

GRI Standards: Global Standard for Sustainability Reporting

The GRI Standards are the most widely used standard worldwide for reporting on a company's economic, environmental and social impacts. Developed and maintained by the Global Reporting Initiative, they specify which topics a sustainability report must contain and how these are to be structured. They are particularly relevant for technical buyers because supplier data - on emissions, working conditions or packaging waste, for example - is increasingly becoming part of their own reporting obligations.

Key facts

- The GRI Standards are a voluntary, modular standard for sustainability reporting based on the 'comply or explain' principle.
- The system comprises Universal Standards as well as sector-specific and topic-specific Standards, including on emissions, supply chain and procurement practices.
- Buyers face a need for action because disclosures on Scope 3 emissions, human rights and the supply chain are fed from supplier data.
- GRI reports combine well with other frameworks such as CSRD, ESRS or Science Based Targets but are not identical to them.
- Materiality and stakeholder-related disclosure are fundamental principles of the standard.

Definition: GRI Standards

The GRI Standards are an internationally recognised set of standards for reporting on a company's impacts on the economy, the environment and people. They are published by the Global Reporting Initiative, an independent international organisation based in Amsterdam.

Structure of the standard system

The system consists of three building blocks: the Universal Standards, which apply to all organisations, the Sector Standards for industries such as oil and gas, agriculture or manufacturing, and the Topic Standards covering individual topics such as energy, emissions, effluent, occupational safety or the supply chain. A report is valid if it fully covers the relevant disclosures of the Universal Standards and explains why further topics are not reported.

- Universal Standards: fundamental principles and mandatory disclosures for all organisations
- Sector Standards: industry-specific topics, e.g. for manufacturing companies
- Topic Standards: topic-specific metrics and disclosure obligations

Distinction from CSRD and ESRS

While the GRI Standards are voluntary, the EU Corporate Sustainability Reporting Directive (CSRD) and the ESRS derived from it create binding obligations for many European companies. In practice, corporates use both systems in parallel: statutory reporting is carried out under the ESRS, while GRI

serves as a globally recognised standard for investors and stakeholders. The content overlap is high, so data models are often designed for dual use.

Relevance for procurement and the supply chain

For technical procurement, the GRI Standards are not a reporting obligation in the strict sense, but they are a significant data driver: many disclosures cannot be completed robustly without supplier information.

Typical data requested from suppliers

As part of requests for quotation or supplier qualification, procurement frequently requests data on energy consumption, greenhouse gas emissions, water and waste management, labour and human rights as well as anti-corruption measures. This information flows into the company's own GRI reporting - for example as Scope 3 emissions or as evidence of supply chain due diligence. Temporal consistency is important: data requested annually must be comparable and capable of plausibilisation.

- Scope 1, Scope 2 and Scope 3 emissions, frequently in CO₂e
- Labour standards, occupational safety and human rights in the supply chain
- Handling of waste, water and chemical substances

Integration into procurement processes

Sustainability data can be collected efficiently when it is integrated into existing processes: into supplier qualification, into framework agreements via annual call-offs or into packaging management. This creates no additional bureaucracy but rather a set of regulatory and market data that is also usable for operational decisions - for example when selecting suppliers or assessing risks in the supply chain.

Relationship to procurement KPIs

Some disclosures overlap with classic procurement metrics: waste volumes, energy intensity or the proportion of regional sourcing can in part be derived from existing data. The ideal is a data model in which sustainability metrics and operational metrics such as inventory coverage or backorder rate are fed from the same source - this reduces reconciliation effort and increases robustness in the reporting process.

Methods and approach: GRI-compliant data collection in procurement

The path to robust sustainability data in procurement follows a clearly structured process that can be well integrated with existing procurement methods.

Materiality assessment and topic selection

The starting point is determining which topics are material for the company itself and for stakeholders. This materiality assessment determines which Topic Standards must be applied and which data procurement must supply. In practice, topics such as emissions, waste or human rights in the supply chain almost always appear on the list for manufacturing and supplier industries.

Data sources and collection method

Procurement typically draws on three sources: supplier-provided information, e.g. via self-disclosures or

Supplier Code of Conduct confirmations; secondary data, such as industry-average emission factors, where primary data is lacking; and the company's own system data, such as volume by supplier or packaging material. Missing data is not evidence of inaction but must be transparently identified as a data gap.

- Primary data: supplier self-disclosure, audits, certificates
- Secondary data: industry averages, emission factors
- System data: procurement volume, material groups, packaging types

Integration into supplier evaluation and contract design

Sustainability data gains impact when it feeds into existing management tools. In practice, three approaches have proved effective: incorporating sustainability criteria into supplier evaluation alongside classic KPIs such as on-time delivery or complaint rates, embedding disclosure obligations in framework agreements or penalty clause arrangements, and joint collaborative projects, such as a pilot project with suppliers to reduce CO2 in a critical commodity group. Alignment with category management is important, as the relevance of topics varies considerably by material group.

Key KPIs and disclosures in the context of the GRI Standards

The GRI Standards define metrics themselves but supplement classic procurement KPIs with a sustainability dimension. The selection below shows which measures are frequently requested in practice and presented in reports.

Environmental metrics

At the centre are greenhouse gas emissions, usually in CO2e and split by Scope 1, 2 and 3, as well as energy consumption, water consumption and waste volumes. For buyers, the Scope 3 share is particularly relevant, as a considerable portion of an industrial company's emissions arises in the upstream value chain - this share is frequently estimated at well over half of total emissions.

- Greenhouse gas emissions in CO2e, separated by Scope
- Energy consumption and proportion of renewable energy
- Waste volumes, recycling rates, packaging material

Supply chain and social metrics

Topic-specific Standards require information on the number of suppliers, on the proportion of suppliers meeting social criteria, or on incidents of human rights violations. This data can be practically linked to supplier qualification and audit management: anyone who already operates an audit programme can use its results for reporting.

Operational KPIs as a data foundation

Classic procurement metrics also provide building blocks for reporting: the ABC analysis shows where data collection is particularly worthwhile, while the backorder rate or the shortage management rate indicate where supply crises had an impact. This interlinking prevents sustainability reports from emerging as an isolated 'parallel universe' alongside operational management.

Risks and controls in GRI reporting

Anyone publishing procurement sustainability data also assumes responsibility for its accuracy. Incorrect

or exaggerated statements can trigger legal risks and reputational damage.

Typical pitfalls

Frequently observed in practice: incomplete supplier coverage, particularly among sub-suppliers, inconsistent periods or changes of method between reporting years, and 'greenwashing' risks where information is communicated without a robust data basis. Overestimating one's own data quality is also a common problem, as secondary and primary data are not always clearly separated in reports.

- Unclear data bases or missing method documentation
- Switching between estimated and measured values without identification
- Lack of alignment with legal and finance departments

Controls and governance

Proven controls include defined data ownership - for example, procurement as owner of Scope 3 data - as well as internal review loops prior to publication. Many companies additionally have their reports externally audited or prepared for assurance. Legally, the distinction between voluntary GRI reporting and binding obligations under CSRD/ESRS must be examined on a case-by-case basis; this article does not constitute legal or tax advice.

Risk mitigation in the procurement process

A structured risk mitigation plan for supplier data typically comprises the definition of binding data formats, the stepwise re-requesting of data from critical suppliers and clear escalation paths where information is repeatedly missing. In addition, it is advisable to document the requirement within supplier qualification so that evidence is complete for later audits or customer enquiries.

Current developments and outlook

The environment for sustainability reporting is in flux: regulatory requirements, investor expectations and supply chain legislation are noticeably increasing the pressure for robust supplier data.

Convergence of the standards

GRI, the ESRS and further frameworks such as the standards of the International Sustainability Standards Board are converging in content. The goal is for a supplier data set collected once to be usable for several reporting formats. For procurement this means: data interfaces should be designed from the outset to serve multiple data requesters.

Digitalisation of supplier data collection

In practice, increasing numbers of medium-sized companies are deploying software that centrally manages supplier surveys, document management and metrics. This development significantly reduces the effort involved but requires clear processes: who may release data, how are confidentiality levels handled, how are trade and business secrets protected? A non-assignment clause in contracts or classifying data by confidentiality level are relevant levers here.

Climate targets and the supply chain

A growing number of industrial companies link GRI reports with science-based climate targets, for example under the Science Based Targets standard. This transforms the procurement lead from data collector into an active co-shaper: suppliers with a high emissions profile are approached in a targeted

manner, reduction pathways developed jointly and progress tracked through joint innovation roadmaps with suppliers. This development shifts sustainability from a reporting topic to a management instrument.

Typical metrics

Scope 3 emissions coverage: typically 60–90 % of procurement volume

Proportion of procurement volume for which primary data from suppliers is available

Suppliers with sustainability self-disclosure: frequently > 80 % for A suppliers

Relative to the most important suppliers according to the ABC analysis

Proportion of suppliers using renewable energy: industry-dependent, often 20–50 %

Captured via supplier surveys; serves as an input for CO₂e calculations

Proportion of assured sustainability reports: increasing in practice, often externally assured with limits

Level of external assurance of the report

Practical example

A medium-sized mechanical engineering company with around 400 active suppliers has to prepare a GRI-compliant sustainability report for the first time. Procurement takes charge of collecting data on Scope 3 emissions and social supply chain criteria. Rather than launching a one-off data request, the team integrates the requirements into existing processes:

- The ABC analysis is first used to identify the around 60 suppliers that together account for more than 80 per cent of procurement volume; these are prioritised for surveying.
- A uniform supplier qualification questionnaire is extended to include sustainability fields, including an indication of whether values are measured or estimated.
- A pilot project with suppliers is launched for two critical commodity groups to reduce packaging material; the results feed into packaging management and into the report.
- Missing data is transparently identified as a data gap and plausibilised using industry averages; the report is reviewed internally and externally before publication.

Conclusion

For technical buyers, the GRI Standards are not an abstract reporting topic but a practical framework that defines which supplier data must be robust, comparable and reporting-ready. Anyone who integrates data collection early into existing processes such as supplier qualification, category management or annual call-offs avoids duplicated work and creates a data set that serves multiple purposes. Clear data ownership, transparent methodology and a realistic assessment of data quality are essential. The legal framework around the CSRD and supply chain legislation should be examined on a case-by-case basis. Those who deliver this transform sustainability reporting from a compliance task into a genuine procurement management instrument.

Frequently asked questions

What are the GRI Standards?

The GRI Standards are an internationally recognised standard for reporting on the economic,

environmental and social impacts of companies. They are published by the Global Reporting Initiative. The standard is voluntary, modular in structure and comprises Universal, Sector and Topic Standards.

Are GRI Standards mandatory?

No, the application of the GRI Standards is fundamentally voluntary. By contrast, statutory requirements such as the EU Corporate Sustainability Reporting Directive (CSRD) with the ESRS can be mandatory. Many companies use GRI in addition to statutory reporting because the standard is widely recognised internationally; the specific obligations should be examined on a case-by-case basis.

What role does procurement play in the GRI Standards?

Procurement provides key data, particularly for Scope 3 emissions and social criteria in the supply chain. This information can be collected efficiently via supplier qualification, framework agreements or packaging management. Without structured supplier data, many GRI disclosures are not robust.

What is the difference between GRI and ESRS?

The GRI Standards are a voluntary, globally oriented standard; the ESRS are European mandatory standards arising from the CSRD Directive. Their content overlaps considerably, for example on emissions or supply chain topics. In practice, data collection is therefore often designed to serve both systems.

How do you collect Scope 3 data from suppliers?

Typically, you start by prioritising according to procurement volume, for example using an ABC analysis, and survey the most important suppliers with standardised questionnaires. Missing primary data can be temporarily plausibilised using industry averages, provided this is identified in the report. A uniform methodology, comparable periods and documented data source references are important.

How do the GRI Standards and Science Based Targets relate to each other?

Both address sustainability, but in different ways: GRI defines how reports on impacts are structured, while Science Based Targets sets science-based climate targets. Companies with science-based targets often report progress under GRI. The underlying data for both comes predominantly from the same sources, such as procurement.