

GRI 3: Material Topics - Universal Standard

Disclosure GRI 3-3

Management of material topics

Framework: GRI Standards

Type: Narrative disclosure

Regime: Voluntary

Effective: 2023-01-01

Datapoints & assurance

Datapoint	What to capture	Owner	Risk an assurer probes	Evidence to check
Impact overview	A plain-language summary of the organisation's actual and possible effects, both harmful and beneficial, across economic, environmental and social areas, including any effect on people's rights.	Sustainability / ESG reporting	Positive and negative effects are mixed up or the human-rights angle is left out of the impact summary.	Materiality assessment, impact mapping, issue papers, risk and opportunity registers, human rights due diligence outputs, stakeholder input.
Source of harm	State whether the organisation is linked to the harmful effects through its own operations, or through relationships with suppliers, partners or other counterparties.	Sustainability / ESG reporting	The source of the harm is misclassified between direct operations and business relationships.	Value-chain mapping, supplier/partner due diligence, incident logs, legal or compliance reviews, issue ownership papers.
Linked activities	Name the specific operations, services, products, suppliers, customers or other relationships that connect the organisation to the harmful effects.	Sustainability / ESG reporting	The wrong activity or relationship is named, so the reported link does not match the actual source system or value-chain record.	Process maps, contract lists, supplier/customer registers, operating model documentation, due diligence files.
Policy commitments	Summarise the organisation's stated rules, principles or promises for handling the material issue.	Policy / Governance	A draft or outdated policy is used, so the commitment does not match the current approved position.	Approved policies, public commitments, code of conduct, board papers, policy register.
Management actions	Describe the steps the organisation has taken to deal with the issue and the related effects, covering both current and expected impacts where relevant.	Issue owner / Operational management	Actions are reported outside the relevant reporting period or the wrong issue scope is used.	Action plans, project trackers, remediation logs, control updates, management meeting minutes.
Prevention measures	List the steps taken to stop likely harmful effects from happening, or to reduce how severe they could be.	Risk / Operational management	Preventive actions are confused with remedial actions, or measures are omitted for a sub-population such as a key supplier group.	Risk treatment plans, control design documents, training records, supplier action plans, preventive audit findings.
Remediation actions	Set out the steps taken to deal with harm that has already happened, including repair, compensation, cooperation or other remedy arrangements.	Legal / Compliance / Operational management	Actual harm is reported without the remedy response, or the remedy is not tied to the same incident set.	Incident investigations, grievance records, remediation agreements, compensation approvals, legal or claims files.
Positive impact actions	Describe the actions taken to strengthen or expand beneficial effects that are already happening or could happen.	Sustainability / Strategy / Business unit lead	Positive initiatives are reported as if they were harm-mitigation actions, or the benefit scope is overstated.	Programme plans, investment cases, partnership agreements, outcome reports, benefit tracking dashboards.
Effectiveness tracking	Explain how the organisation checks whether its actions are working, including the monitoring approach, measures used and how results are reviewed.	Performance management / ESG reporting	The tracking method is described, but it does not tie back to the same actions or reporting period.	Monitoring framework, KPI packs, assurance reports, review meeting minutes, dashboard definitions.

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Monitoring process	Describe the practical process used to follow up on action performance, including who reviews it, how often, and from which systems or reports.	Performance management / Operations	The process is described at a high level but does not reconcile to the actual monitoring workflow or source reports.	Process maps, governance calendars, dashboard extracts, review packs, control testing records.
Measures and targets	List the goals, targets and indicators used to judge progress, with clear definitions and measurement basis.	Performance management / ESG reporting	Targets and indicators use different definitions, or the metric basis changes from one period to the next.	Target-setting documents, KPI dictionaries, scorecards, board packs, metric calculation notes.
Progress and results	State how far the organisation has moved toward its goals and targets, and whether the actions have worked as intended.	Performance management / ESG reporting	Progress is reported against the wrong baseline or the wrong period, so the result does not match the target tracker.	Trend analysis, KPI results, target trackers, evaluation reports, assurance statements.
Learning and updates	Capture the main lessons from implementation and show how those lessons have been built into operating rules and procedures.	Operational management / Policy	Lessons are noted but never carried into the live policy or procedure set.	Post-implementation reviews, lessons-learned logs, policy updates, procedure revisions, change approvals.
Stakeholder input	Explain how feedback from stakeholders shaped the actions chosen and how it influenced the judgement on whether those actions were effective.	Stakeholder engagement / ESG reporting	Stakeholder feedback is cited, but it is not linked to the specific actions or to the effectiveness assessment.	Engagement logs, consultation summaries, grievance themes, meeting notes, response trackers.

How to prepare

- 1 Set the reporting boundary first:** decide which parts of the business, value chain links, and topic areas you are covering, so the disclosure is tied to the material issue you have identified.
- 2 List what you will count as an impact and what you will not:** capture both harmful and beneficial effects, including effects on people's rights, and note whether any harm comes from your own operations or from commercial ties.
- 3 Gather the source material behind each statement:** pull together internal records, issue logs, policy documents, action plans, monitoring outputs, targets, indicators, and any stakeholder input that shaped the response.
- 4 Draft the content in the order the disclosure needs it:** explain the issue, the links to your activities or relationships, the relevant policies or commitments, the actions taken, and how you are checking whether those actions work.
- 5 Separate the action types clearly:** show what you are doing to stop or reduce likely harm, what you are doing to deal with harm that has already happened, and what you are doing to manage beneficial effects.
- 6** Record any exclusions, scope changes, or judgement calls, then compare the final wording against the official source to confirm you have covered every required point without adding or omitting anything.

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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