



GRI 406: Non-discrimination 2016

406

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TOPIC STANDARD

GRI 406: Non-discrimination 2016

Topic Standard

Effective date

This Standard is effective for reports or other materials published on or after 1 July 2018.

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Introduction

GRI 406: Non-discrimination 2016 contains disclosures for organizations to report information about their impacts related to discrimination, and how they manage these impacts.

The Standard is structured as follows:

- [Section 1](#) contains a requirement, which provides information about how the organization manages its discrimination-related impacts.
- [Section 2](#) contains one disclosure, which provides information about the organization's discrimination-related impacts.
- The [Glossary](#) contains defined terms with a specific meaning when used in the GRI Standards. The terms are underlined in the text of the GRI Standards and linked to the definitions.
- The [Bibliography](#) lists authoritative intergovernmental instruments used in developing this Standard.

The rest of the Introduction section provides a background on the topic, an overview of the system of GRI Standards and further information on using this Standard.

Background on the topic

This Standard addresses the topic of non-discrimination.

For the purpose of this Standard, discrimination is defined as the act and the result of treating people unequally by imposing unequal burdens or denying benefits, instead of treating each person fairly on the basis of individual merit. Discrimination can also include harassment. This is defined as a course of comments or actions that are unwelcome, or should reasonably be known to be unwelcome, to the person towards whom they are addressed.

An organization is expected to avoid discriminating against any person on any grounds, including avoiding discrimination against workers at work. It is also expected to avoid discriminating against customers with respect to the provision of products and services, or against any other stakeholder, including suppliers or business partners.

These concepts are covered in key instruments of the International Labour Organization, the Organisation for Economic Co-operation and Development, and the United Nations (UN): see the [Bibliography](#).

A number of international conventions and declarations address discrimination against specific groups of people or on specific grounds. Examples include the UN Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) and the UN International Convention on the Elimination of All Forms of Racial Discrimination.

System of GRI Standards

This Standard is part of the GRI Sustainability Reporting Standards (GRI Standards). The GRI Standards enable an organization to report information about its most significant impacts on the economy, environment, and people, including impacts on their human rights, and how it manages these impacts.

The GRI Standards are structured as a system of interrelated standards that are organized into three series: GRI Universal Standards, GRI Sector Standards, and GRI Topic Standards (see [Figure 1](#) in this Standard).

Universal Standards: GRI 1, GRI 2 and GRI 3

[GRI 1: Foundation 2021](#) specifies the requirements that the organization must comply with to report in accordance with the GRI Standards. The organization begins using the GRI Standards by consulting [GRI 1](#).

[GRI 2: General Disclosures 2021](#) contains disclosures that the organization uses to provide information about its reporting practices and other organizational details, such as its activities, governance, and policies.

[GRI 3: Material Topics 2021](#) provides guidance on how to determine material topics. It also contains disclosures that the organization uses to report information about its process of determining material topics, its list of material topics, and how it manages each topic.

Sector Standards

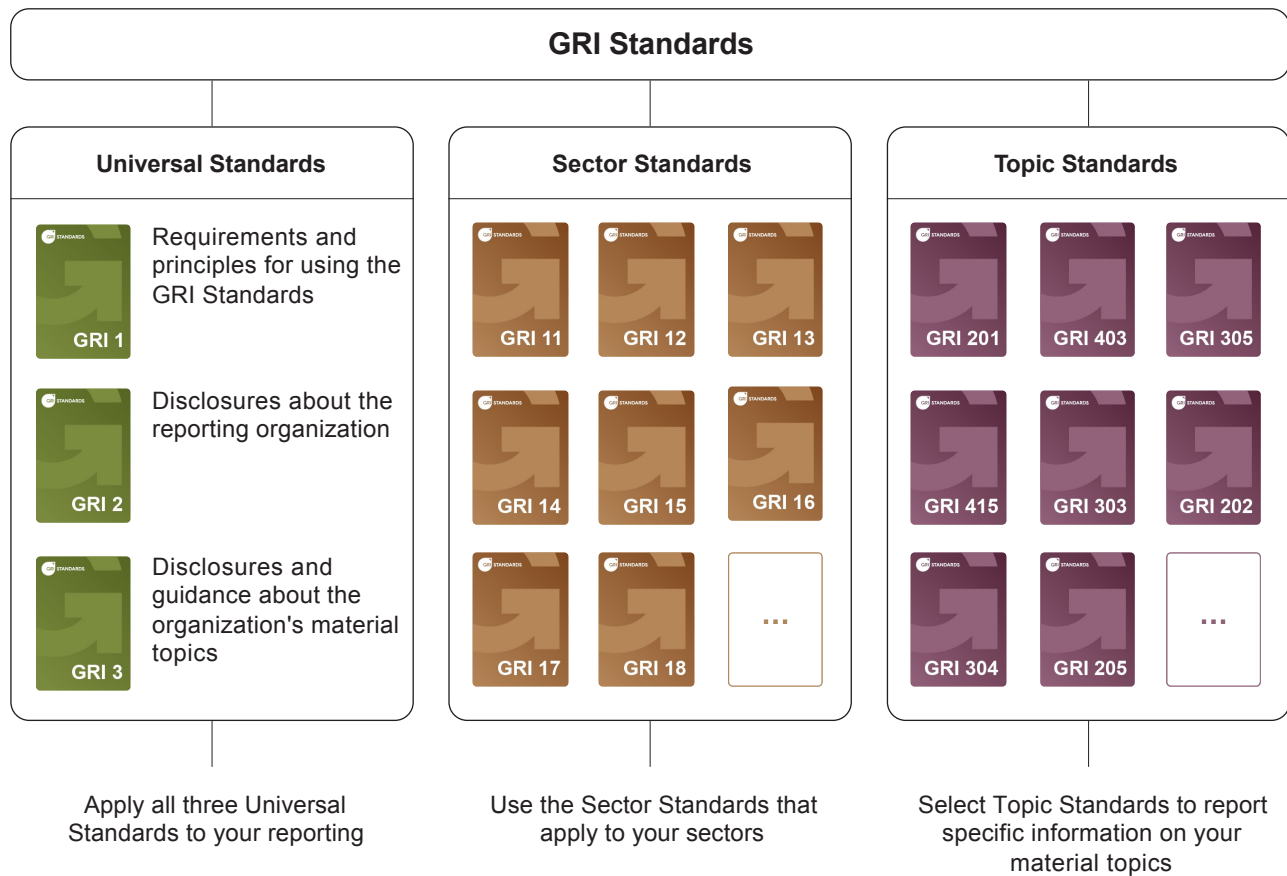
The Sector Standards provide information for organizations about their likely material topics. The organization uses the Sector Standards that apply to its sectors when determining its material topics and when determining what to report for each material topic.

Topic Standards

The Topic Standards contain disclosures that the organization uses to report information about its impacts in relation

to particular topics. The organization uses the Topic Standards according to the list of material topics it has determined using *GRI 3*.

Figure 1. GRI Standards: Universal, Sector and Topic Standards



Using this Standard

This Standard can be used by any organization – regardless of size, type, sector, geographic location, or reporting experience – to report information about its impacts related to discrimination.

An organization reporting in accordance with the GRI Standards is required to report the following disclosures if it has determined non-discrimination to be a material topic:

- [Disclosure 3-3 in GRI 3: Material Topics 2021](#) (see clause 1.1 in this Standard);
- Any disclosure from this Topic Standard that is relevant to the organization's discrimination-related impacts (Disclosure 406-1).

See [Requirements 4 and 5 in GRI 1: Foundation 2021](#).

Reasons for omission are permitted for these disclosures.

If the organization cannot comply with a disclosure or with a requirement in a disclosure (e.g., because the required information is confidential or subject to legal prohibitions), the organization is required to specify the disclosure or the requirement it cannot comply with, and provide a reason for omission together with an explanation in the GRI content index. See [Requirement 6 in GRI 1: Foundation 2021](#) for more information on reasons for omission.

If the organization cannot report the required information about an item specified in a disclosure because the item (e.g., committee, policy, practice, process) does not exist, it can comply with the requirement by reporting this to be the case. The organization can explain the reasons for not having this item, or describe any plans to develop it. The disclosure does not require the organization to implement the item (e.g., developing a policy), but to report that the item does not exist.

If the organization intends to publish a standalone sustainability report, it does not need to repeat information that it has already reported publicly elsewhere, such as on web pages or in its annual report. In such a case, the organization can report a required disclosure by providing a reference in the GRI content index as to where this

information can be found (e.g., by providing a link to the web page or citing the page in the annual report where the information has been published).

Requirements, guidance and defined terms

The following apply throughout this Standard:

Requirements are presented in **bold font** and indicated by the word 'shall'. An organization must comply with requirements to report in accordance with the GRI Standards.

Requirements may be accompanied by guidance.

Guidance includes background information, explanations, and examples to help the organization better understand the requirements. The organization is not required to comply with guidance.

The Standards may also include recommendations. These are cases where a particular course of action is encouraged but not required.

The word 'should' indicates a recommendation, and the word 'can' indicates a possibility or option.

Defined terms are underlined in the text of the GRI Standards and linked to their definitions in the [Glossary](#). The organization is required to apply the definitions in the Glossary.

1. Topic management disclosures

An organization reporting in accordance with the GRI Standards is required to report how it manages each of its material topics.

An organization that has determined non-discrimination to be a material topic is required to report how it manages the topic using [Disclosure 3-3 in GRI 3: Material Topics 2021](#) (see clause 1.1 in this section).

This section is therefore designed to supplement – and not replace – Disclosure 3-3 in *GRI 3*.

REQUIREMENTS **1.1** **The reporting organization shall report how it manages non-discrimination using [Disclosure 3-3 in GRI 3: Material Topics 2021](#).**

2. Topic disclosures

Disclosure 406-1 Incidents of discrimination and corrective actions taken

REQUIREMENTS

The reporting organization shall report the following information:

- a. Total number of incidents of discrimination during the reporting period.
- b. Status of the incidents and actions taken with reference to the following:
 - i. Incident reviewed by the organization;
 - ii. Remediation plans being implemented;
 - iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
 - iv. Incident no longer subject to action.

Compilation requirements

- 2.1 When compiling the information specified in Disclosure 406-1, the reporting organization shall include incidents of discrimination on grounds of race, color, sex, religion, political opinion, national extraction, or social origin as defined by the ILO, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period.

GUIDANCE

Guidance for Disclosure 406-1

In the context of this disclosure, an 'incident' refers to a legal action or complaint registered with the reporting organization or competent authorities through a formal process, or an instance of non-compliance identified by the organization through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms.

An incident is no longer subject to action if it is resolved, the case is completed, or no further action is required by the organization. For example, an incident for which no further action is required can include cases that were withdrawn or where the underlying circumstances that led to the incident no longer exist.

Background

According to ILO instruments, discrimination can occur on the grounds of race, color, sex, religion, political opinion, national extraction, and social origin. Discrimination can also occur based on factors such as age, disability, migrant status, HIV and AIDS, gender, sexual orientation, genetic predisposition, and lifestyles, among others.¹

The presence and effective implementation of policies to avoid discrimination are a basic expectation of responsible business conduct.

¹ Source: International Labour Organization (ILO), *Report I(B) - Equality at work: The continuing challenge - Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work*, 2011.

Glossary

This glossary provides definitions for terms used in this Standard. The organization is required to apply these definitions when using the GRI Standards.

The definitions included in this glossary may contain terms that are further defined in the complete [GRI Standards Glossary](#). All defined terms are underlined. If a term is not defined in this glossary or in the complete [GRI Standards Glossary](#), definitions that are commonly used and understood apply.

D **discrimination**

act and result of treating persons unequally by imposing unequal burdens or denying benefits instead of treating each person fairly on the basis of individual merit

Note: Discrimination can also include harassment, defined as a course of comments or actions that are unwelcome, or should reasonably be known to be unwelcome, to the person towards whom they are addressed.

G **grievance**

perceived injustice evoking an individual's or a group's sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities

Source: United Nations (UN), *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011

grievance mechanism

routinized process through which grievances can be raised and remedy can be sought

Source: United Nations (UN), *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011; modified

Note: See [Guidance to Disclosure 2-25 in GRI 2: General Disclosures 2021](#) for more information on 'grievance mechanism'.

H **human rights**

rights inherent to all human beings, which include, at a minimum, the rights set out in the *United Nations (UN) International Bill of Human Rights* and the principles concerning fundamental rights set out in the *International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work*

Source: United Nations (UN), *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011; modified

Note: See [Guidance to 2-23-b-i in GRI 2: General Disclosures 2021](#) for more information on 'human rights'.

I **impact**

effect the organization has or could have on the economy, environment, and people, including on their human rights, which in turn can indicate its contribution (negative or positive) to sustainable development

Note 1: Impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, and reversible or irreversible.

Note 2: See section [2.1 in GRI 1: Foundation 2021](#) for more information on 'impact'.

M **material topics**

topics that represent the organization's most significant impacts on the economy, environment, and people, including impacts on their human rights

Note: See [section 2.2 in GRI 1: Foundation 2021](#) and [section 1 in GRI 3: Material Topics 2021](#) for more information on 'material topics'.

R**remedy / remediation**

means to counteract or make good a negative impact or provision of remedy

Source: United Nations (UN), *The Corporate Responsibility to Respect Human Rights: An Interpretive Guide*, 2012; modified

Examples: apologies, financial or non-financial compensation, prevention of harm through injunctions or guarantees of non-repetition, punitive sanctions (whether criminal or administrative, such as fines), restitution, restoration, rehabilitation

S**sustainable development / sustainability**

development that meets the needs of the present without compromising the ability of future generations to meet their own needs

Source: World Commission on Environment and Development, *Our Common Future*, 1987

Note: The terms 'sustainability' and 'sustainable development' are used interchangeably in the GRI Standards.

Bibliography

This section lists authoritative intergovernmental instruments used in developing this Standard.

Authoritative instruments:

1. International Labour Organization (ILO) Convention 100, 'Equal Remuneration Convention', 1951.
2. International Labour Organization (ILO) Convention 111, 'Discrimination (Employment and Occupation) Convention', 1958.
3. Organisation for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises*, 2011.
4. United Nations (UN) Convention, 'Convention on the Elimination of all Forms of Discrimination against Women (CEDAW)', 1979.
5. United Nations (UN) Convention, 'International Convention on the Elimination of All Forms of Racial Discrimination', 1965.
6. United Nations (UN) Convention, 'International Covenant on Civil and Political Rights', 1966, and related Protocol.
7. United Nations (UN) Declaration, 'Declaration on the Elimination of All Forms of Intolerance and of Discrimination based on Religion and Belief', 1981.
8. United Nations (UN) Declaration, 'Declaration on the Elimination of All Forms of Racial Discrimination', 1963.
9. United Nations (UN) Declaration, 'Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities', 1992.
10. United Nations Educational, Scientific and Cultural Organization (UNESCO) Declaration, 'Declaration on Race and Racial Prejudice', 1978.
11. United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and United Nations Global Compact, 'Women's Empowerment Principles', 2011.
12. United Nations (UN) Fourth World Conference on Women, 'Beijing Declaration and Platform for Action', 1995.



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