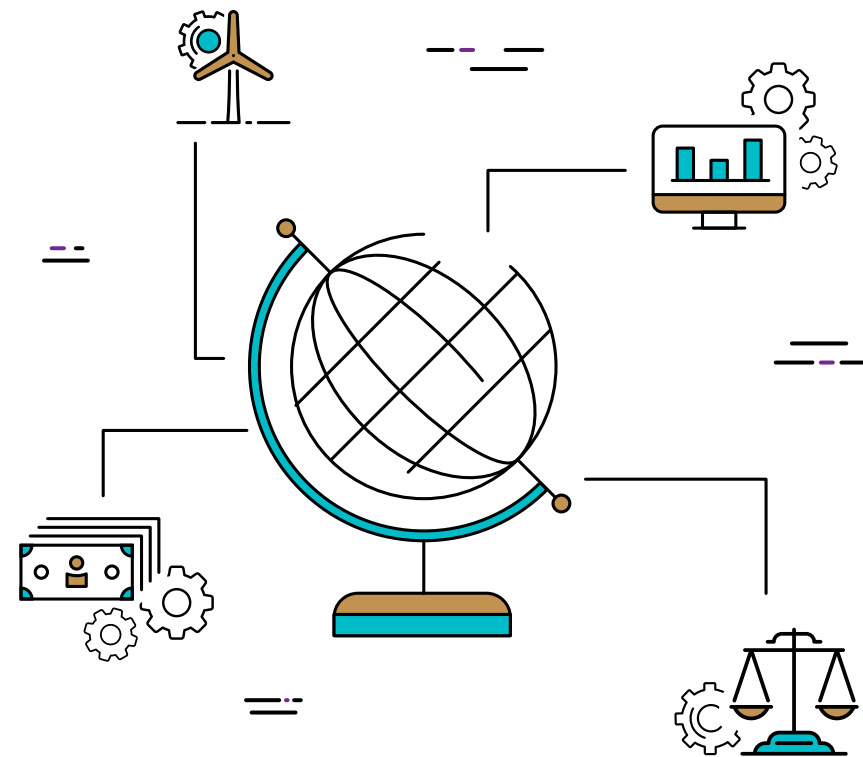
The Corporate Leadership Group (CLG) on Reporting 2025 took this project to the next level. The forward-looking international leadership forum of companies discussed the image put forth in the interviews, considering the topics that might feature in the future. They also pinned down the key topics expected to influence business decisions in the next decade to transition to a sustainable economy, and identified the disclosures that would be needed to make this happen.

The CLG Reporting 2025, comprising 13 companies from a variety of sectors and regions, was a dynamic group motivated to uncover

and understand emerging trends and improve disclosures. The group engaged during meetings throughout the year, including with leading experts and stakeholder representatives, and shared their own experiences of reporting.

GRI is rooted in innovation. As sustainability reporting pioneers from the start, we believe reporting and transparency can accelerate the transition to a sustainable economy, and we are always looking ahead for opportunities to facilitate this. The discussion about future reporting trends is therefore vital to ensure that sustainability reporting has the most positive impact possible on sustainable development.

With this CLG – and future editions – we are ensuring that the discussion continues. The GRI Sustainability Reporting Standards can help every company in the world report their sustainability performance, therefore contributing profoundly to greater transparency. The continuation of the discussion about reporting trends will inspire companies to use the GRI Standards to identify, measure and report their most material impacts, helping us move to a sustainable future together.

Eric Hespenheide,
Interim Chief Executive and member of the Board
of Directors, GRI

3 Foreword: Rob Cameron, SustainAbility

SustainAbility is delighted to have partnered with GRI to deliver the Corporate Leadership Group (CLG) on Reporting 2025. At SustainAbility, we are making our future the cause of the present, working to inspire and enable business to lead the transition to a sustainable economy. Corporate transparency and sustainability reporting are fundamental to that transition – allowing stakeholders to hold companies to account for poor performance, and to direct capital towards companies that are providing the innovation, solutions and scale of action needed to meet the 2030 Sustainable Development Goals (SDGs).

The CLG has tackled themes that are fundamentally important to the SDGs: climate change, human rights, wealth inequality and data and technology. Their insights, captured in this report, provide practical guidance to all reporting organizations working to respond to the risks and opportunities that we face on our path to a sustainable future.

We hope that the lessons we have learned will help more companies to make measurable and transparent progress in these critical areas.

With governments, civil society and business working in tandem towards the SDGs, the world we live in could be significantly more sustainable within the next 15 years. Excellence in corporate disclosure will be vital to getting us to that new, more sustainable economy, and will be the life blood of the business world that emerges. We congratulate GRI and the Corporate Leadership Group for their contribution on this journey.

We hope that this work will stimulate more experimentation and future improvements. Your feedback will help us to hone these insights as we look further ahead to 2030 through our work with GRI.

SustainAbility | Rob Cameron,
Chief Executive, SustainAbility

4 Exploring future trends

The Corporate Leadership Group (CLG) on Reporting 2025 was convened by GRI to promote the global discussion on the future of sustainability reporting and disclosure, and to examine how the practice of reporting is evolving. Thirteen forward-looking companies came together to explore the trends they foresee will be more relevant in the future. From the 17 trends GRI presented at the *Sustainability and Reporting Trends Forum* held in November 2015, the CLG chose four to investigate and better understand the effect they would have on their own companies and sustainability reports:

| CLIMATE CHANGE	HUMAN RIGHTS	WEALTH INEQUALITY	DATA & TECHNOLOGY

The CLG explored these trends in four Labs, to gain new insights and a deeper understanding of the potential effects of these trends on their own companies and sustainability reports. Different experts were invited to share with the group their thoughts on the future of reporting, and SustainAbility provided content and facilitated the discussions. In the Labs, the group took a structured approach to exploring the trends, covering:

- **CURRENT LANDSCAPE**
- **DRIVERS OF CORPORATE PERFORMANCE ON THE TREND**
- **IMPLICATIONS FOR BUSINESS**
- **EXAMPLES OF BUSINESS ADDRESSING THE TREND**
- **PRIORITIES & NEXT STEPS**

This publication presents key information related to each sustainability trend as well as insights derived from the group's discussions. It should serve as a source of information and point of reference as well as an inspiration for other reporting practitioners who face the challenges of new sustainability topics emerging on the international agenda. The discussions and outcomes of the CLG, together with priorities and next steps, provide practical guidance for reporting organizations, inspiring practitioners and leaders to address emerging sustainability trends now and prepare for the future.

4.1 Climate change
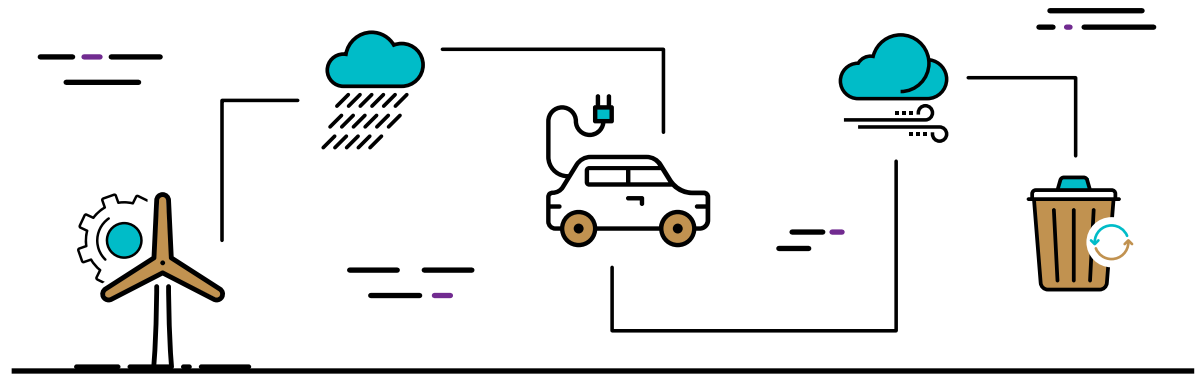
CURRENT LANDSCAPE

Climate change tops the global agenda and is one of the most mature yet evolving trends in sustainability and corporate reporting. In 2016, the World Economic Forum named the failure to mitigate and adapt to climate change the top global risk in terms of impact. Climate features prominently in the 17 Sustainable Development Goals (SDGs), which are already garnering significant interest and early uptake. Many reporting organizations already disclose information on climate change; the Organisation for Economic Co-operation and Development (*OECD*) and the Climate Disclosure Standards Board (CDSB) took stock of climate change disclosure in the G20 countries to find that corporate reporting practices are improving rapidly, with practice that was considered pioneering in 2010 becoming standard in 2015.

The landmark agreement made at COP21 in Paris in December 2015 resulted in:
• A tighter climate policy environment.
• A long-term goal being set for global decarbonisation.
• Momentum in investor interest in the issue, so far playing out by sector lines.
• The certainty that governments cannot achieve global targets alone.

The next step of *taking stock* of governments' Intended Nationally Determined Contributions (INDCs) to climate change is underway.

A number of associated initiatives also emerged in 2016:

- The OECD has been commissioned to assess the previous commitment of a *$100 billion fund* by 2020 to help developing countries cope with climate change.
- The *Breakthrough Energy Coalition* of technology leaders is providing $1 billion for innovation to the public research pipeline.
- 120+ companies have committed to developing science-based targets.

## DRIVERS OF CORPORATE PERFORMANCE ON CLIMATE CHANGE

Corporate leadership on climate change needs to be driven in a number of areas. The top factors driving companies to address climate change are:

- Using alternative and renewable energy.
- New technologies/innovation.
- Setting targets and having a climate strategy.
- Communicating and advocating on climate.
- Supportive governance.
- Leadership from the top.
- Committing and delivering real results.
- Reviewing products and services for climate impacts.

"The Bank's contribution to the Paris agreement is an important part of our priority setting. Climate-related finance, green finance, green bonds are issues where the Bank has been focusing for years, and certainly that focus is not going to go away." – Parminder Plahe, European Investment Bank (EIB)

Furthermore, climate change is being deemed financial: The Financial Stability Board introduced the Task Force on Climate-related Financial Disclosures to develop voluntary consistent climate-related financial risk disclosures for companies to give the right information to investors, lenders, insurers and other stakeholders.
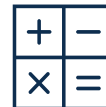
IMPLICATIONS FOR BUSINESS

There was clear consensus in the group that it is not a matter of *if* business should or can act on climate change but *how* and *how fast* they deliver change. The following points were presented in the Lab for the CLG to discuss:

- Companies are solution providers: they are expected to be part of the solutions, from new energy models to efficiencies in the production and distribution of goods.

- Climate change is interrelated with other issues: how does climate change interact with and impact other issues, such as human rights?
- Clear, ambitious, science-based targets are needed: new indicators on climate change impacts and related externalities are emerging but insufficient in the face of agreed global limits.
- Linking to INDCs is important: greater company and country engagement is expected to be required with the Paris agreement.

> *"Climate change impacts agriculture. For our sourcing, the challenge is how to engage farmers and those involved in agricultural production on climate change. Our report should be more explicit, more graphic and clearer in its targets to make it more comprehensible for our own stakeholders, specifically for our partners in agriculture."* — **Sol Beatriz Arango, Grupo Nutresa**

EXAMPLES: BUSINESS ADDRESSING CLIMATE CHANGE

The CLG was given examples of how companies include climate-related information in their sustainability reports:

- CEMEX has reported extensively on climate change, compiling progress and future direction into a standalone position, which includes progress against targets and signals a move to internal carbon pricing.
- Power company *CLP* set a target in 2007 – which still stands – to reduce the intensity of carbon emissions by approximately 75% by 2050.
- Food and beverage company *PepsiCo* is working towards an absolute reduction in greenhouse gas emissions across the business and also uses the lens of the PepsiCo value chain to show the boundaries of this material issue.
- *EIB*, the world's largest multilateral financier, has committed to transparent and detailed reporting on the climate benefits of its investments, by capturing the GHG emissions of 95% of its investment projects, while screening out projects whose GHG emissions exceed a stringent threshold level.
- Renewable energy group *Gamesa* aims to achieve carbon neutrality by 2025. This challenge involves individual commitments on the measurement, reduction and/or offsetting of the CO2 originating from the Group's direct and indirect emissions from 2015 to 2025.

To see other leading examples, see the *GlobeScan/Sustainability 2015 Climate Survey*, which identifies leading corporate climate change practices. One area where there is wide consensus is setting ambitious targets: *RE100* is proving to be a powerful initiative, through which a growing list of companies have committed to 100% renewable power.

PRIORITIES & NEXT STEPS

CLG members discussed priorities for exploring and improving their reporting on climate change:

- Contextualize and internalize the challenge of climate change more: Learn what you can from best practice but ensure you reflect on your materiality analysis and the aspects of climate change most relevant to your sector and organisation and improve data, metrics and reporting accordingly, e.g.:
  - If the emphasis is on your supply chain, your priority might be understanding the risks in your supply chain and calculating your scope 3 emissions.
  - If your products and services influence the energy use and emissions of others, their design and delivery may be most powerful.
- Aim to understand the interconnections, or nexus, of climate change and other issues.
- Set and achieve long-term (beyond 2020), science-based targets (attempt to get at your 'fair share'), which also differentiates companies.
- Determine how to align the interests and activities of reporting organizations on governments, given national plans on climate change and the multinational nature of many reporting organizations

- Develop a clear and concise narrative of the vulnerability of your organisation in light of climate change and the shared challenge it presents.
- Focus on behaviour change: what will individuals and organizations need to do differently to meet the challenges around energy consumption and emissions?

"In a resource constrained world, CEMEX understands the importance of reducing emissions and the need to quickly incorporate clean energies in the elaboration of our product. We understood we had to come to solutions quickly to contribute to a cleaner product and decrease our footprint." — Martha Herrera, CSR Director, CEMEX

4.2 Human rights
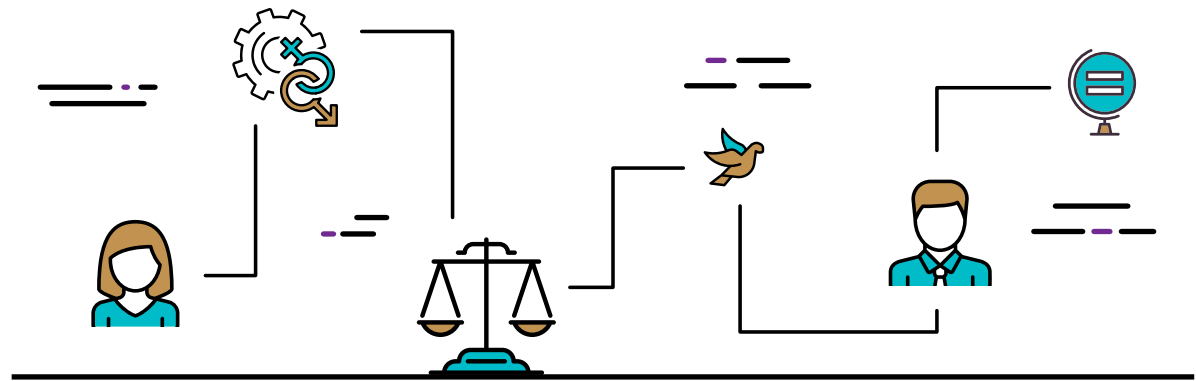
CURRENT LANDSCAPE

Human rights protection is a key, and growing, societal concern, particularly in light of on-going conflicts (e.g. in Syria) and migration and refugee flows. For all of the progress business has made, human rights abuses still occur. Many companies are still grappling with concerns in their supply chains, in particular – be it the unprotected migrant labourers in the palm oil or seafood supply chains in Asia, the concern for Syrian refugee children working in apparel factories in Turkey, or modern slavery in the UK.

We see substantial developments regarding human rights moving towards national implementation and accountability:

• Human rights are embedded across the Sustainable Development Goals: the Danish Institute for Human Rights suggests we can "…use human rights as a driver for realising the SDGs…and use the SDGs to realise human rights…".

• A number of nations – currently including the UK, Italy, Spain and Colombia – have developed National Action Plans specifically for human rights.

• The UK's Modern Slavery Act was seen as landmark legislation, affecting an estimated 17,000 businesses: large UK-based firms are required to publish evidence on their websites demonstrating that their operations are not reliant on international slavery.

> *"There is no clean supply chain: every supply chain contains serious risk. And risk is constantly evolving with conflict and economic crisis." – Phil Bloomer, Director, Business & Human Rights Resource Center*

DRIVERS OF CORPORATE PERFORMANCE ON HUMAN RIGHTS

Phil Bloomer, Director of the Business & Human Rights Resource Center, mentioned two mega trends that will be fundamental to business operations and demonstrate the interconnectivity of the trends the CLG explored:

- **The rise of hyper-inequality and opportunity of shared prosperity**: Business plays a fundamental role in the way in which wealth is created, but also in how wealth is distributed. Respecting and protecting human rights is fundamental to the equal distribution of resources.
- **The worsening ecological crisis**: The need to transition to a low carbon economy creates an opportunity to find solutions that also benefit the most vulnerable – those often left unprotected environmentally or ecologically also often experience a lack of human rights and social protection, especially in long and complex supply chains.

IMPLICATIONS FOR BUSINESS

Expectations of corporate reporting on the many facets of human rights are growing and the issue may rapidly mature:

- Human rights due diligence is now the expected minimum.
- Benchmarking and ranking will enable easy and quick comparisons between organizations.
- Investors, rating agencies and regulators are increasingly seeking this information.

In addition,

- **Greater mandatory transparency and due diligence**: This is evident globally with demands from civil society and increasing policy and regulation.
- **A focus on labour rights as essential**: Modern slavery is a new form of severe labour abuse, and is leading to a broader movement from a focus on audit and compliance to due diligence and collaboration. Stakeholders are emphasising the need for minimum living wages, thus affecting brands and unions, industrial collective agreements and potentially making wages pre-competitive. Health and safety, freedom of association and the right to collective bargaining also remain concerns.
- **Conflict over natural resource wealth**: Land rights are increasingly disputed and, as water scarcity worsens, disputes are expected to grow. Extreme air pollution is also gaining attention. As the world moves to low carbon economies, there is support to ensure that the transition is fast and fair. Finally, corporate tax and tax havens have a role to play to ensure tax is paid where resource wealth is extracted.

- **Emerging areas of strong corporate advocacy**: A number of corporations have spoken and acted to end discrimination by gender or sexual orientation, for instance, while in some sectors – such as manufacturing, extractives and technology – advocacy for the respect of basic rights throughout the supply chain remains a priority.

> *"Ensuring that compensation and remuneration programs do respect and improve minimum wages established in different markets and countries, or reducing the gender wage gap becomes a key challenge for multi-located companies like ours." — Isaac Ruiz, CSR Director, Gamesa*

EXAMPLES: BUSINESS ADDRESSING HUMAN RIGHTS

The CLG was given examples of how companies include human rights-related information in their sustainability reports:

- ICT company *Telefonica* focuses on the human rights issues around digital trust, which include privacy and security, freedom of expression and child protection. Telefonica is working on the implementation of its 10 Guiding Principles on Privacy and Freedom of Expression.

- *Grupo Nutresa* has a framework of action – a clear standalone communication on where the company stands on human rights and how they comply with their human rights policy.
- Renewable energy company Gamesa and IndustriALL Global Union signed a global *framework agreement* (GFA) including a commitment to respect basic social rights, human rights and civil liberties, equal opportunities, merit and non-discrimination.
- Indian iron and steel manufacturer *JSW* believes a diverse workforce is a key ingredient for an innovative ecosystem. They present the breakdown of the workforce by age, gender, category, level and turnover.

PRIORITIES & NEXT STEPS

CLG members discussed priorities for exploring and improving their reporting on human rights:

- Better understand human rights, not only as a material issue for many companies, but a more detailed understanding of salience and which rights are at risk of the most severe negative impact through the company's activities and business relationships.
- Consider doing this through human rights impact assessments.
- Consider adopting the UN Guiding Principles on Business and Human Rights Reporting Framework.

- Building awareness and spreading knowledge throughout a company and its supply chain is fundamental.
  - Companies are interested in exploring how their human resources departments can help serve human rights.
  - Integrating respect for human rights throughout the supply chain is seen as the biggest challenge.
  - Companies are also interested in platforms to share supply chain information, as hundreds and thousands of suppliers in any one supply chain cannot be monitored or audited by a single organisation effectively.
- Multi-stakeholder collaboration for collective action around an area of human rights, whether commodity-specific or a local region, is challenging but worth tackling.
- Supply chain risk analysis work and auditing is a first step to identifying risks in human rights.

"We are required to fully understand our supply chain in detail to be prepared for the challenges that face us. Recognising the risks in supply chains and managing them support the organization in its everyday business." — Claudia Millo, Ferrero

4.3 Wealth inequality
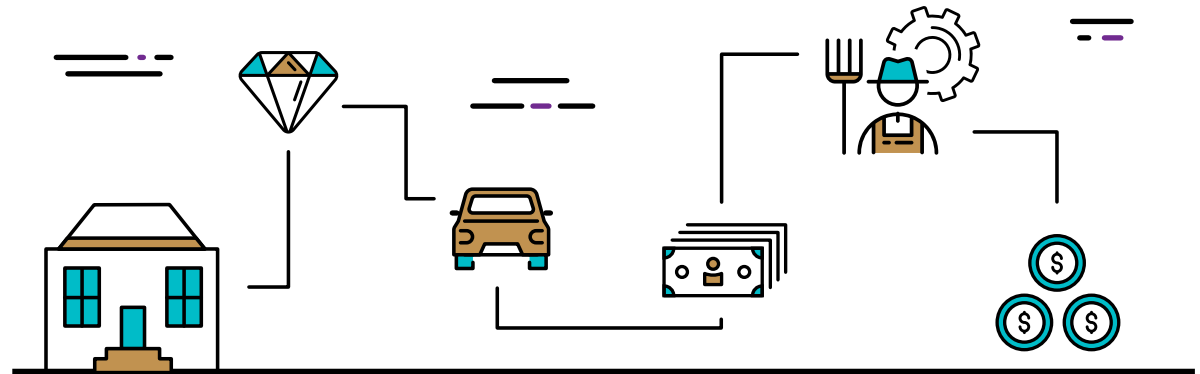
CURRENT LANDSCAPE

According to *Oxfam*, the richest 1% on the planet now have more wealth than the rest of the world combined. In the food and beverage industry, for example, 60% of farm laborers live in poverty. Small-scale farmers produce 80% of the world's food, yet together with agricultural workers, they make up the majority of those who are hungry.

The OECD defines wealth inequality as "economic inequality…the difference in how assets, wealth, or income are distributed among individuals and/or populations." It is also described as the gap between rich and poor, income inequality, wealth disparity, wealth and income differences, and the wealth gap.

Addressing wealth inequality is increasingly seen as a fundamental prerequisite of a sustainable economy, with a number of key stakeholders and experts focusing on the issue and how it connects to access – to financial resources, education, health, etc. With the rise of hyper-inequality, and all the risks it presents, there is a crucial opportunity to agree and re-align on what is more equal and shared prosperity.

Analyzing the sustainability reporting of several companies, it is evident that wealth inequality is rarely addressed directly as a mega trend or part of the wider operating context influencing business. There are signals that more companies are recognising the potential – and expectation – for them to influence socio-economic challenges through specific business activities such as employment, wage levels, and ratios and local sourcing.

> "*Probably one of the most pervasive ways in which inequality works in the world today is reflected in the way that power, privilege and influence are being used in the inter-linkages in supply chains.*" — *Ioan Nemes, Policy Lead CSR and Sustainable Agriculture at Oxfam Novib*

DRIVERS OF CORPORATE PERFORMANCE ON WEALTH INEQUALITY

According to Ioan Nemes, Policy Lead CSR and Sustainable Agriculture at Oxfam Novib, there are two key dimensions of driving concern for wealth inequality and gaining companies' attention:

1) An increasing share of the value of our global economy is going to capital, rather than labour, which speaks to the disparity between lower income workers and high wealth individuals. Many tax systems do not ensure the fair distribution of wealth from capital or profit-generating activities to the rest of society – not only in developing markets, but also in mature ones.

2) Inequality is reflected in the way that power, privilege and influence are used in the inter-linkages in supply chains (illustrated by the *Oxfam Behind the Brands campaign*).

In addition, there are encouraging signals from international institutions driving interest and attention on wealth equality.

- UN Sustainable Development Goal 10 squarely focuses on reducing inequality with specific targets including progressively achieving and sustaining income growth of the bottom 40% of the population at a rate higher than the national average by 2030.
- The *World Economic Forum* also identified wealth inequality as a top trend in 2015 and undertook a regional analysis of the issue to better understand which inequality-related aspects are priorities in which regions (e.g. corruption, education, urbanisation), which can better inform corporate understanding of key markets.

> "*Itaipu Binacional compensates with royalties those whose lands are covered by the reservoir, many of whom might be indigenous or remote communities.*" — *Heloisa Covolan, Itaipu Binacional*

IMPLICATIONS FOR BUSINESS

Oxfam sees various challenges ahead for business related to wealth inequality, including:

- Radically increasing the share of value captured by workers and small-scale producers.
  - For instance, achieving living wages for laborers (and living incomes for small-scale producers).
- Eliminating economic gender inequality and gender discrimination.
- Tackling the race-to-the-bottom on public governance to attract investment.
- Calling for an end to the era of tax havens.
- Breaking market concentration and addressing the unequal distribution of power.
  - For example, new business models should be rapidly established to share value more equitably in supply chains.

> *"To fight inequality, you cannot do it alone: you have to find partners in the government or in other institutions such as competitors or companies in the same or different sectors. You have to assess the role of intermediaries in your value chain and make efforts to be able to work along with others after the same objective" — Sol Beatriz Arango, Grupo Nutresa*

EXAMPLES: BUSINESS ADDRESSING ISSUES RELATED TO WEALTH INEQUALITY

The CLG was given examples of how companies include human rights-related information in their sustainability reports:

- *Ferrero* demonstrates increasing transparency and extensive reporting at the country level (for key countries), demonstrating through reporting how business operations have an impact on local economies. They report by country on wage ratios (as well as type of worker), local managerial hires and local supplier spend.
- *Mosaic* presents reporting on its global community investments – which are prioritized and categorized as related to food, water and local – making use of a microsite, Mosaic's Giving Map.

PRIORITIES & NEXT STEPS

CLG members discussed priorities for exploring and improving their reporting on wealth inequality:

- Start somewhere – look at your own operations and employees with a social rights perspective and then consider expanding the boundaries of this assessment to include the supply chain. Ask yourself: are there disparities in the way in which the company values people and activities in the supply chain?

- Seek more information and detail on where the company has made community-level investments and tracking going forward.
- Consider how your company already does, or can, influence access to essential products and services (e.g. food, water, energy) on a global basis or in the local communities in which you operate.
- Explore impact and outcomes-based measurement, despite the challenges of intermediaries in supply chains, different jurisdictions, different activities, etc.
- Consider what your company's most material impact related to wealth inequality may be and develop impact-related KPIs.

4.4 Data & technology
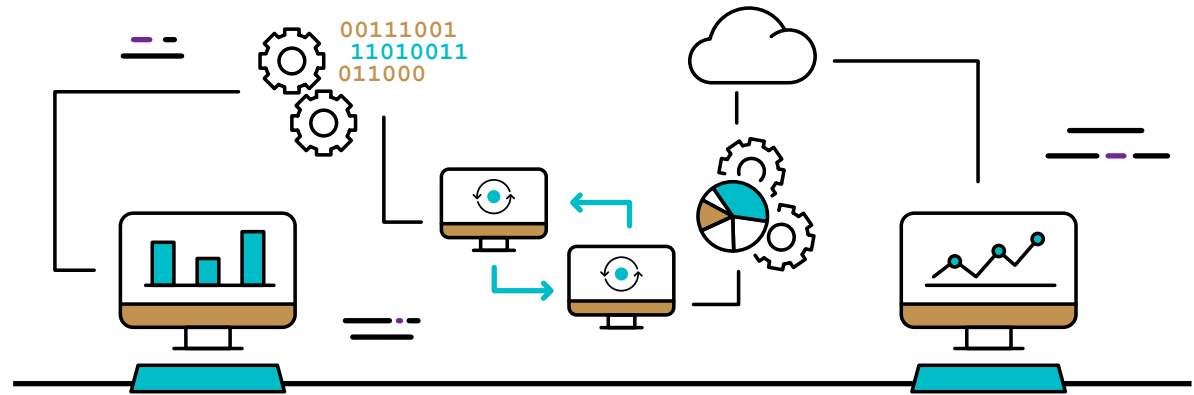
CURRENT LANDSCAPE

Data and technology are part of an ever-growing field of developments. The CLG observes an acceleration of the amount of data being made available, including in real-time: more data has been created in the past two years than in the entire previous history of the human race. There are more modes of consumption of data across value chains, including networks of networks and an internet of things.

Yet many corporate reporters point to a need for more correlation between data (and technology) to understand impacts. Indeed, for the world to meet SDG target 12.6 – to "encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle" – we will need to better understand and use data. The UN knows this and calls for a data revolution to make data support development and demonstrating why it really matters.

We know almost implicitly that better collection of and access to data (often through technology) enables reporting that is based on more and better data. Better data enables stakeholders to understand a company's performance and in turn make better decisions. Technology can also enable stakeholders to access data more effectively. We observe corporate reporting using data and technology in many ways.

The CLG focused on how companies are transparently presenting and communicating data externally, how technology can enable data accessibility and presentation, and how data can inform stakeholder decision making.

> *"There is a lack of data on particular business models, on factories, and technologies to help companies understand the impacts across nature, society and human beings."*
> *— Pavan Sukhdev, Founder and CEO, GIST Advisory*

DRIVERS OF CORPORATE PERFORMANCE ON DATA & TECHNOLOGY

Pavan Sukhdev, Founder and CEO of GIST Advisory, joined the Lab on data & technology as an expert to stretch members' thinking on data and specifically what data companies may already have if they decide to value it, showcasing a multi-capital value framework. In his experience with companies, shining a light by collecting data on human, physical, natural and social capital can achieve a multi-dimensional sense of value that is reflected in sustainability considerations being better integrated into companies and reporting. Understanding these aspects better — and for some, attaching a monetary value to them — will enable companies to identify potential areas to improve, to increase positive impacts, decrease negative impacts and ultimately increase business value.

IMPLICATIONS FOR BUSINESS

When it comes to corporate reporting, data and technology are often seen as an opportunity and a challenge in equal measure.

CHALLENGES
- Securing sufficient internal buy-in.
- Promoting the culture: creating awareness for good use of the internal systems that deliver high-quality, comparable data.
- Availability of sensitive and confidential data.
- Need for more analytical tools to better understand data.
- Manually collating data across spreadsheets or decentralised systems, or transitioning to new, more innovative systems to manage data and information.

OPPORTUNITIES
- Online reporting as an innovative tool to communicate data effectively.
- Embedding sustainability data (including collection and timely submission) into targets and performance management systems.
- Being proactive and keeping colleagues informed around the process and results.
- Monitor — and provide feedback loops to data providers — both the positive and the negative impacts of sustainability issues tracked.

- Understand the dynamics and other demands on the same data to improve the information channels and lower the burden for colleagues, where possible.

"With the explosion of technology we face challenges in issues such as freedom of expression, privacy safeguarding, personal data, and children protection. We've had to update policies, and we rolled out a voluntary training for employees that may become mandatory down the road." — Giacomo Cosimo Befo, TIM

EXAMPLES: BUSINESS ADDRESSING DATA & TECHNOLOGY ■

The CLG was given examples of how companies present data in their reporting, focusing on online reporting, interactive reporting that uses data to let the user choose how and what they read, infographics that present complex or large amounts of data in an easy to read format, and frequent performance updates:

- *TIM* presents its 2015 online report as well-designed and allows for easy navigation to its strategic focus on social innovation, environmental protection and digital culture and introduces the report with a video.
- *CLP* opens up several datasets to allow readers to interact with and customize their view of CLP's data, and it covers financial, operational, environmental, social and governance performance data.
- *Grupo Nutresa* presents complex data in an easy to read format by visually mapping the company's activities and contributions across many issues to specific SDGs.

PRIORITIES & NEXT STEPS ▬

CLG members discussed priorities for exploring and improving their reporting through the use of data and technology:

- Use data and technology to approach stakeholders in different ways.
- Use technology to ease the collection of data by moving towards more sophisticated and centralised data systems.
- Explore and better understand the needs of different stakeholder groups and tailor the presentation of data accordingly.
- Present information to stakeholders (e.g. infographics, report microsites) more effectively.

5 Future focus

The CLG derived relevant future focus areas for companies from their exploration of evolving sustainability trends in reporting, revisiting the cross-cutting themes that arose throughout the four Labs. The group also identified some key suggestions to help companies tackle each area.

- **Greater expectations**: Overall, companies are experiencing greater pressure from stakeholders on sustainability issues, as evidenced by developments such as increasing regulation.
  - *Explore and test stakeholder interest in reporting in different formats and frequencies and consider how reporting organisations may manage this.*
  - *Closely monitor and explore the four trends (climate change, human rights, wealth inequality and data & technology), especially the less mature areas of human rights and wealth inequality.*
  - *Clearly communicate the value of the movement towards GRI Standards in relation to new or emerging areas: GRI can provide greater clarity and guidance on disclosures and standards but should not be prescriptive on the reporting process.*
- **Reset targets**: Companies are determined to revisit their targets; how can they be made longer-term and drive sustainable outcomes? Can more impact and outcomes-based measurement be implemented?
  - *Provide guidance to companies on targets. Should they be science-based? Context-based? Represent a company's fair share of a challenge or impact?*
- **Country-level and local lenses**: There is a desire to seek out more country-level and local data across these trends – on wages, on salient human rights, to align with government plans on climate, etc.
  - *Explore further guidance on how to report effectively on tax practice across different jurisdictions, which governments can support this.*
  - *Support researching, benchmarking and guidance on areas such as minimum wages and living wages in different jurisdictions or human rights benchmarking to help companies compare and report.*
- **Deepen the understanding of impact**: The supply chain is seen as the next frontier for many companies and the need to better understand risks and impacts is paramount, whether that is exploring scope 3 emissions, conducting human rights impact assessments or exploring how wealth inequality plays out.
  - *Support reporting organizations' interest in impact measurement.*

- **Improve data**: There are improvements to be made to internal data collection processes to improve reporting against these trends and support better understanding and managing the issues.
  - *Pursue further or deeper alignment (e.g. GRI with other frameworks) so that data is collected only once for multiple purposes.*
  - *Encourage peer learning and sharing of best practice.*
- **SDGs matter**: There is strong consensus that the agreement of the Sustainable Development Goals is significant and will impact corporate sustainability agendas.
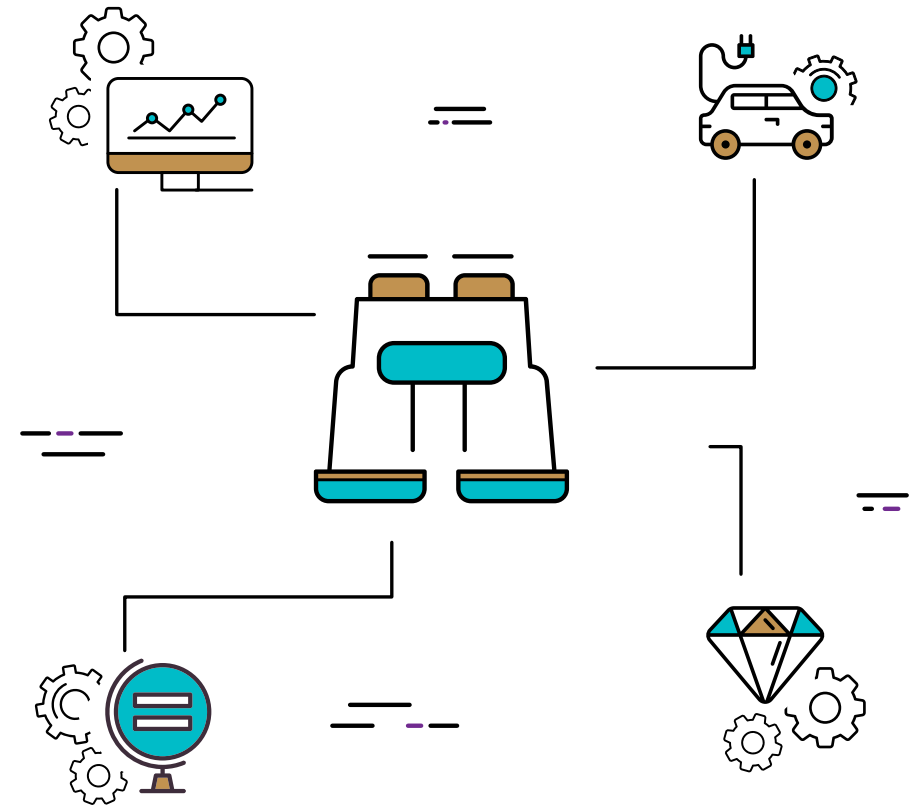
6 Resources

This section contains a pool of resources that are useful for reporting organizations to better understand the trends the CLG on Reporting 2025 explored. The section features a list of GRI Standards and disclosures related to each trend as well as documents and articles related to each topic.

GRI Standards and disclosures related to Climate Change	
GRI 302: Energy 2016	
Disclosure 302-1 Energy consumption within the organization	Topic-specific Standards
Disclosure 302-2 Energy consumption outside of the organization	
Disclosure 302-3 Energy intensity	
Disclosure 302-4 Reduction of energy consumption	
Disclosure 302-5 Reduction in energy requirements of products and services	
GRI 305: Emissions 2016	
Disclosure 305-1 Direct (Scope 1) GHG emissions	Topic-specific Standards
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	
Disclosure 305-3 Other indirect (Scope 3) GHG emissions	
Disclosure 305-4 GHG emissions intensity	
Disclosure 305-5 Reduction of GHG emissions	
Disclosure 305-6 Emissions of ozone-depleting substances (ODS)	
Disclosure 305-7 Nitrogen oxides (NO_X), sulfur oxides (SO_X), and other significant air emissions	

DOCUMENTS & ARTICLES

➜ *The 2015 Climate Survey, Leadership on Climate Change: COP21 & Beyond, GlobeScan/SustainAbility Survey*

➜ *Google joins RE100 with target to triple renewable energy purchases by 2025*

➜ *CDP Global Climate Change Report 2015 – At the tipping point?*

➜ *OECD & CDSB insights on G20 corporate reporting, Climate Change Disclosure in G20 Countries – Stocktaking of corporate reporting schemes*

➜ *Ipieca, IPIECA Climate Change Reporting Framework – A pilot guidance document for the oil and gas industry*

➜ *GRI, Sustainability and Reporting Trends in 2025 – Preparing for the future*

➜ *IEA, World Energy Outlook 2015*

IMAGES & VIDEO

➜ *Global Forest Watch, Monitoring Forests in near real time*

GRI Standards related to Human Rights	
GRI 102: General Disclosures 2016 (Strategy disclosures)	Universal Standards
GRI 102: General Disclosures 2016 (Governance disclosures)	
GRI 308: Supplier Environmental Assessment 2016	Topic-specific Standards
GRI 403: Occupational Health and Safety 2016	
GRI 405: Diversity and Equal Opportunity 2016	
GRI 406: Non-discrimination 2016	
GRI 407: Freedom of Association and Collective Bargaining 2016	
GRI 408: Child Labor 2016	
GRI 409: Forced or Compulsory Labor 2016	
GRI 410: Security Practices 2016	
GRI 411: Rights of Indigenous Peoples 2016	
GRI 412: Human Rights Assessment 2016	
GRI 413: Local Communities 2016	

DOCUMENTS & ARTICLES

➡ *UN Working Group on Business and Human Rights Version 1.0.1 December 2014, Guidance on National Action Plans on Business and Human Rights*

➡ *GRI, Sustainability and Reporting Trends in 2025 – Preparing for the future*

NORMATIVE FRAMEWORKS

➡ *UN Guiding Principles on Business and Human Rights; UN Global Compact; OECD MNE Guidelines; ILO Conventions; Universal Declaration of Human Rights*

➡ *The UK Modern Slavery Act 2015*

IMAGES & VIDEO

➡ *Video – The UN Guiding Principles on Business and Human Rights: An Introduction*

GRI Standards related to Wealth Inequality	
GRI 102: General Disclosures 2016 (Governance disclosures)	Universal Standards
GRI 201: Economic Performance 2016	Topic-specific Standards
GRI 202: Market Presence 2016	
GRI 203: Indirect Economic Impacts 2016	
GRI 204: Procurement Practices 2016	
GRI 205: Anti-corruption 2016	
GRI 401: Employment 2016	
GRI 405: Diversity and Equal Opportunity 2016	
GRI 413: Local Communities 2016	

DOCUMENTS & ARTICLES

➜ *World Economic Forum, Regional Challenges*

➜ *World Economic Forum, Executive Opinion Survey 2014 – Global Risks of Highest Concern for Doing Business*

➜ *GRI, Sustainability and Reporting Trends in 2025 – Preparing for the future*

➜ *OXFAM GB, Wealth: Having it all and wanting more*

➜ *OXFAM, An economy for the 1% –How privilege and power in the economy drive extreme inequality and how this can be stopped*

➜ *OXFAM, WOMEN AND THE 1% – How extreme economic inequality and gender inequality must be tackled together -*

➜ *OXFAM, Steps towards a living wage in global supply chains*

INITIATIVES

➜ *Transparency International's corporate transparency analysis and its work on corruption in the telecommunications industry*

➜ *The Wagemark Foundation*

➜ *Living Wage Foundation*

➜ *Access to Medicine Index ranking the top 20 pharmaceutical companies*

➜ *Access to Nutrition Index ranking the top 20 food and beverage companies*

7 Continuing the discussion

GRI will continue to facilitate the discussion on sustainability trends and the future of reporting. The release of the GRI Sustainability Reporting Standards and the United Nations 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) are helping to build a momentum in which the private sector has to demonstrate their contributions to build a sustainable future. Best practices for corporate reporting on the SDGs however, have yet to be established.

The UN Global Compact and GRI have formed a ground-breaking initiative, **Reporting on the SDGs**, to address this challenge. Together, we're convening representatives from leading businesses to join a *Corporate Action Group* as part of the SDG Action Platform, to help influence a greater multi-stakeholder movement that will play a pivotal role shaping the future of corporate reporting on the SDGs.

The *Corporate Action Group* will help companies:

TACKLE THE CHALLENGES OF REPORTING ON SDGs
- Engage in a corporate learning program to receive expert guidance and identify solutions and innovative ways to report on your progress towards the SDGs.

- Determine the SDGs most material to your business through self-assessment exercises to understand and communicate your company's contributions.

DEMONSTRATE YOUR LEADERSHIP
- Position your company at the forefront of SDG action, together with two leading sustainable development organizations.
- Play a pioneering role in the SDGs journey, participate in key discussions and significant events convened by the UN.

INFLUENCE GLOBAL DISCUSSIONS
- Access a community of global experts, peers and investors to gain cutting edge insights and help evolve emerging practice.
- Influence a multi-stakeholder movement that will shape the research on the list of prioritized disclosures for tracking business performance against the SDGs.

Contact Elena Perez Vega, Corporate & Stakeholder Relations Manager at GRI. *perez@globalreporting.org*

8 About GRI and SustainAbility

GRI is an independent international organization that has pioneered sustainability reporting since 1997. GRI helps businesses, governments and other organizations understand and communicate the impact of their operations on critical sustainability issues such as climate change, human rights and corruption. GRI provides the world's most trusted and widely used sustainability reporting standards, helping organizations and their stakeholders make better decisions based on information that matters. There are thousands of GRI reporters in more than 90 countries, and 41 countries and regions currently reference GRI in their policies. All of GRI's activities are underpinned by a unique multi-stakeholder approach, which ensures the participation and expertise of diverse stakeholders in the development of its Standards. GRI's mission is to empower decision makers everywhere, through its Standards and multi-stakeholder network, to take action towards a more sustainable economy and world.

SustainAbility believes in making our future the cause of the present. It is a think tank and strategy advisor that inspires and enables business to lead the transition to a sustainable economy. With offices in two continents, extensive experience in diverse sectors and access to a vast on-demand network of leading sustainability experts, we bring a global and unique perspective.

Founded in 1987, our long history at the forefront of the sustainability agenda, coupled with our knowledge of what has worked and not worked at hundreds of other companies, uniquely positions us to advise clients on how to successfully integrate sustainability into the business.

Our trends insights are informed by our many years of experience and sophisticated analyses helping companies stay one step ahead in the world of corporate responsibility.

9 CLG on Reporting 2025

GRI convened the Corporate Leadership Group (CLG) on Reporting 2025, a forward-looking, international leadership forum of companies, to discuss key topics that will influence business decisions in the next decade to transition to a sustainable economy. During 2015, participating companies discussed and identified international trends and prioritised four trends for further exploration:

- Climate change.
- Human rights.
- Wealth inequality.
- Data & technology.

In 2016, SustainAbility and GRI delivered a yearlong program of in-person and online Labs to explore each of these four trends. Each Lab covered:

- Why this is a trend and key elements of the current international discussion.
- Which companies are leading in addressing this trend and reporting on it.
- Analysis of reporting organizations and common practices.
- Discussion of how reporting organizations can concretely improve their report in light of the trend, and how GRI and others can support them on this journey.

This publication reflects the work of the Corporate Leadership Group on Reporting 2025 during the Leadership Labs that took place in 2016. GRI would like to thank all GRI Corporate Leadership Group members for their investment and collaborative approach. Their experience as leading reporting corporations is a great source of inspiration for GRI and hopefully also for others.

10 Contributors

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