SIRD #91
SOCIAL INVESTMENT ROUNDTABLE DISCUSSION

Social Investment Indonesia

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DAPATKAN GIVEAWAY !

Rethinking Sustainability Reporting:
Materiality, Accountability, and Global Standards



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Host:



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Jumat, 30 Januari 2026

15.00 - 17.00 WIB

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Rethinking Sustainability Reporting: Materiality, Accountability, and Global Standards

30 January 2026

Dewi Suyenti Tio,

Country Manager, Indonesia



Sustainability Reporting

"You can only improve what you measure"
Tom Peters

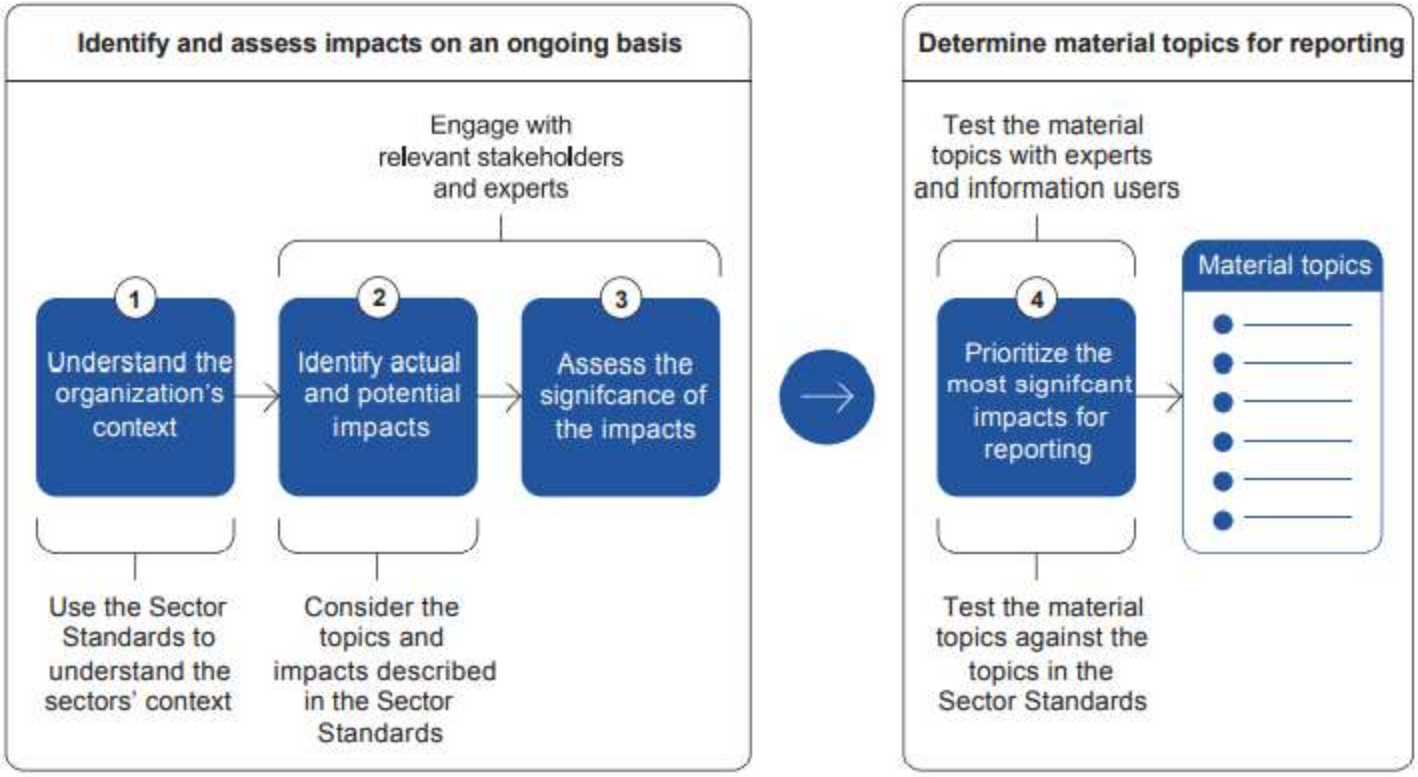
Pelaporan keberlanjutan adalah praktik organisasi untuk melaporkan secara publik tentang dampak **ekonomi, lingkungan, dan/atau sosialnya**, yang berkontribusi – baik positif atau negatif – **dalam pencapaian tujuan pembangunan berkelanjutan**.

Sustainability reporting *is an organization's practice of reporting publicly on its* ***economic, environmental, and/or social impacts,*** *and hence its contributions – positive or negative –* ***towards the goal of sustainable development.***

- Membantu dalam penetapan tujuan, mengukur kinerja, mengelola perubahan
- Mencatatkan dampak perusahaan yang paling signifikan
- Membuat masalah abstrak menjadi nyata dan konkret
- Membantu perusahaan mengembangkan strategi terkait keberlanjutan dan kegiatan perbaikan yang terus menerus
- Berfokus pada pemangku kepentingan
- Adalah sebuah perjalanan

Praktik mengungkapkan informasi keberlanjutan ***menginspirasi akuntabilitas****, membantu mengidentifikasi dan mengelola risiko, dan memungkinkan organisasi untuk* ***menangkap peluang baru****.*

Materiality = most significant impacts

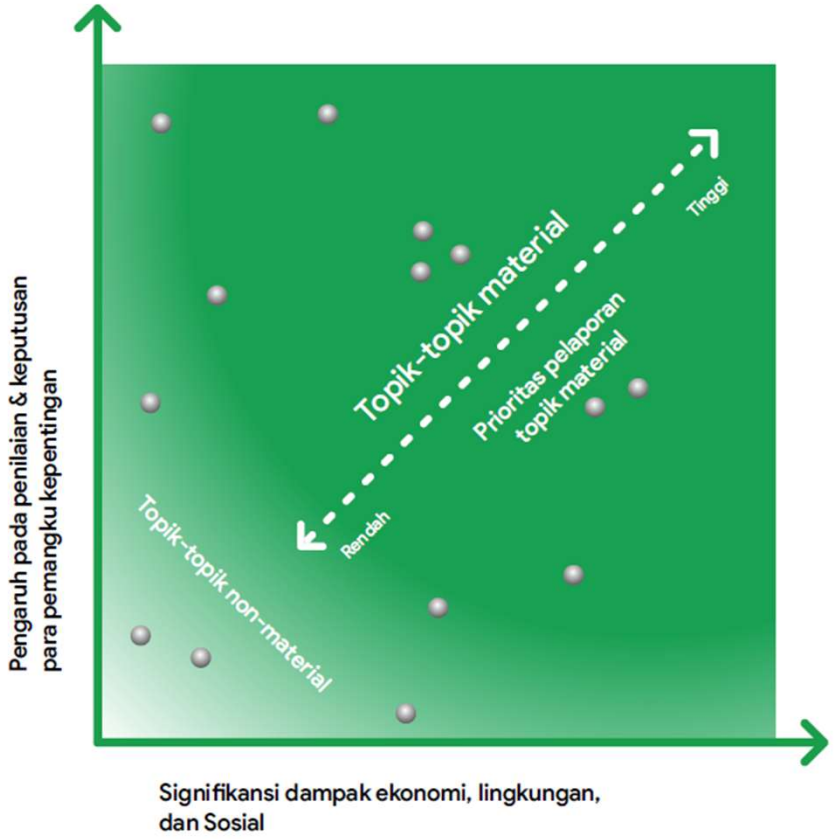


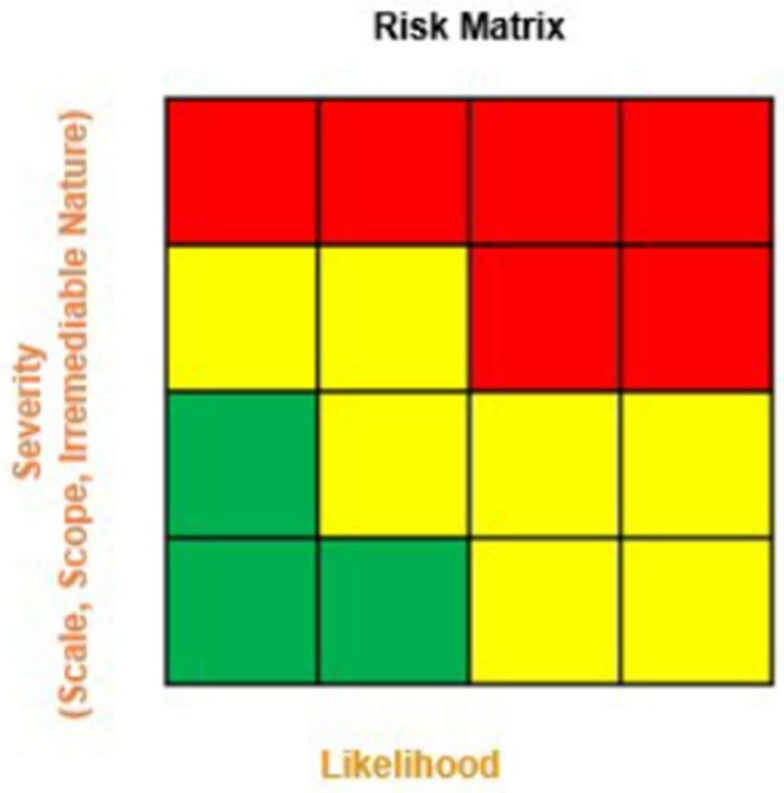
What is material?

"the organization prioritizes reporting on those topics that reflect its most significant impacts on the economy, environment, and people, including impacts on human rights".

GRI Exposure Draft, 2020

Materiality Matrix





Accountability: Let's look at GRI: 31 Topic Standards



101 Biodiversity
201 Economic Performance
202 Market Presence
203 Indirect Economic Impacts
204 Procurement Practices
205 Anti-corruption
206 Anti-competitive Behavior
207 Tax
301 Materials
103 Energy
303 Water and Effluents
304 Biodiversity
102 Climate Change
306 Waste
308 Supplier Environmental Assessment

401 Employment
402 Labor/Management Relations
403 Occupational Health and Safety
404 Training and Education
405 Diversity and Equal Opportunity
406 Non-discrimination
407 Freedom of Association and Collective Bargaining
408 Child Labor
409 Forced or Compulsory Labor
410 Security Practices
411 Rights of Indigenous Peoples
413 Local Communities
414 Supplier Social Assessment
415 Public Policy
416 Customer Health and Safety
417 Marketing and Labeling
418 Customer Privacy

GRI 3-3 Manajemen Topik Material

a. menjelaskan dampak aktual dan potensial, negatif dan positif mereka terhadap ekonomi, lingkungan, dan masyarakat, termasuk dampak terhadap hak asasi manusia;

b. melaporkan apakah organisasi terlibat dengan dampak negatif melalui aktivitas mereka atau sebagai akibat dari hubungan bisnis mereka, serta menjelaskan aktivitas atau hubungan bisnis tersebut;

c. menjelaskan kebijakan atau komitmen mereka mengenai topik material;

d. menjelaskan tindakan yang diambil untuk mengelola topik dan dampak terkait, termasuk:

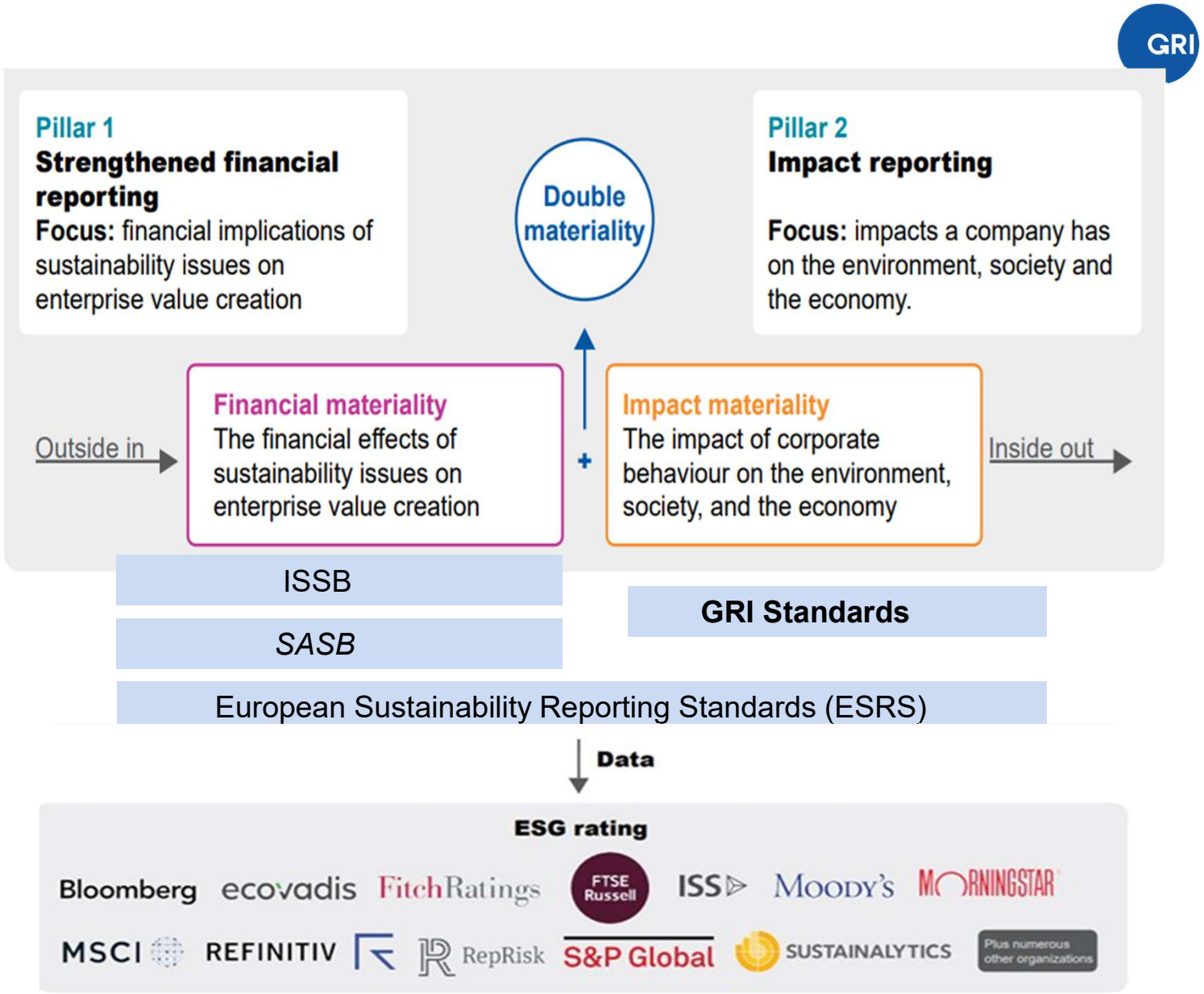
   i. tindakan untuk mencegah atau memitigasi potensi dampak negatif;
   ii. tindakan untuk menangani dampak negatif aktual, termasuk tindakan untuk memberikan atau bekerja sama dalam tindakan pemulihan dampak tersebut;
   iii. tindakan untuk mengelola dampak positif aktual dan potensial;

e. melaporkan informasi berikut tentang pelacakan efektivitas tindakan yang dilakukan:

   i. proses yang digunakan untuk melacak efektivitas tindakan;
   ii. tujuan, target, dan indikator yang digunakan untuk mengevaluasi kemajuan;
   iii. efektivitas tindakan, termasuk kemajuan terhadap tujuan dan target;
   iv. pelajaran yang dipetik dan bagaimana pelajaran ini telah dimasukkan ke dalam kebijakan dan prosedur operasional organisasi;

f. menjelaskan bagaimana keterlibatan pemangku kepentingan telah memberikan masukan pada tindakan yang diambil (3-3-d) dan bagaimana keterlibatan tersebut telah memberikan informasi apakah tindakan tersebut efektif (3-3-e).

Double Materiality



China's ISSB-aligned reporting rules 'go beyond many global standards', say experts

January 27, 2026 | Written by Gabrielle See

China has finalised its first national climate disclosure standard, which now ties corporate reporting to national targets.

The finalised rules are broadly aligned with the International Sustainability Standards Board (ISSB)'s rules and incorporate double materiality, requiring companies to identify the impact of their operations on the climate, beyond how climate risks affect them financially.

"It goes beyond many global standards in terms of its rigour," said Christoph Nedopil Wang, an expert on Chinese green finance policies and director of Brisbane-based Griffith Asia Institute. The new rules are "very ambitious" for mandating a double materiality lens, on top of disclosures of direct scope 1 emission and supply chain emissions – or scope 2 and 3 emissions, he added.



© Chris / Wikimedia

Double Materiality: Where to Start?

Even if not financially material at the time of reporting, most, if not all, of the impacts of an organization's activities and business relationships on the economy, environment, and people will eventually become financially material issues. Therefore, the impacts are also important for those interested in the organization's financial performance and long-term success. Understanding these impacts is a necessary first step in determining related financially material issues for the organization.

Sustainability reporting is therefore crucial for financial and value creation reporting. Information made available through sustainability reporting provides input for identifying financial risks and opportunities related to the organization's impacts and for financial valuation. This, in turn, helps to make financial materiality judgments about what to recognize in financial statements.

GRI 1: Foundation 2021

GRI Sector Standards – SASB Standards (Eg Coal Sector)

Content

Introduction
Sector this Standard applies to
System of GRI Standards
Using this Standard
1. Sector profile
Sector activities and business relationships
The sector and sustainable development
2. Likely material topics
Topic 12.1 GHG emissions
Topic 12.2 Climate adaptation, resilience, and transition
Topic 12.3 Closure and rehabilitation
Topic 12.4 Air emissions
Topic 12.5 Biodiversity
Topic 12.6 Waste
Topic 12.7 Water and effluents
Topic 12.8 Economic impacts
Topic 12.9 Local communities
Topic 12.10 Land and resource rights
Topic 12.11 Rights of indigenous peoples
Topic 12.12 Conflict and security
Topic 12.13 Asset integrity and critical incident management
Topic 12.14 Occupational health and safety
Topic 12.15 Employment practices
Topic 12.16 Child labor
Topic 12.17 Forced labor and modern slavery
Topic 12.18 Freedom of association and collective bargaining
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Water Management
Waste Management
Biodiversity Impacts
Rights of Indigenous Peoples
Community Relations
Labour Relations
Workforce Health & Safety
Reserves Valuation & Capital Expenditures
Tailings Storage Facilities Management



GRI Academy Course: Sustainability Impacts and Risks: A practical Exercise

Objectives

- Recognize the distinct focus of the impact perspective and the risks and opportunities perspective.
- Explain why both perspectives are essential for comprehensive sustainability reporting.
- Apply both lenses in practice to assess sustainability challenges and inform decision-making.
- Articulate how GRI Standards and IFRS Sustainability Disclosure Standards complement one another.
- Develop more transparent, balanced, and stakeholder-relevant disclosures.

Criteria	Impact perspective	Risk and opportunities perspective
Focus	How the organization affects people, planet, and economy	How sustainability issues affect the organization's ability to create value over time
Primary Audience	Stakeholders interested in accountability and transparency (e.g., employees, local communities, NGOs, civil society)	Existing and potential investors, lenders and other creditors, regulators
Examples	Emissions, human rights, biodiversity, supply chain labor	Managing risks from new climate regulations or capitalizing on opportunities like transitioning to solar power for cost savings and sustainability
Source Standards	GRI	IFRS S1 and S2
Viewpoint	Inside-out: organization's impacts on the environment and society	Outside-in: How sustainability topics affect business performance

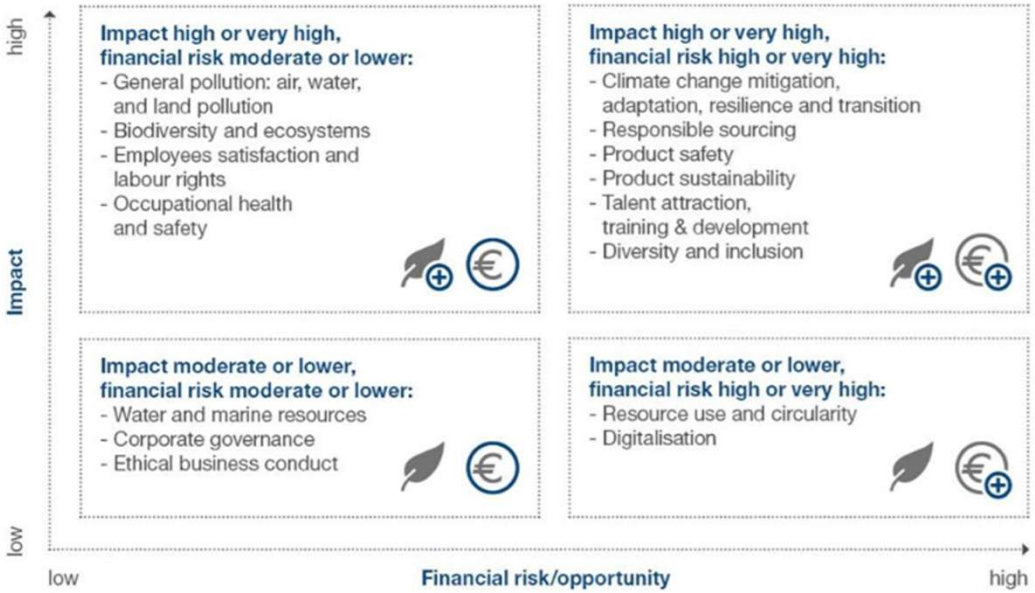
Key findings from the double materiality analysis

In order to filter out the most important sustainability aspects, the Hager Group held discussions with external and internal stakeholders. On the external side, these include customers or institutions. Internally, they include the Management Board, the Sustainability Council or the sales organisation. The results were evaluated in a matrix with regard to two criteria:

1. What kind of impact does Hager Group have on the society and the environment?
2. How high is the financial risks & opportunities for the company?

The most important areas for the Hager Group are listed below. Here, the Hager Group has a major influence and the financial risk is particularly high.

Double Materiality Assessment Results



Hager Group

GRI Topic Standard Project for Human Rights

Helping businesses uphold human rights

- **Phase 1: Review of GRI Universal Standards (now complete)**

  GRI 1: Foundation 2021

  GRI 2: General Disclosures 2021

  GRI 3: Material Topics 2021

- **Phase 2: Review of GRI Topic Standards (will soon be completed)**
  - To review the GRI Topic Standards with human rights content and develop new Topic Standards as needed
  - **Topic Standards Project for Labor** as priority

GRI Topic Standards Project for Labor - DRAFT

The revision is part of the second phase of the Topic Standard Project for Human Rights

Diversity and inclusion 202X

- DIVE 1 Diversity and inclusion governance and policies
- DIVE 2 Diversity of governance bodies and employees
- DIVE 3 Employee inclusion

Non-discrimination and Equal Opportunity 202X

- NDEO 1 Non-discrimination and equal opportunity policies
- NDEO 2 Non-discrimination and equal opportunity in business relationships
- NDEO 3 Discrimination incidents

Training and Education

- TRED 1 Training and education policies
- TRED 2 Types and content of training and education provided - transition to work
- TRED 3 Completed training and education – employees & workers

Working Parents and Caregivers

- PARE 1: Policies for workers with family responsibilities
- PARE 2: Maternity, paternity, and parental leave

Forced Labor 202X FL 1 -6 idem

Child Labor 202X

- CL 1 Policies and risk assessment for the organization's activities, CL 2 for business relationships
- CL 3 High-risk activities, CL 4 High-risk business relationships
- CL 5 Incidents in the organization's activities, CL 6 in business relationships

Remuneration and Working Time

- REWO 1 Policies to determine remuneration
- REWO 2 Policies to determine working time
- REWO 3 Transparency of remuneration and working time
- REWO 4 Remuneration of Workers
- REWO 5 Basic gender pay gap
- REWO 6 Social protection coverage
- REWO 7 Monitoring working time

Employment

- EMPL 1 Employment arrangements
- EMPL 2 Apprenticeship and internship
- EMPL 3 Recruitment policies
- EMPL 4 Performance management systems
- EMPL 5 Personal data protection and privacy policies
- EMPL 6 Termination policies
- EMPL 7 New hires and turnover
- EMPL 8 Incidents related to recruitment
- EMPL 9 Performance reviews
- EMPL 10 Incidents related to personal data protection and privacy

Significant Changes for Workers

- SICH 1 Management of significant changes for workers
- SICH 2 Minimum consultation and notice periods
- SICH 3 Redeployment and training

DRAFT for Public Consultation

Employment

Current topic standard

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Disclosure 401-1 New employee hires and employee turnover

Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Disclosure 401-3 Parental leave



1. Topic management disclosures ...

Disclosure PARE 1 Policies for workers with family responsibilities ...

2. Topic disclosures ...

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Exposure draft

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Child Labour

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official position of the GSSB

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