

GRI 203: Indirect Economic Impacts · Topic Standard · Cross-sectoral

Disclosure GRI 203-2

Significant indirect economic impacts

Framework: GRI Standards

Type: Narrative disclosure

Regime: Voluntary

Effective: 2018-07-01

Datapoints & assurance

Datapoint	What to capture	Owner	Risk an assurer probes	Evidence to check
Key indirect impacts	Capture a concise set of the organisation's most important indirect economic effects, with enough detail to show what happened, where it showed up, and why it matters.	Sustainability / strategy	The examples are drawn from the wrong scope or period, so the reported impacts do not match the underlying assessment or current reporting year.	Impact assessments, project or programme reviews, stakeholder feedback, business case or evaluation papers, and any internal logs that describe the effect and its scale.
Impact significance context	Capture how those indirect economic effects are judged against outside reference points and what stakeholders have said matters most, so the narrative shows why they are significant.	Sustainability / strategy	The significance test is based on an internal view only, with the external benchmark or stakeholder priority set not aligned to the source evidence.	Benchmarking papers, peer or market comparisons, stakeholder engagement outputs, materiality or prioritisation records, and management papers explaining the basis for significance.

How to prepare

- 1 Set the reporting boundary first:** decide which parts of the business, projects, sites, or value-chain activities you will assess for indirect economic effects, and keep that scope consistent with the rest of the report.
- 2 Agree the test for what counts as material:** use your own internal criteria to identify which knock-on economic effects are worth reporting, rather than listing every possible consequence.
- 3 Gather support for the examples you plan to disclose:** pull together records, analysis, management papers, stakeholder input, or other source material that shows why each effect was identified as important.
- 4 Prepare the disclosure content in two parts:** give concrete examples of the indirect economic effects you have identified, then explain how important they are when compared with outside reference points and what stakeholders have said matters.
- 5 Record any limits or changes clearly:** note what was left out, any assumptions used, and any shifts in scope, method, or judgement from the prior period so readers can understand the basis of the disclosure.
- 6 Check the final wording against the source material:** confirm that the examples and significance discussion match the evidence file, and that the published text still reflects the official requirement without adding or omitting points.

This LRA assistance tool is designed for educational and internal data-collection purposes. It is not an official interpretation of the GRI Standards, IFRS Sustainability Disclosure Standards or EU CSRD/ESRS requirements. When applying these frameworks in professional practice, users should consult and double-check the official standards, guidance and applicable regulatory sources.

For users who may require additional expert guidance or consultancy support on sustainability reporting, the application of reporting standards, data collection processes or disclosure preparation, the London Reporting Academy team would be pleased to assist. Please contact us at hello@reporting.academy or submit an enquiry through the contact form: <https://reporting.academy/en/contacts/>

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