The Global Reporting Initiative

- An **international, independent body** that produces & makes available the world's most trusted & widely used standards for sustainability reporting

  (Source: www.ethicalmarkets.com)

- GRI Standards help business, Governments and other entities understand, measure and communicate their significant **impact on critical social, environmental and economic sustainability** issues using a common framework and language

  - Reporting publicly on sustainability,
    - informs decision makers, such as investors or governments
    - drives continuous improvement in processes and performance

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Global relevance and acceptance

GRI Standards are used by almost **7,400 organisations** located in over **110 countries**, including 75% of reports issued by the worlds largest 250 corporations and > 330 Australian organisations

Organisations registering reports with GRI
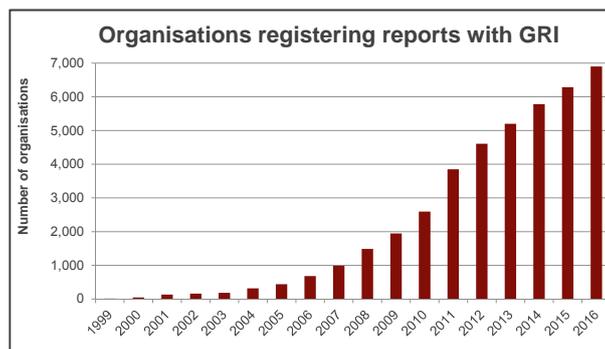
Note: To access the GRI's Disclosure Database, see http://database.globalreporting.org/

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GRI Standard-setting process

- GRI has > 15 years standard setting development experience

- GRI Sustainability Reporting Standards are the result of a robust, global multi-stakeholder development process.
    - Developed by the Global Sustainability Standards Board (GSSB)
    - May appoint a multi-stakeholder working group or technical committee
    - Significant consultation, including exposure drafts released for public comment

- Alliances and synergies with partner organizations ensures standards are connected to other relevant international initiatives, frameworks and guidance.
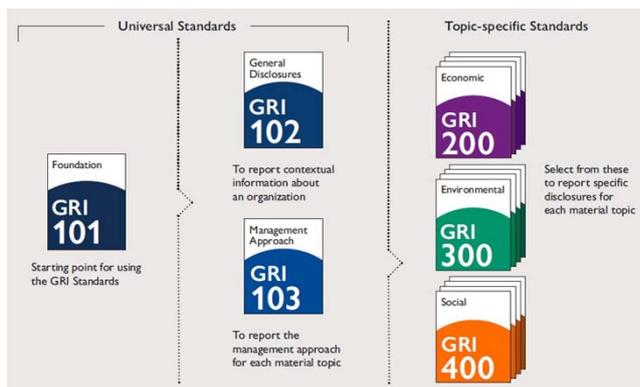

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GRI Standards

GRI Standards are structured as a set of interrelated, modular standards, with 3 universal standards & 33 topic-specific standards (material issues).

From **30th June, 2018** GRI Standards replace the G4 GRI Guidelines

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Why review GRI403?

To represent **internationally-agreed best practice** and reflect recent developments in managing and reporting on occupational health and safety

To **harmonize** with key instruments:
- Aligned with key **ILO** instruments
- Aligned with relevant **ISO Standards, e.g. ISO 45001** OH&S management system standard

To provide guidance to **address key challenges around reporting** on OH&S impacts. For example:
- Low comparability of OH&S performance data
- Implications of changing employment relations
- Lack of attention to leading indicators
- Overreliance on productivity-focused KPIs
- Presentation of risks related to lifestyle

Jan 2017: GSSB target GRI 403 for review
Call for PWG applications

March 2017: GRI PWG announced

April 2017: PWG commences work on reviewing the standard

Aug – Oct 2017: Exposure draft GRI403 released for public comment

Oct 2017: Public feedback received, PWG's work continues

30th March 2018: Final draft submitted to GSSB for approval

11th April 2017: GSSB approval confirmed

June 2018 released,
Sept 2018: Official launch of GRI403

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History of GRI's OHS Reporting Standard

Comparison of GRI's Recommended Occupational Health and Safety Indicators			
GRI WORKPLACE INDICATORS (GRI 2000)	**GRI G2 LABOUR INDICATORS (GRI 2002)**	**GRI G3 LABOUR INDICATORS (GRI 2006)**	**GRI G4 LABOUR INDICATORS (GRI 2013)**
6.68 **Investment per worker** in illness and injury prevention.	LA6. Description of **formal joint H&S committees comprising management and worker representatives** and proportion of workforce covered by any such committees.	LA6. Percentage of **total workforce represented in formal joint management-worker H&S committees** that help monitor and advise on OH&S programs.	LA5 Percentage of **total workforce represented in formal joint management–worker H&S committees** that help monitor and advise on OH&S programs
	LA8. Description of **policies** or **programmes** (for the workplace and beyond) on **HIV/AIDS**. LA14. Evidence of substantial **compliance with the ILO Guidelines** for Occupational <u>Health</u> **Management Systems**.	LA8. Education, training, counselling, prevention and risk-control **programs** in place to assist **workforce members, their families, or community members** regarding **serious diseases.**	LA7. Report **whether there are** workers who are involved in **occupational activities** who have a **high incidence or high risk of specific diseases** e.g. HIV/AIDS, diabetes, RSI, malaria, stress
	LA15. Description of **formal agreements with trade unions** or other employee representatives covering OH&S and % of the workforce covered by such agreements.	LA9. Health and safety **topics** covered in formal agreements with trade unions.	LA8. **Whether formal agreements** (either local or global) with trade unions **cover OH&S.** If yes, report the extent (%), to which various OH&S topics are covered by these agreements.

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History, continued

Comparison of GRI's Recommended Occupational Health and Safety Indicators			
GRI's Workplace Indicators (GRI 2000)	**GRI's G2 Labour Indicators (GRI 2002)**	**GRI's G3 Labour Indicators (GRI 2006)**	**GRI G4 Labour indicators (GRI 2013)**
	LA5. Practices on **recording** and **notification** of occupational **accidents and diseases**, and how they relate to the **ILO Code of Practice** on Recording and Notification of Occupational Accidents and Diseases.	n/a	LA6. Report **types of injury, injury rate** (IR), **occupational diseases rate** (ODR), **lost day rate** (LDR), **absentee rate** (AR) and **work-related fatalities**, by region and gender • for the total workforce (that is, total employees plus supervised workers), and, • for independent contractors. Report the **system of rules** applied in recording and reporting accident statistics
6.66 **Reportable cases** (including subcontracted workers). 6.67 **Standard injury, lost day,** and **absentee rates** (including subcontracted workers).	LA7. **Standard injury, lost day, and absentee rates** and number of work-related **fatalities** (including subcontracted workers).	LA7. **Rates of injury, occupational diseases, lost days, and absenteeism,** and total number of work-related **fatalities** by region.	

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GRI403 development

GRI's OH&S Standard was developed through a **transparent** and **inclusive process, in the public interest**, following the **Due Process Protocol,** and including:

- input from an **expert multi-stakeholder working group**, with representatives from labor, civil society, investors, business and international and governmental institutions

- nearly **600 comments from stakeholders** received on the exposure draft

Working group members:
- Canadian Labour Congress
- Center for Safety and Health Sustainability
- European Trade Union Institute
- George Washington University
- Heineken International
- Institution of Occupational Safety and Health (IOSH)
- International Labour Organization (ILO)
- International SOS Foundation
- Irish Congress of Trade Unions
- LafargeHolcim Ltd
- Norsk Hydro ASA
- Sustainalytics
- U.S. Occupational Safety and Health Administration
- University of New South Wales
- Vitality Group

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Key features

1. **Scope of workers:** explains the spectrum of workers for whose OH&S an organization is expected to be responsible:
   - *employees*
   - *other workers whose work and/or workplace is controlled by the entity*
   - *cases where the organization is directly linked to significant impacts on the health and safety of workers by its business relationships*

2. **Management approach:** specifies relevant content and places a greater emphasis on:
   - *identification of hazards and assessment of risks,*
   - *application of the hierarchy of controls to eliminate hazards*
   - *description of leading indicators, e.g. OHSMS based on standards/guidelines*

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Key features, continued

3. **Focus on worker health:** takes a holistic approach, covering <u>both</u> the ***prevention of harm*** (primary focus) and separately, the ***promotion of health***
    *   *new disclosures on occupational health services, worker access to healthcare (based on global priorities), and worker health promotion*
    *   *ill health data has been separated from safety data,*

4. **Injury and ill health outcomes:** Improved methodology for calculating and reporting occupational injury and illness
    *   *greater emphasis on measuring **impact on the H&S of workers**, as opposed to loss of productivity (i.e., the severity of damage is measured by recovery time, instead of by lost time)*
    *   ***number** (and rate) now required for work-related injuries*

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Overview of disclosures

Management approach disclosures

403-1 OH&S management system

403-2 Hazard identification, risk assessment, and incident investigation

403-3 Occupational health services

403-4 Worker participation, consultation, and communication on OH&S

403-5 Worker training on OH&S

403-6 Promotion of worker health

403-7 Prevention and mitigation of OH&S impacts directly linked by business relationships

Topic-specific disclosures

403-8 Workers covered by an OH&S management system

403-9 Work-related injuries

403-10 Work-related ill health

Glossary

References

Each disclosure can have additional requirements on how to compile or present the information, along with recommendations and guidance.

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Management approach disclosures

*Note: Management approach reported using GRI 103 _and_*

Disclosure 403-1 OH&S management system (OHSMS)

a. A statement of whether an OHSMS has been implemented, including whether:

   i. the system has been implemented because of **legal requirements** and, if so, a list of the requirements;

   ii. the system has been implemented based on recognized risk management and/or management system **standards/guidelines** and, if so, a list of the standards/guidelines.

b. A description of the **scope of workers, activities, and workplaces** covered by the OHSMS, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.

GRI STANDARDS

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GRI STANDARDS

Management approach disclosures

Disclosure 403-2 Hazard identification, risk
assessment, and incident investigation

a. A description of the **processes used** to **identify work-related hazards and assess risks** on a routine and non-routine basis, and to **apply the hierarchy of controls** in order to eliminate hazards and minimize risks, including:

 i. **how** the organization **ensures** the **quality** of these processes, including the **competency** of persons who carry them out;

 ii. how the **results of these processes** are used to **evaluate** and **continually improve** the OHSMS.

b. A description of the **processes for workers to report** work-related hazards and hazardous situations, and an explanation of **how workers are protected** against **reprisals**

(continues on next slide)

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GRI STANDARDS

Management approach disclosures

Disclosure 403-2 Hazard identification, risk
assessment, and incident investigation (cont.)

c. A description of the **policies and processes for workers to remove themselves from work situations** that they believe could cause injury or ill health, and an **explanation of how workers are protected** against **reprisals**.

d. A description of the processes used to **investigate work-related incidents**, including the processes to identify hazards and assess risks relating to the incidents, to **determine corrective actions** using the hierarchy of controls, and to **determine improvements needed** in the OHSMS.

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Management approach disclosures

Disclosure 403-3 Occupational health services

a. A description of the **occupational health services'** functions that contribute to the **identification** and **elimination** of **hazards** and **minimization of risks**, and an explanation of how the organization **ensures the quality** of these services and **facilitates workers' access** to them.

Disclosure 403-4 Worker participation, consultation, and communication on OH&S

a. A description of the **processes for worker participation and consultation** in the development, implementation, and evaluation of the OHSMS, and for providing access to and communicating relevant information on OH&S to workers.

b. Where **formal joint management–worker** H&S **committees** exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not **represented** by these committees.

Management approach disclosures

Disclosure 403-5 Worker **training** on OH&S

a. A description of any **OH&S training** provided to workers, including **generic** training as well as training on **specific** work-related hazards, hazardous activities, or hazardous situations.

Disclosure 403-6 Promotion of worker health

a. An explanation of how the organization facilitates workers' access to **non-occupational medical** and **healthcare services**, and the scope of access provided.

b. A description of any **voluntary health promotion** services and programs offered to workers to address **major non-work-related health risks**, including the specific health risks addressed, and **how** the organization facilitates workers' access to these services and programs.

Management approach disclosures

Disclosure 403-7 Prevention and mitigation of OH&S impacts directly linked by business relationships

a. A description of the organization's approach to preventing or mitigating significant negative OH&S impacts that are directly **linked to its operations**, **products or services by its business relationships**, and the related hazards and risks.

Background
*In cases where an organization has **no control over both the work and workplace**, it still has a responsibility to make efforts, including exercising any leverage it might have, to prevent and mitigate negative OH&S impacts that are directly linked to its operations, products or services by its business relationships. For more guidance, see the Scope of 'workers' in this Standard section.*

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Topic–specific disclosures

Disclosure 403-8 Workers covered by an OHSMS

a. If the organization has implemented an **OHSMS** based on legal requirements and/or recognized standards/guidelines:

  i to iii the **number and percentage of all employees and workers** who are not employees but whose work and/or workplace is controlled by the organization, **who are covered by**…
  → such a **system**;
  → such **a system that has been internally audited**;
  → such **a system that has been audited or certified by an external party**.

b. Whether and, if so, why **any workers have been excluded** from this disclosure, including the **types** of worker excluded.

c. Any **contextual information** necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

Note:
All topic-specific disclosures include these last two points i.e. Points b & c

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Topic–specific disclosures

Disclosure 403-9 Work-related injuries

a. For all **employees**:
   i. The number and rate of **fatalities** as a result of work-related injury;
   ii. The number and rate of **high-consequence work-related injuries** (excluding fatalities);
   iii. The number and rate of **recordable work-related injuries**;
   iv. The main **types** of work-related injury;
   v. The number of **hours worked**.
b. For all **workers who are not employees** but whose work and/or workplace is controlled by the organization (same as 'a' above).

(continues on next slide)

Glossary defines 'high-consequence work-related injury': work-related injury that results in a fatality or in an injury from which the worker **cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months**

Deconstructing lost time

Lost time injury

Fatality
Permanent absence
Severe temp. work absence
Moderate temporary work absence
Minor (short) temporary work absence
Restricted / modified duty
Medical treatment
First aid treatment

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Fatality
Total permanent disability
Partial permanent disability
> 6 months Long temporary impairment
>2 weeks, <6 months Moderate temporary Impairment
<2weeks Short temp. impairment
No impair-ment

= Class 2 Temporary impairment
= Class 3 Inconvenience

Note: Class 1 = permanently life altering and includes disability and disfigurement

High-consequence:
No recovery, or > 6 months to recover fully to (pre-injury/illness) state *= Class 1 (non-fatal)*

Recordable injury / illness

No impair-ment

Intelligence for WHS due diligence and investment decisions

LTIFRs primarily reflect the frequency of incidents that result in short absences. Together, LTIFR and fatality data inform managers about trends in incidents that generate less than 10% of the WHS cost borne by employers. What about the high consequence incidents that result in the majority of (human and economic) cost?

→ We need to increase the visibility of non-fatal, high-consequence injury and ill-health.
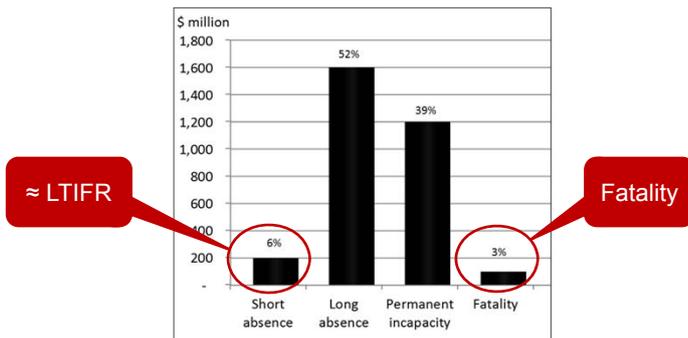
**Economic cost to employers, by severity (2009)**

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Investors recognize LTIFR is "not the holy grail"

Extract from:
Citi Research, Spotlight on Safety report (2013, pp.8-10)

A study conducted by Macquarie University analysed Australian compensated workplace injuries. The first chart in Figure 3 shows the data trends for fatalities and injuries the way such data is typically reported. The second chart shows the same injury data, recast into rates of permanent damage and temporary impairment. This illustrates how LTIFR can decrease even though the incidence of the most damaging injuries (ie permanent disability) is actually rising.

Figure 3. Analysis of Australian Safety Data, Illustrating How Injury Rates Fell While Severity Increased
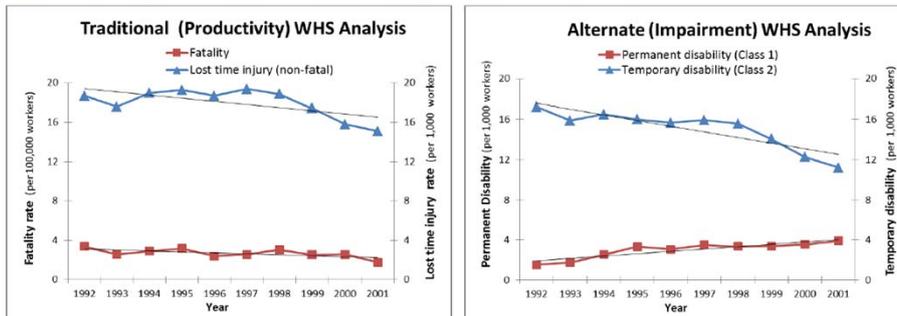
Source: S. O'Neill, IGAP Research Centre, Macquarie University

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Topic–specific disclosures

Disclosure 403-9 Work-related injuries (cont.)

c. The **work-related hazards that pose a risk of high-consequence injury**, including:
   i. how these hazards have been determined;
   ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;
   iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.

d. Any **actions** taken or underway **to eliminate** other work-related **hazards** and **minimize risks** using the **hierarchy of controls**.

e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.

Important information for compiling the data:
- Guidance on how to compile data on work-related injuries
- Recommended to report **high-potential incidents** and close calls
- Recommended to **break down data** where relevant e.g. by type of injury, country, business line, or demographics (e.g. sex, gender, age, migrant status)

Topic–specific disclosures

Disclosure 403-10 Work-related ill health

a. For all employees:
   i. The **number of fatalities** as a result of work-related ill health;
   ii. The **number of cases of recordable work-related ill health**;
   iii. The **main types** of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization (same as 'a' above).

c. The work-related hazards that pose a risk of ill health (same requirements as in Disclosure 403-9 on work-related injuries).

Important information for compiling the data:
- Guidance on how to compile data on work-related ill health, including data on musculoskeletal disorders and mental illness
- Recommended to break down data where relevant

Advice and further resources

New reporters are advised to start reporting with the new 2018 Standard.

Existing users of *GRI 403 (2016)* are advised to start the transition to the new 2018 Standard as soon as possible, or by 31 December 2020 at the latest. Earlier adoption is encouraged.

Additional resources

Go to www.globalreporting.org/OHSStandardReview

- To download the *GRI 403: OH&S 2018* Standard

- To watch a recorded webinar (video) *presentation* on the new standard, see also **https://youtu.be/CuaD4-PE2ZI**

- To find **Frequently Asked Questions** about the Standard and process

Further questions? Email **standards@globalreporting.org**

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Questions

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