

WIDE CIRCULATION DRAFT

BUREAU OF INDIAN STANDARDS
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**Sustainability Reporting and Disclosure Requirements –
Part 1 – Glossary and Acronyms**

ICS 03.100.02

Social Responsibility Committee, MSD 10	Sectional	Last Date for receipt of Comments is December 2024
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Foreword

This Indian Standard was adopted by the Bureau of Indian Standards, after the draft finalized by the Social Responsibility Sectional Committee had been approved by the Management and Systems Division Council. This standard specifies the Glossary and Acronyms.

This standard provides requirements on various aspects of Sustainability Reporting, especially covering topics concerned with the title of the standard. This is the first time such standards have been attempted by any organization in the country.

This standard (Part 1) is a part of IS _____ under the general title ‘Sustainability Reporting and Disclosure Requirement’. Other parts in this series are:

Part 2	General requirements
Part 3	General disclosures
Part 4	Climate change and pollution
Part 5	Water and marine resources
Part 6	Biodiversity and ecosystems
Part 7	Resource use and circular economy
Part 8	Own workforce
Part 9	Stakeholders engagements
Part 10	Worker in the value chain
Part 11	Affected communities
Part 12	Consumers and end-users
Part 13	Business conduct
Part 14	Governance and internal controls
Part 15	Performance indicators and impact assessment for SDGs

The Bureau of Indian Standards (BIS) with the sole directive to formulate National Standards to assess and certify products, systems and services in the country, undertook the responsibility to devise Indian Standard on ‘Sustainability Reporting and Disclosures’. BIS further realized the need to make criteria based standards for Sustainability Reporting and Disclosures, which will act as strengthened framework for organizations to report their disclosures on ESG across environment, social and governance issues.

The composition of the Committee responsible for the formulation of this standard is given in Annex

Introduction

0.1 The United Nations Sustainable Development Goals (UN SDGs)

The UN SDGs comprise 17 integrated and indivisible goals grounded in human rights, set across five dimensions (people, prosperity, planet, partnership, and peace) and comprise 169 targets. The SDGs recognize that action in one area will impact others, and that development must balance social, economic, and environmental sustainability. The UN SDGs were adopted by all 193 UN Members in 2015 as a universal call to action to end poverty, protect the planet, and to ensure that by 2030 all people enjoy peace and prosperity.

The UN SDGs are:

- 1) End poverty in all its forms everywhere.
- 2) End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- 3) Ensure healthy lives and promote well-being for all at all ages.
- 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- 5) Achieve gender equality and empower all women and girls.
- 6) Ensure availability and sustainable management of water and sanitation for all.
- 7) Ensure access to affordable, reliable, sustainable and modern energy for all.
- 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- 9) Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- 10) Reduce inequality within and among countries.
- 11) Make cities and human settlements inclusive, safe, resilient and sustainable.
- 12) Ensure sustainable consumption and production patterns.
- 13) Take urgent action to combat climate change and its impacts.
- 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- 17) Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

These sustainability reporting standards shall specify the information that organizations are to disclose information regarding social matters, including the principal actual or potential adverse impacts connected with the organization's value chain, including its own operations, its products and services, its business relationships and its supply chain, any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts; and the principal risks to the organization related to sustainability matters, including the organization's principal dependencies on such matters, and how the organization manages those risks.

0.2 ESG

ESG – Environment, Social and Governance – is a strategic and operational framework which assists the organizations of any size and type that wishes to implement and report on its commitment to augment sustainable development, social justice and good governance. The ESG involves reporting of financial and non-financial, material impacts by the organizations – both affecting the organization and affected by the organization. ESG also involves, apart from reporting, focus on community, environment, culture and organization’s activities.

ESGs perspective necessitates a whole range of standards for non-financial reporting by the organizations, which demonstrates their ESG related progress or compliance with ESG related disclosure requirements. Organizations shall disclose material information on the disclosure requirements of ESG disclosure requirements as this will allow the users of disclosure statements to understand developments in relation to the organizations’ material impacts, risk and opportunities.

ESG draws on UN Sustainable Development Goals and can be considered as connected to UN SDGs. ESG covers:

- i) E - stands for environment and contains information and disclosure related to climate mitigation and adaptation, energy efficiencies, carbon footprints, greenhouse gas emissions, deforestation, biodiversity, climate change and pollution mitigation, resource utilization, waste management and water usage.
- ii) S – stands for social and contains information and disclosure related to internal and external labour standards, including wages and pay equity, benefits, workplace and board diversity, racial equity, and social justice, human rights, talent management, community relations and engagement, privacy and data protection, health and safety, supply-chain management and other human capital and social justice issues.
- iii) G – stands for governance and contains information and disclosure related to the governing of the “E” and the “S” categories, - corporate board composition and structure, strategic sustainability oversight and compliance, executive compensation, political contributions and lobbying, and bribery and corruption.

0.3 Sustainability Reporting and Disclosure Framework

UN SDGs were adopted in 2015 with a view to complete the implementation by 2030. With a motto of “include all”, the sustainability requirements for future generations to meet their own needs with the needs of the present are being met. Accordingly, the available natural resources have to be used in such a way that needs for the future generations are also met. The organizations converting natural resources into useable products / services have to take care of using the resources sustainably. And for that, the organization have to implement and disclose ESGs related information.

0.4 Regulatory Requirements

Like many countries in the world, the Indian regulatory authorities have also come up with requirements related to ESG disclosures by the organizations. Securities and Exchange Board of India (SEBI) has mandated Business Responsibility and Sustainability Report (BRSR) Core

for declaration cause sustainability information by the top 250 organizations (by market capitalization). The requirement for top listed organizations will increase in future. From financial year 2026-2027, BRSR Core will be applicable to top 1000 listed organizations (by market capitalization).

Ministry of Corporate Affairs, through Indian Institute of Corporate Affairs, framed guidelines in form of National Guidelines on Responsible Business Conduct (NGRBC) in 2018, replacing earlier National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVEG). NGRBC introduced the concept of nine principles and core elements for an updated Business Responsibility Reporting Framework (BRRF), which is meant to serve as a framework for regulators to develop disclosure format. The framework was later transformed as Business Responsibility Sustainability Reporting (BRSR) from financial year 2022-23. The key drivers of NGRBC are as follows:

- 1) The UN Guiding Principles for Business and Human Rights (UNGPs)
- 2) UN Sustainable Development Goals (UN SDGs)
- 3) Paris Agreement on Climate Change (2015)
- 4) Core Conventions 138 and 182 on Child Labour by International Labour Organization (ILO)
- 5) Annual Business Responsibility Reports (ABRRs)
- 6) Companies Act, 2013

0.5 Criteria Selection

Organizations should be assessed based on a set of predetermined criteria aligned with internationally recognized ESG principles. The chosen criteria align with globally recognized sustainable development goals, ensuring that the evaluation reflects a commitment to overarching environmental, social, and governance principles.

- i) **Materiality Assessment:** Organizations are encouraged to conduct a materiality assessment, identifying ESG factors that are most significant to their business operations and stakeholders. This ensures that the evaluation focuses on issues that truly matter to the organization and its impact.
- ii) **Risk and Impact Analysis:** The criteria should incorporate a thorough risk and impact analysis, considering potential environmental, social, and governance risks associated with the project and evaluating their significance in relation to the organization's overall performance.
- iii) **Stakeholder Engagement:** Stakeholder Engagement is defined as "... the process used by an organization to engage relevant stakeholders for a purpose to achieve accepted outcomes." Criteria should emphasize active stakeholder engagement, requiring Organizations to involve relevant internal and external parties and their needs and expectations in the development and validation of ESG goals, ensuring a holistic perspective.
- iv) **Quantitative and Qualitative Metrics:** A balanced mix of quantitative and qualitative metrics should be employed, recognizing the importance of both hard data and qualitative indicators in capturing the multifaceted nature of ESG performance.
- v) **Governance Structures:** The criteria should thoroughly examine governance structures, ensuring the presence of robust governance frameworks, ethical leadership, and transparency in decision-making processes.

0.6 References from other documents

In preparing this standard, assistance has been drawn from the following documents:

- i) Global Reporting Initiatives (GRI)
- ii) European Sustainability Reporting Standards (ESRS)
- iii) Business Responsibility and Sustainability Reporting Core (BRSR Core)
- iv) National Guidelines on Responsible Business Conduct (NGRBC)
- v) Central Pollution Control Board (CPCB) Technical Guidelines
- vi) Rules and Regulations of Ministry of Environment, Forest and Climate Change
- vii) The Companies Act, 2013

Draft Indian Standard
Sustainability Reporting and Disclosure Requirements –
Part 1 – Glossary and Acronyms

1. Scope

This document specifies terms and definitions relating to the sustainability reporting and ESG disclosure and related topics. These terms and definitions are meant to be a common reference for organization and practitioners – including consultants, auditors as well as and financiers educational institutions teaching sustainability related topics. This document meant to be a reference for governmental and inter-governmental bodies, trade associations and association bodies, regulatory and professional society.

This document also specifies terms and definitions used in regulations and other legal requirements relating to the sustainability reporting and ESG disclosure.

All the requirements of this Indian Standard are generic and are intended to be applicable to any organization, regardless of its type or size, or the products and services it provides.

NOTE: This document is complementary and interoperable with existing voluntary and regulatory frameworks.

2. Normative References

There are no normative references in this document.

3. Terms and definitions

The terms and definitions given in this Part are as follows:

3.1 Environment

3.1.1 Air pollution: Air pollutants means direct emissions of:

- a) sulphur dioxide (SO₂)
- b) nitrogen oxides (NO_x)
- c) non-methane volatile organic compounds (NMVOC), and
- d) fine particulate matter (PM 2.5)
- e) ammonia (NH₃)
- f) heavy metals (HM)

3.1.2 Carbon capture: A process in which a relatively pure stream of carbon dioxide (CO₂) from industrial and energy-related sources is separated (captured), conditioned, compressed and transported to a storage location for long-term isolation from the atmosphere. Sometimes referred to as Carbon capture and storage.

3.1.3 Carbon neutral: A person, company or country is carbon neutral if they balance the carbon di oxide they release into the atmosphere through their everyday activities with the amount they absorb or remove from the atmosphere.

3.1.4 Circular economy: This is an alternative to a traditional linear economy (make, use, dispose), in which resources are used for as long as possible, the maximum value is extracted

from them whilst in use, after which products and materials are recovered and regenerated at the end of each service life. The idea of a circular economy is called circularity. It is also referred to as “cradle-to-cradle”.

3.1.5 Climate Resilience: The capacity of systems and organizations to anticipate, prepare for, respond to, and recover from significant climate-related hazards.

3.1.6 CO₂ Equivalent: The amount of carbon dioxide (CO₂) emission that would cause the same integrated radiative forcing or temperature change, over a given time horizon, as an emitted amount of a greenhouse gas (GHG) or a mixture of GHGs.

3.1.7 De-carbonization: The process by which countries, individuals or other entities aim to achieve zero fossil carbon existence. Typically refers to a reduction of the carbon emissions associated with electricity, industry and transport.

3.1.8 Double materiality: Double materiality is combination of impact materiality and financial materiality.

3.1.9 Environment: Surroundings in which an organization operates including, air, water, land, natural resources, flora, fauna, humans & their relationships.

3.1.10 Environmental aspect: Element of an organization’s activities, products or services that interacts or can interact with the environment.

3.1.11 Environmental Impact Assessment (EIA): An important management tool for ensuring optimal use of natural resources for sustainable development.

3.1.12 Environmental impact: Change to the environment whether adverse or beneficial, wholly or partially resulting from an organization’s environmental aspects.

3.1.13 Extended producer responsibility: Responsibility of any producer of packaging products for the environmentally sound management of packing products, such as plastic, tin, glass and corrugated boxes, etc., for environmentally sound management, till end-of-life disposal of the packaging products.

3.1.14 Fossil fuel: Carbon-based fuels from fossil hydrocarbon deposits, including coal, oil, and natural gas.

3.1.15 Green House Gas: Green-house gas covers gases that trap heat in the atmosphere, contributing to global warming, including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and fluorinated gases.

3.1.16 Ground water: Water that is being held in, and that can be recovered from, an underground formation.

3.1.17 Hazardous waste: Any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances.

3.1.18 Incineration: An engineered process involving burning or combustion of solid waste to thermally degrade waste materials at high temperatures.

3.1.19 Life cycle: Consecutive and interlinked stages of a product (or service) system, from raw material generation from natural resources to final disposal

3.1.20 Material: Significant to intended users.

3.1.21 Material topic: Topic that reflects a reporting organization's significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders.

3.1.22 Materiality: Concept that misstatements, individually or aggregated, that could influence the reliability of the declared sustainability information and hence decisions made by the intended user.

3.1.23 Natural capital: All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization. It includes air, water, land, minerals and forests of biodiversity and eco-system health.

3.1.24 Net Zero carbon dioxide: Net zero carbon dioxide (CO₂) emissions are achieved when anthropogenic CO₂ emissions are balanced globally by anthropogenic CO₂ removals over a specified period.

3.1.25 Net zero emissions: Net zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period. Where multiple greenhouse gases are involved, the quantification of net zero emissions depends on the climate metric chosen to compare emissions of different gases (such as global warming potential, global temperature change potential, and others, as well as the chosen time horizon).

3.1.26 Non-renewable energy sources: Those energy sources that cannot be replenished, reproduced, grown or generated in a short time period through ecological cycles or agricultural processes. These include fuel distilled from petroleum or crude oil, such as gasoline, diesel fuel, jet fuel, and heating oil; natural gas, such as compressed natural gas (CNG), and liquefied natural gas (LNG); fuels extracted from natural gas processing and petroleum refining, such as butane, propane, and liquefied petroleum gas (LPG); coal; and nuclear power.

3.1.27 Pollution: The introduction of contaminants, directly or indirectly, into the natural environment that cause adverse change, including chemical substances, noise, heat, or light.

3.1.28 Pollutant: A substance, vibration, heat noise, light or other contaminant present in air, water or soil which may be harmful to human health and/or the environment, which may result in damage to material property, or which may impair or interfere with amenities and other legitimate uses of environment.

3.1.29 Product life cycle: Any good and/or service produced for introduction to trade or commerce, possessing intrinsic value and capable of delivery to a consumer in tangible form, intangible form or a combination thereof.

3.1.30 Product: Any good and/or service produced for introduction to trade or commerce, possessing intrinsic value and capable of delivery to a consumer in tangible form, intangible form or a combination thereof.

3.1.31 Renewable energy sources: Those energy sources that can be replenished in a short time through ecological cycles or agricultural processes. Renewable energy sources can include geothermal, wind, solar, hydro, and biomass.

3.1.32 Soil Pollution: Introduction into soil – independent of weather that introduction occurs at the production site of an organization or outside or through the use of organization's products and/or services – as a result of human activity, of substances, vibrations, heat or noise which may be harmful to human health or environment, result in damaged to material property, or impair or interfere with humanity other legitimate uses of environment.

3.1.33 Surface water: Water that occurs naturally on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers, and streams

3.1.34 Third party water: Municipal water and other private suppliers of water.

3.1.35 Waste: Materials that are not products or by-products, for which the generator has no further use for the purposes of production, transformation or consumption.

3.1.36 Water consumption: Measure of water used by an organization, that it is no longer available for use by the ecosystem or local community, such as water that has been withdrawn and incorporated into products or has evaporated or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third party.

3.1.37 Water Pollution: Direct emissions of substances into bodies of water that makes water unsafe for human use and disrupts aquatic eco-systems.

3.1.38 Zero liquid discharge: A zero liquid discharge system involves using advanced waste-water treatment technologies to recycle, recover and then re-use the treated wastewater; towards ensuring that there is not discharge of the waste-water to the environment.

3.2 Social

3.2.1 Accountability: State of being answerable for decisions and activities to the organization's governing bodies, legal authorities and, more broadly, its stakeholders.

3.2.2 Affected Communities: People or group(s) living or working in the same area that have been or may be affected by a reporting undertaking's operations or through its upstream and downstream value chain. Affected communities can range from those living adjacent to the undertaking's operations (local communities) to those living at a distance. Affected communities include actually and potentially affected indigenous peoples.

3.2.3 Affected stakeholders: Individuals or groups whose interests are affected or could be affected – positively or negatively – by the undertaking's activities and its direct and indirect business relationships across its value chain.

3.2.4 Average pay: The average of the wages payable to a worker:

- in the case of monthly paid worker, in three complete calendar months;
- in the case of weekly paid worker, in four complete weeks;
- in the case of daily paid worker, in twelve full working days.

3.2.5 Aggregator: Digital intermediary or a market place for a buyer or user of a service to connect with the seller or the service provider.

3.2.6 Confinement: Labour resulting in the issue of a living child, or labour after twenty-six weeks of pregnancy resulting in the issue of a child whether alive or dead.

3.2.7 Contribution: The sum of money payable by the employer, to the Central Board and to the Corporation, as the case may be, and includes any amount payable by or on behalf of the employee.

3.2.8 Collective bargaining: All negotiations which take place between one or more employers or employers' organizations, on the one hand, and one or more workers' organizations (trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers.

Notes:

- 1 Collective agreements can be at the level of the organization; at the industry level, in countries where that is the practice; or at both.
- 2 Collective agreements can cover specific groups of workers; for example, those performing a specific activity or working at a specific location.
- 3 This definition is based on the International Labour Organization (ILO) Convention 154, 'Collective Bargaining Convention', 1981.

3.2.9 Closure: The permanent closing down of a place of employment or part thereof.

3.2.10 Contractor: A person, who undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour; or supplies contract labour for any work of the establishment as mere human resource and includes a sub-contractor.

3.2.11 Contract labour: A worker who shall deemed to be employed in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer and includes inter-State migrant worker but does not include a worker (other than part-time employee) who is regularly employed by the contractor for any activity of his establishment and his employment is governed by mutually accepted standards of the conditions of employment (including engagement on permanent basis), and gets periodical increment in the pay, social security coverage and other welfare benefits in accordance with the law for the time being in force in such employment.

3.2.12 Co-operative society: A society registered or deemed to be registered under the Co-operative Societies Act, 1912, or any other law for the time being in force relating to co-operative societies in any State.

3.2.13 Corporation: A body corporate established by or under any Central Act, or State Act, but does not include a company or a co-operative society.

3.2.14 Commuting incident: Incident that occurs when the worker is traveling between a place of private activity (e.g., residence, restaurant) and a place of work or workplace.

Note: Modes of travel include motor vehicles (e.g., motorcycles, cars, trucks, buses), railed vehicles (e.g., trains, trams), bicycles, aircrafts, and walking, among others.

3.2.15 Due diligence: Comprehensive, proactive process to identify the actual and potential negative social, environmental and economic impacts of an organization's decisions and activities over the entire life cycle of a project or organizational activity, with the aim of avoiding and mitigating negative impacts.

Note: This definition is based on the Organization for Economic Co-operation and Development (OECD), OECD Guidelines for Multinational Enterprises, 2011, and the United Nations (UN), 'Guiding Principles on Business and Human Rights, Implementing the United Nations "Protect, Respect and Remedy" Framework', 2011.

3.2.16 Dependent: Relatives of deceased employee, namely, a widow, a minor legitimate or adopted son, an unmarried legitimate or adopted daughter upto 25 years or a widowed mother, a legitimate adopted son, who has not attained the age of twenty-five years, shall be dependent of the deceased employee.

3.2.17 Employment: Full-time: A 'full-time employee' is an employee whose working hours per week, month, or year are defined according to national legislation and practice regarding working time (such as national legislation which defines that 'full-time' means a minimum of nine months per year and a minimum of 40 hours per week). Part-time: A 'part-time employee' is an employee whose working hours per week, month, or year are less than 'full-time' as defined above.

3.2.18 Employment contract: Contract as recognized under national law or practice that can be written, verbal, or implicit (that is, when all the characteristics of employment are present but without a written or witnessed verbal contract).

3.2.19 Employment injury: A personal injury to an employee, caused by accident or an occupational disease, as the case may be, arising out of and in the course of his employment.

3.2.20 Employee: individual in a relationship recognized as an "employment relationship." in national law or practice.

Note: Employee is a narrower term than worker.

3.2.21 Employee Category: Breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production)

Note: This information is derived from the organization's own human resources system. Governance body, committee or board responsible for the strategic guidance of the organization, the effective monitoring of management, and the accountability of management to the broader organization and its stakeholders.

3.2.22 Employer: A person who employs, whether directly or through any person, or on his behalf or on behalf of any person, one or more employees in his/her establishment and

3.2.23 Environment: Natural surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, people, outer space and their interrelationships.

3.2.24 Establishment: Any place where any industry, trade, business, manufacture or occupation is carried on and includes Government establishment.

3.2.25 Ethical behavior: Behavior that is in accordance with accepted principles of right or good conduct in the context of a particular situation and is consistent with international norms of behavior.

3.2.26 Exposure: Quantity of time spent at or the nature of contact with certain environments that possess various degrees and kinds of hazard, or proximity to a condition that might cause injury or ill health (e.g., chemicals, radiation, high pressure, noise, fire, explosives).

3.2.27 Factory: Any premises including the precincts thereof—Where on twenty or more workers are working and in any part of which a manufacturing process is being carried on with the aid of power, Where on forty or more workers are working, and in any part of which a manufacturing process is being carried on without the aid of power, or is ordinarily so carried on but does not include a mobile unit belonging to the armed forces of the Union, railways running shed or a hotel, restaurant or eating place.

3.2.28 Family: In relation to a worker, means spouse, children including adopted children of the worker who are dependent upon him/her and have not completed the age of 25 years; and parents, grand-parents, widowed/divorced daughter and widowed/divorced sister dependent upon such worker.

3.2.29 Fixed term employment: The engagement of a worker on the basis of a written contract of employment for a fixed period:

- Provided that hours of work, wages, allowances and other benefits shall not be less than that of a permanent worker doing the same work or work of similar nature;
- shall be eligible for all statutory benefits available to a permanent worker proportionately according to the period of service rendered by him even if his/her period of employment does not extend to the qualifying period of employment required in the statute; and
- he/she shall be eligible for gratuity if he/she renders service under the contract for a period of one year.

3.2.30 Formal agreement: Written document signed by all relevant parties declaring a mutual intention to abide by what is stipulated in the document.

Note: A formal agreement can include, for example, a local collective bargaining agreement, or a national or international framework agreement.

3.2.31 Freedom of association: Right of employers and workers to form, to join and to run their own organizations without prior authorization or interference by the state or any other entity.

3.2.32 Gender equality: Equitable treatment for women, men and LGBTQIA+ communities for all aspects of employment.

3.2.33 Godown: Any warehouse or other place, used for the storage of any article or substance required for any manufacturing process which means any process for, or incidental to, making, finishing or packing or otherwise treating any article or substance with a view to its use, sale, transport, delivery or disposal as finished products.

3.2.34 GIG Worker: A person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship.

3.2.35 Hazardous: Process or activity involving danger or potential danger.

3.2.36 Hazardous process: Any process or activity in relation to an industry where, unless special care is taken, raw materials used therein or the intermediate or finished products, by-products, hazardous substances, wastes or effluents thereof or spraying of any pesticides, insecticides or chemicals used therein, which would cause material impairment to the health of the persons engaged in or connected therewith, or result in the pollution of the general environment.

3.2.37 Hazardous Substance: Any substance or such quantity of the substance as may be prescribed by the appropriate Government or preparation of which by reason of its chemical or physio-chemical properties or handling is liable to cause physical or health hazards to human being or may cause harm to other living creatures, plants, micro-organisms, property or the environment.

3.2.38 Health promotion: Process of enabling people to increase control over and improve their health.

3.2.39 Hierarchy of controls: Systematic approach to enhance occupational health and safety, eliminate hazards, and minimize risks.

Notes:

- 1 The hierarchy of controls seeks to protect workers by ranking the ways in which hazards can be controlled. Each control in the hierarchy is considered less effective than the one before it. The priority is to eliminate the hazard, which is the most effective way to control it.
- 2 The International Labour Organization (ILO) Guidelines on Occupational Safety and Health Management Systems from 2001 and ISO 45001:2018 list the following preventive and protective measures in the following order of priority:
 - eliminate the hazard/risk;
 - substitute the hazard/risk with less hazardous processes, operations, materials, or equipment;
 - control the hazard/risk at source, through the use of engineering controls or organizational measures;
 - minimize the hazard/risk by the design of safe work systems, which include administrative control measures;
 - Where residual hazards/risks cannot be controlled by collective measures, provide for appropriate personal protective equipment, including clothing, at no cost, and implement measures to ensure its use and maintenance.

3.2.40 High Consequence work related injury: Work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

3.2.41 High potential work related injury: Incident with a high probability of causing a high-consequence work related injury.

3.2.42 Home Based Worker: A person engaged in, the production of goods or services for an

employer in his home or other premises of his choice other than the workplace of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs.

3.2.43 Indefinite or permanent contract: A contract with an employee, for fulltime or part-time work, for an indeterminate period.

3.2.44 Indicator of diversity: Diversity for which the organization gathers data.

Notes:

- 1 Examples of indicators of diversity can include age, ancestry and ethnic origin, citizenship, creed, disability, and gender.
- 2 This includes equal treatment or, in some instances, treatment that is different but considered equivalent in terms of rights, benefits, obligations and opportunities.

3.2.45 Indigenous people: People like tribal people in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations; people in independent countries who are regarded as indigenous on account of their descent from the population which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.

3.2.46 Industry: Any systematic activity carried on by co-operation between an employer and worker (whether such worker is employed by such employer directly or by or through any agency, including a contractor) for the production, supply or distribution of goods or services with a view to satisfy human wants or wishes.

3.2.47 Industrial dispute: Any dispute or difference between employers and employees, or between employers and workers or between workers and workers which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person; and any dispute or difference between an individual worker and an employer connected with, or arising out of, discharge, dismissal, retrenchment or termination of such worker.

3.2.48 Industrial premises: Any place or premises in which any industry, trade, business, occupation or manufacturing is being ordinarily carried on with or without the aid of power and includes a godown attached thereto.

3.2.49 Infrastructure: Facilities built primarily to provide a public service or good rather than a commercial purpose, and from which an organization does not seek to gain direct economic benefit.

Note: Examples of facilities can include water supply facilities, roads, schools, and hospitals, among others. local community persons or groups of persons living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by an organization's operations.

3.2.50 Inter-state migrant worker: A person who is employed in an establishment and who has been recruited directly by the employer or indirectly through contractor in one State for employment in such establishment situated in another state; or has come on his own from

one state and obtained employment in an establishment of another state (hereinafter called destination state) or has subsequently changed the establishment within the destination state.

3.2.51 Impact: The effect an organization has on the economy, the environment, and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development.

Notes:

- 1) the term 'impact' can refer to positive, negative, actual, potential, direct, indirect, short-term, long-term, intended, or unintended impacts.
- 2) Impacts on the economy, environment, and/or society can also be related to consequences for the organization itself. For example, an impact on the economy, environment, and/or society can lead to consequences for the organization's business model, reputation, or ability to achieve its objectives.

3.2.52 International norms of behavior: Expectations of socially responsible organizational behavior derived from customary international law, generally accepted principles of international law, or intergovernmental agreements that are universally or nearly universally recognized.

3.2.53 Initiative for social responsibility/ Initiative: Program or activity expressly devoted to meeting a particular aim related to social responsibility.

Note: Initiatives for social responsibility can be developed, sponsored or administered by any type of organization.

3.2.54 Lay-off: The failure, refusal or inability of an employer to give employment to a worker whose name is borne on the muster rolls of his industrial establishment and who has not been retrenched.

3.2.55 Lock-out: The temporary closing of a place of employment, or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him/her.

3.2.56 Machinery: Any article or combination of articles assembled, arranged or connected and which is used or intended to be used for converting any form of energy to perform work, for developing, receiving, storing, containing, confining, transforming, transmitting, transferring or controlling any form of energy.

3.2.57 Mental illness: A mental illness notified voluntarily by the worker and is supported by an opinion from a licensed healthcare professional with appropriate training and experience stating that the illness is work related.

3.2.58 Occupational Health and Safety: Risk combination of the likelihood of occurrence of a work-related hazardous situation or exposure, and the severity of injury or ill health that can be caused by the situation or exposure.

3.2.59 Occupational Health Services: Services entrusted with essentially preventive functions, and responsible for advising the employer, the workers, and their representatives in the undertaking, on the requirements for establishing and maintaining a safe and healthy work environment, which will facilitate optimal physical and mental health in relation to work and the adaptation of work to the capabilities of workers in the light of their state of physical and mental health.

Note: Functions of occupational health services include surveillance of factors in the work environment, including any sanitary installations, canteens, and housing provided to workers, or in work practices, which might affect workers' health;

3.2.60 Platform work: A work arrangement outside of a traditional employer employee relationship in which organizations or individuals use an online platform to access other organizations or individuals to solve specific problems or to provide specific services in exchange for payment.

3.2.61 Platform worker: A person engaged in or undertaking platform work.

3.2.62 Principle: Fundamental basis for decision making or behavior.

3.2.63 Product: Article or substance that is offered for sale or is part of a service delivered by an organization.

3.2.64 Recordable work-related injury or ill health: Work-related injury or ill health that results in any of the following:

- death
- days away from work,
- restricted work or transfer to another job,
- medical treatment beyond first aid, or loss of consciousness;
- or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness

Note: This definition is based on the United States Occupational Safety and Health Administration, General recording criteria 1904-7.

3.2.65 Remuneration: Basic salary plus additional amounts paid to a worker.

Note: Examples of additional amounts paid to a worker can include those based on years of service, bonuses including cash and equity such as stocks and shares, benefit payments, overtime, time owed, and any additional allowances, such as transportation, living and childcare allowances.

3.2.66 Retrenchment: The termination by the employer of the service of a worker for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action, but does not include:

- voluntary retirement of the worker; or
- retirement of the worker on reaching the age of superannuation; or
- termination of the service of the worker as a result of the non-renewal of the contract of employment between the employer and the worker concerned on its expiry
- termination of service of the worker as a result of completion of tenure of fixed term employment; or
- termination of the service of a worker on the ground of continued ill-health;

3.2.67 Seasonal factory: A factory which is exclusively engaged in one or more processes and includes a factory which is engaged for a period not exceeding seven months in a year in a manufacturing process.

3.2.68 Self-employed worker: Any person who is not employed by an employer, but engages himself in any occupation in the unorganized sector subject to a monthly earning of an amount.

3.2.69 Service: Action of an organization to meet a demand or need.

3.2.70 Sickness: A condition which requires medical treatment and attendance and necessitates abstention from work on medical ground.

3.2.71 Social Security: The measures of protection afforded to employees, unorganized workers, gig workers and platform workers to ensure access to health care and to provide income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner by means of rights conferred on them and schemes framed.

3.2.72 Social dialogue: Negotiation, consultation or simply exchange of information between or among representatives of governments, employers and workers, on matters of common interest relating to economic and social policy.

Note: In this International Standard, the term social dialogue is used only in the meaning applied by the International Labour Organization (ILO).

3.2.73 Social responsibility: Responsibility of an organization for the impacts of its decisions and activities on society and the environment through transparent and ethical behavior that contributes to sustainable development including health and the welfare of society. takes into account the expectations of stakeholders.

3.2.74 Sphere of influence: Range/extent of political, contractual, economic or other relationships through which an organization has the ability to affect the decisions or activities of individuals or organizations.

3.2.75 Stakeholder: Entity or individual that can reasonably be expected to be significantly affected by the reporting organization's activities, products and services, or whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives.

Notes:

- 1 Stakeholders include entities or individuals whose rights under law or international conventions provide them with legitimate claims vis-à-vis the organization.
- 2 Stakeholders can include those who are invested in the organization (such as employees and shareholders), as well as those who have other relationships to the organization (such as other workers who are not employees, suppliers, vulnerable groups, local communities, and NGOs or other civil society organizations, among others). supplier organization or person that provides a product or service used in the supply chain of the reporting organization.

3.2.76 Stakeholder engagement: Activity undertaken to create opportunities for dialogue between an organization and one or more of its stakeholders, with the aim of providing an informed basis for the organization's decisions.

3.2.77 Supply chain: Sequence of activities or parties that provides products or services to the organization.

Note: In some instances, the term supply chain is understood to be the same as value chain. However, for the purpose of this International Standard supply chain is used as defined above.

3.2.78 Strike: A cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal, or a refusal, under a common understanding, of any number of persons who are or have been so employed to continue to work or to accept employment and includes the concerted casual leave on a given day by fifty per cent. or more workers employed in an industry.

3.2.79 Same work or work of a similar nature: Work in respect of which the skill, effort, experience and responsibility required are the same, when performed under similar working conditions by employees and the difference if any, between the skill, effort, experience and responsibility required for employees of any gender, are not of practical importance in relation to the terms and conditions of employment.

3.2.80 Supplier: Organization or person that provides a product or service used in the supply chain of the reporting organization.

Notes:

- 1 A supplier is further characterized by a genuine direct or indirect commercial relationship with the organization.
- 2 Examples of suppliers can include, but are not limited to: Brokers: Persons or organizations that buy and sell products, services, or assets for others, including contracting agencies that supply labor.

3.2.81 Temporary employment contract: An employment contract that ends when a specific time period expires, or when a specific task that has a time estimate attached is completed. A temporary employment contract is of limited duration, and is terminated by a specific event, including the end of a project or work phase or return of replaced employees.

3.2.82 Trade unions: Any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workers and employers or between workers and workers, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more Trade Unions.

3.2.83 Transparency: Openness about decisions and activities that affect society, the economy and the environment, and willingness to communicate these in a clear, accurate, timely, honest and complete manner.

3.2.84 Unorganized sector: An enterprise owned by individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of such workers is less than ten.

3.2.85 Unorganized worker: A home-based worker, self-employed worker or a wage worker in the unorganized sector.

3.2.86 Value chain: Entire sequence of activities or parties that provide or receive value in the form of products or services.

3.2.87 Vulnerable group: Group of individuals who share one or several characteristics that are the basis of discrimination or adverse social, economic, cultural, political or health circumstances, and that cause them to lack the means to achieve their rights or otherwise enjoy

equal opportunities.

3.2.88 Vulnerable group set: Vulnerable group or subset of persons with some specific physical, social, political, or economic condition or characteristic that places the group at a higher risk of suffering a burden, or at a risk of suffering a disproportionate burden of the social, economic or environmental impacts of the organization's operations.

Notes:

- 1 Vulnerable groups can include children and youth, the elderly, people with disabilities, ex-combatants, the internally displaced, refugees or returning refugees, HIV/AIDS-affected households, indigenous peoples, and ethnic minorities.
- 2 Vulnerabilities and impacts can differ by gender. worker person that performs work.

3.2.89 Worker: Person that performs work.

Notes:

- 1 The term 'workers' includes, but is not limited to, employees.
- 2 Further examples of workers include interns, apprentices, self-employed persons, and persons working for organization.

3.2.90 Worker consultation: Seeking of workers' views before making a decision.

Notes:

- 1 Worker consultation might be carried out through workers' representatives.
- 2 Consultation is a formal process, whereby management takes the views of workers into account when making a decision. Therefore, consultation needs to take place before the decision is made. It is essential to provide timely information to workers or their representatives in order for them to provide meaningful and effective input before decisions are made. Genuine consultation involves dialogue.
- 3 Worker participation and consultation are two distinct terms with specific meanings.

3.2.91 Worker health and safety committee: Committee composed of management and worker representatives, whose function is integrated into an organizational structure, and which operates according to agreed written policies, procedures, and rules, and helps facilitate worker participation and consultation on matters of occupational health and safety.

3.2.92 Worker participation: Workers' involvement in decision-making.

Notes:

- 1 Worker participation might be carried out through workers' representatives.
- 2 Worker participation and consultation are two distinct terms with specific meanings. See definition of 'worker consultation'.

3.2.93 Worker representative: Person who is recognized as such under national law or practice, whether they are:

- a trade union representative, namely, a representative designated or elected by trade unions or by members of such unions; or
- an elected representative, namely, a representative who is freely elected by the workers of the undertaking in accordance with provisions of national laws, regulations, or collective agreements, whose functions do not include activities which are recognized as the exclusive prerogative of trade unions in the country concerned.

3.2.94 Work related hazard: Source or situation with the potential to cause injury or ill health.

Notes:

- 1 Hazards can be:
 - physical (e.g., radiation, temperature extremes, constant loud noise, spills on floors or tripping hazards, unguarded machinery, faulty electrical equipment);
 - ergonomic (e.g., improperly adjusted workstations and chairs, awkward movements, vibration);
 - chemical (e.g., exposure to solvents, carbon monoxide, flammable materials, or pesticides);
 - biological (e.g., exposure to blood and bodily fluids, fungi, bacteria, viruses, or insect bites);
 - psychosocial (e.g., verbal abuse, harassment, bullying);
 - related to work-organization (e.g., excessive workload demands, shift work, long hours, night work, workplace violence).
- 2 This definition is based on International Labour Organization (ILO) Guidelines on Occupational Safety and Health Management Systems from 2001 and ISO 45001:2018.

3.2.95 Work related incident: Occurrence arising out of or in the course of work that could or does result in injury or ill health.

Notes:

- 1 This definition is based on ISO 45001:2018.
- 2 Incidents might be due to, for example, electrical problems, explosion, fire; overflow, overturning, leakage, flow; breakage, bursting, splitting; loss of control, slipping, stumbling and falling; body movement without stress; body movement under/with stress; shock, fright; workplace violence or harassment (e.g., sexual harassment).
- 3 An incident that results in injury or ill health is often referred to as an 'accident'. An incident that has the potential to result in injury or ill health but where none occurs is often referred to as a 'close call', 'near-miss', or 'near-hit'.

3.2.96 Work related injury or ill health: Negative impacts on health arising from exposure to hazards at work.

Notes:

- 1 This definition is based on the International Labour Organization (ILO), Guidelines on Occupational Safety and Health Management Systems, ILO-OSH 2001, 2001.
- 2 'Ill health' indicates damage to health and includes diseases, illnesses, and disorders. The terms 'disease', 'illness', and 'disorder' are often used interchangeably and refer to conditions with specific symptoms and diagnoses.
- 3 Work-related injuries and ill health are those that arise from exposure to hazards at work. Other types of incident can occur that are not connected with the work itself. For example, the following incidents are not considered to be work related:
- 4 a worker suffers a heart attack while at work that is unconnected with work;
- 5 a worker driving to or from work is injured in a car accident (where driving is not part of the work, and where the transport has not been organized by the employer);
- 6 a worker with epilepsy has a seizure at work that is unconnected with work.
- 7 Traveling for work: Injuries and ill health that occur while a worker is traveling are work related if, at the time of the injury or ill health, the worker was engaged in work activities 'in the interest of the employer'. Examples of such activities include traveling to and from customer contacts; conducting job tasks; and entertaining or being entertained to transact, discuss, or promote business (at the direction of the employer).
- 8 Working at home: Injuries and ill health that occur when working at home are work related if the injury or ill health occurs while the worker is performing work at home, and the injury or ill health is directly related to the performance of work rather than the general home environment or setting.

3.2.97 Wages: Remuneration whether by way of salaries, allowances or otherwise, expressed in terms of money be payable to a person employed in respect of his employment or of work done in such employment, and includes:

- basic pay;
- dearness allowance; and

- retaining allowance, if any, but does not include any bonus payable under any law for the time being in force, which does not form part of the remuneration payable under the terms of employment;
- the value of any house - accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the appropriate Government;
- any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;
- any conveyance allowance or the value of any travelling concession;
- any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment;
- house rent allowance;
- remuneration payable under any award or settlement between the parties or order of a court or Tribunal;
- any overtime allowance;
- any commission payable to the employee;
- any gratuity payable on the termination of employment;
- any retrenchment compensation or other retirement benefit payable to the employee or any ex-gratia payment made to him on the termination of employment.

3.3 Governance

3.3.1 Accountable: Being responsible and answerable for their actions, willing to explain them to others, and taking ownership of all repercussions if so required.

3.3.2 Access to Information: The provision of information to stakeholders in a timely, accurate, and reliable manner.

3.3.3 Accountability: obligation to another for the fulfilment of a responsibility.

Note: 1- The obligation includes the duty to inform and to explain the manner in which the responsibility was fulfilled.

2- The non-fulfilment of a responsibility has consequences that can be enforced on the accountable party

(Source: ISO 37000:2021 - Governance of organizations — Guidance, Clause 3.2.2)

3.3.4 Actor in the value chain: Individuals or entities in the upstream or downstream value chain. The actor is considered downstream from the undertaking (e.g., distributors, customers) when it receives products or services from the undertaking; it is considered upstream from the undertaking (e.g., suppliers) when it provides products or services that are used in the production of the undertaking's own products or services.

3.3.5 Administrative, management and supervisory bodies: The governance bodies with the highest decision-making authority in the undertaking including its committees. If in the governance structure, there are no members of the administrative, management or supervisory bodies of the undertaking, the CEO, and if such function exists, the deputy CEO, should be included. In some jurisdictions, governance Systems consist of two tiers, where supervision and management are separated. In such cases, both tiers are included under the definition of administrative, management and supervisory bodies.

3.3.6 Administrative simplification: The reduction of administrative burdens and

complexities in procedures, processes, and systems, making them more efficient, streamlined, and user-friendly, while maintaining or improving their effectiveness and accuracy.

3.3.7 Appropriate party(ies): The individual(s) or organization(s) responsible for the subject matter, or who can provide the necessary information and evidence, such as management, personnel, or external parties.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.22)

3.3.8 Approval for Non-executive Directors on Attaining a Certain Age: The requirement for non-executive directors to obtain approval from the board or shareholders to continue serving on the board after reaching a certain age, typically 70 or 75, to ensure that the board maintains a balance of experience, skills, and fresh perspectives.

3.3.9 Applicability and Role of Risk Management Committee: Committee responsible for overseeing the organization's risk management process, ensuring that risks are identified, assessed, and mitigated. The committee's applicability includes:

- Organizations with high-risk operations or activities
- Organizations with complex risk profiles
- Organizations seeking to improve their risk management practices

Their role includes:

- Developing and implementing risk management policies and procedures
- Identifying and assessing risks
- Evaluating and selecting risk mitigation strategies
- Monitoring and reviewing risk management performance
- Reporting to the board and senior management on risk management matters

(Source: ISO 31000:2018 - Risk Management – Guidelines)

3.3.10 Assurance: The outcome and process of providing stakeholders with a degree of confidence or comfort, including independent assessments.

3.3.11 Assurance standard: A standard that provides requirements or guidelines for assurance activities, such as auditing, certification, or inspection, to ensure that an organization's statements or activities are accurate, reliable, and compliant with specified requirements.

(Source: ISO 19011:2018 - Guidelines for auditing management systems)

3.3.12 Assurance engagement: Evaluation of an organization's subject matter, such as financial statements, sustainability reports, or internal control, by an independent practitioner, to provide stakeholders with confidence that the subject matter is accurate, complete, and presented in a transparent manner.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.2)

3.3.13 Attestation engagement: Engagement in which a practitioner is engaged to issue an attestation report on subject matter, such as financial statements, sustainability reports, or internal control, that is the responsibility of another party, to provide stakeholders with confidence that the subject matter is accurately presented.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.5)

3.3.14 Assurance Provider: An organization or individual that provides independent assurance services, such as auditing, certification, inspection, or testing, to confirm that an organization's products, services, or systems meet specific requirements or standards.

(Source: ISO/IEC 17000:2004 - Conformity assessment - Vocabulary and general principles)

3.3.15 Assurance skills and techniques: The personal attributes, skills, and knowledge required to perform assurance engagements.

3.3.16 Attendance of Directors: The participation of directors in board meetings and other governance activities, ensuring that they are actively engaged, informed, and contributing to the decision-making process, with a minimum attendance requirement typically ranging from 50% to 75% of scheduled meetings.

(Source: ISO 37000:2020 - Governance of Organizations – Guidance)

3.3.17 Battery waste: Spent or discarded batteries, including:

- Primary batteries (e.g., alkaline, zinc-carbon)
- Secondary batteries (e.g., lead-acid, nickel-cadmium, lithium-ion)
- Button cells and other small batteries
- Industrial and automotive batteries

(Source: ISO 14001:2015 - Environmental management systems — Requirements with guidance for use, and ISO 22088:2019 - Sustainability in buildings and civil engineering works — Framework for the implementation of sustainability in buildings)

3.3.18 Business ethics: An integral part of responsible business conduct, which describes an organization's commitment to a set of commonly understood core values and principles, and provide a basis for business decisions and conduct.

3.3.19 Biodiversity loss: The reduction of any aspect of biological diversity (i.e., diversity at the genetic, species and ecosystem levels) in a particular area through death (including extinction), destruction or physical manual removal; it can refer to many scales, from global extinctions to population extinctions, resulting in decreased total diversity at the same scale.

3.3.20 Biodiversity or biological diversity: The variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part. This includes variation in genetic, phenotypic, phylogenetic and functional attributes, as well as changes in abundance and distribution over time and space within and among species, biological communities and ecosystems.

3.3.21 Blue economy: All industries and sectors related to oceans, seas and coasts, whether

they are based in the marine environment (e.g., shipping, fisheries, energy generation) or on land (e.g. ports, shipyards, land-based aquaculture and algae production, coastal tourism).

3.3.22 Bio-medical waste: Any waste that is generated during medical, surgical, dental, or veterinary procedures, including:

- Human anatomical waste (e.g., tissues, organs, body parts)
- Animal waste (e.g., from laboratories or veterinary clinics)
- Microbiological waste (e.g., cultures, stocks, or specimens)
- Sharps waste (e.g., needles, syringes, lancets)
- Chemical waste (e.g., disinfectants, solvents)
- Pharmaceutical waste (e.g., expired or unused medications)

(Source: ISO 11199:2019 - Medical laboratories — Requirements for the collection, transport, storage, and disposal of biological samples and medical waste)

3.3.23 Business model: The undertaking's system of transforming inputs through its activities into outputs and outcomes that aims to fulfil the undertaking's strategic purposes and create value over the short-, medium- and long-term.

3.3.24 Business relationships: The relationships the undertaking has with business partners, entities in its value chain, and any other non-State or State entity directly linked to its business operations, products or services. Business relationships are not limited to direct contractual relationships. They include indirect business relationships in the undertaking's value chain beyond the first tier, and shareholding positions in joint ventures or investments

3.3.25 Code of Best Practices: Guidelines or recommendations on corporate governance issued by independent experts that set the standard for the governance structures, strategies, and actions to help companies achieve good governance.

3.3.26 Code of Conduct: A document that establishes an organization's standards of behavior and the procedures in place when these expectations are not met.

3.3.27 Code of Ethics: A document that outlines the principles, values, and standards of behavior that an organization expects from its employees, contractors, and other stakeholders. It provides a framework for ethical decision-making and guides individuals in their professional conduct.

(Source: ISO 19600:2014 - Compliance management systems)

3.3.28 Collective bargaining: All negotiations that take place between one or more employers or employers' organizations, on the one hand, and one or more workers' organizations (e.g., trade unions), on the other, for determining working conditions and terms of employment or for regulating relations between employers and workers.

3.3.29 Compliance: Meeting all the organization's compliance obligations

3.3.30 Compliance obligations: Requirements that an organization mandatorily has to comply with as well as those that an organization voluntarily chooses to comply with

3.3.31 Company Objectives & Non-financial Information: Statements that describe what

an organization wants to achieve, Non-financial information provides stakeholders with a comprehensive understanding of an organization's performance and impact beyond financial metrics.

3.3.32 Conflict of Interest: Situation that has the potential to undermine the impartiality of an organization, or any of its party or person, due to the possibility of a clash between the person's self-interest and professional-interest or public-interest, which limits their ability to discharge their responsibility to a third-party.

3.3.33 Communication: The process of exchanging information, ideas, and messages between stakeholders, through various channels and methods, to achieve mutual understanding and desired outcomes.

(Source: ISO 9001:2015 - Quality management systems — Requirements, Clause 3.1.27)

3.3.34 Construction and demolition waste: Waste materials generated during construction, renovation, demolition, or excavation activities, including:

- Inert materials (e.g., concrete, bricks, tiles, glass)
- Wood and wood products (e.g., lumber, pallets, crates)
- Metallurgical materials (e.g., steel, aluminum, copper)
- Hazardous materials (e.g., asbestos, lead, PCBs)
- Other materials (e.g., plastics, ceramics, textiles)

(Source: ISO 21930:2019 - Sustainability in buildings and civil engineering works — Core rules for environmental product declarations of construction products)

3.3.35 Compliance: An organization's assurance that its activities conform and comply with all relevant laws, regulations and contractual obligations. Often run by a specific compliance team and overseen by an independent reviewing body.

3.3.36 Compliance Risk: The degree to which a company complies with all relevant laws and regulations. A company's compliance is determined by factors such as labor practices, environmental compliance, products, and processes.

3.3.37 Comply or Explain: An approach to corporate governance in which organizations use a principle-based code rather than a rigid ruleset. Boards are expected to follow the recommended practices (comply) or explain the validity of any divergence.

3.3.38 Conflict of Interest: A state in which private interests compete with professional responsibilities.

3.3.39 Conflict of Loyalty: A state in which a board member's decisions are, or might be, influenced by objectives other than the organization's best interests.

3.3.40 Control Mechanism (Internal Controls): Policies, processes and controls that a company puts in place to ensure desired outcomes. Independent performance checks support the effectiveness of these internal controls.

3.3.41 Core values: Core values are values shared by the leadership, the employees, and the

stakeholders of a business that make the business special and determine its organizational culture.

3.3.42 Corporate governance: The system that a corporation establishes to structure relations among managers, directors, and shareholders and between the enterprise and civil society.

3.3.43 Data Portability: The ability to transfer data from one system, product, or service to another, without losing its integrity, functionality, or usability, and to be able to use the data in a different system, product, or service.

(Source: ISO/IEC 27018:2014 - Information technology - Security techniques - Code of practice for protection of personally identifiable information (PII) in public clouds acting as PII processors)

3.3.44 Designated consumers (DCs): Persons or organizations that are intended to use a product, process, or service, and whose needs and expectations are considered in the design, development, and delivery of that product, process, or service.

(Source: ISO 9000:2015 - Quality management systems — Fundamentals and vocabulary, Clause 3.9.1)

3.3.45 Direct engagement: Engagement where the practitioner is engaged to perform specific procedures to assist the responsible party in evaluating or improving the subject matter, such as internal control, risk management, or sustainability performance.

(Source: ISO 20700:2017 - Guidelines for management consultancy services, Clause 3.3)

3.3.46 Discrimination at workplace: The unfair or prejudicial treatment of an individual or group based on certain characteristics, such as age, disability, gender, race, religion, sexual orientation, or other personal attributes, resulting in unequal access to opportunities, resources, or benefits.

(Source: ISO 30415:2021 - Human resource management — Diversity and inclusion — Guidelines for sexual and gender diversity)

3.3.47 Diversity, Equity, and Inclusion (DEI): Policies and procedures that promote not only the participation of people with a wide range of differing characteristics (diversity and inclusion) but fairness and justice in terms of the distribution of resources for those groups that have been historically under-represented (equity).

3.3.48 Differently Abled Employees / Differently Abled Workers: Individuals with a physical, sensory, intellectual, or mental health disability, who may require reasonable accommodations or support to perform their jobs, and are valued for their contributions and abilities.

(Source: ISO 26000:2010 - Guidance on Social Responsibility)

3.3.49 Due diligence: Process to identify, prevent, mitigate, and account for how the organization addresses its actual and potential negative impacts.

3.3.50 Discrimination: An individual treated less favourably in comparison to others, who are in a similar situation.

3.3.51 Disclosures: The act of making information publicly available, or providing information to stakeholders, about an organization's activities, performance, and governance, to promote transparency and accountability.

(Source: ISO 37000:2021 - Governance of organizations — Guidance, Clause 3.15)

3.3.52 Disaster management plan: A documented process to identify, assess, and mitigate risks, and to respond to and recover from disasters, including:

- Risk assessment and analysis
- Emergency response procedures
- Business continuity plans
- Crisis management and communication strategies
- Recovery and rehabilitation procedures

(Source: ISO 22301:2019 - Security and resilience — Business continuity management systems — Requirements)

3.3.53 Data privacy: The protection of personal data from unauthorized access, use, disclosure, disruption, modification, or destruction.

3.3.54 Engagement circumstances: The factors that influence the engagement, including:

- The subject matter and its context
- The responsible party and their responsibilities
- The stakeholders and their expectations
- The scope and objectives of the engagement
- The applicable laws, regulations, and standards
- The level of assurance or attestation required
- The nature and extent of evidence required
- Any limitations or restrictions on the engagement
- The practitioner's independence and objectivity
- The engagement team and their expertise

(Source: ISO 26000:2010 - Guidance on social responsibility, Clause 3.14)

3.3.55 Extended Producer Responsibility (EPR): A principle that requires producers to take responsibility for the environmental impacts of their products throughout their entire lifecycle, from design and production to end-of-life disposal or recycling.

(Source: ISO 14021:2016 - Environmental labels and declarations — Self-declared environmental claims)

3.3.56 Grievance redressal: Grievance redressal refers to the mechanisms and processes established to address and resolve complaints and issues raised by employees regarding their rights, conditions, and relationships in the workplace.

3.3.57 Organization: Entity or group of people and facilities with an arrangement of responsibilities, authorities and relationships and identifiable objectives.

Notes:

- 1 For the purposes of this International Standard, organization does not include government acting in its sovereign role to create and enforce law, exercise judicial authority, carry out its duty to establish policy in the public interest or honour the international obligations of the state.
- 2 Clarity on the meaning of small and medium-sized organizations.

(Source: ISO 26000 – Guidance on Social Responsibility)

3.3.58 Organizational governance: System by which an organization makes and implements decisions in pursuit of its objectives.

3.3.59 Policy: A set or framework of general objectives and management principles that the undertaking uses for decision-making. A policy implements the undertaking's strategy or management decisions related to a material sustainability matter. Each policy is under the responsibility of defined person(s), specifies its perimeter of application, and includes one or more objectives (linked when applicable to measurable targets). A policy is validated and reviewed following the undertakings' applicable governance rules. A policy is implemented through actions or action plans.

3.3.60 Persistent organic pollutants (POP): Chemical substances that persist in the environment, bio-accumulate in living organisms, and pose a risk to human health and the environment due to their toxicity, persistence, and potential for long-range transport.

(Source: ISO 14001:2015 - Environmental management systems — Requirements with guidance for use)

3.3.61 Particulate matter (PM): A mixture of solid and liquid particles suspended in the air, including dust, pollen, soot, and other airborne contaminants, which can be inhaled and potentially harm human health and the environment.

(Source: ISO 4221:2019 - Air quality — Particle size fraction definitions for health-related sampling)

3.3.62 POSH (Prevention of Sexual Harassment): The prevention of unwanted conduct of a sexual nature, which may violate a person's dignity, create an intimidating, hostile, or humiliating environment, or constitute a threat to their well-being.

(Source: ISO 30415:2021 - Human resource management — Diversity and inclusion — Guidelines for sexual harassment prevention and response)

3.3.63 Practitioner: The individual or organization performing the engagement, such as an auditor, consultant, or evaluator.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.14)

3.3.64 Practitioner's expert: An individual or organization possessing specialized knowledge, skills, or expertise in a particular field, engaged by the practitioner to assist in the

engagement.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.15)

3.3.65 Professional judgment: The application of expertise, experience, and critical thinking to make informed decisions, assessments, or conclusions, taking into account relevant facts, standards, and guidelines.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.16)

3.3.66 Professional skepticism: An attitude of questioning and critical thinking, maintaining a neutral and impartial mindset, and being alert to potential biases, errors, or misrepresentations.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.17)

3.3.67 Peer Group: Individuals or organizations that share certain characteristics. For individuals, this might include a similar age or educational background. Companies in the same peer group share characteristics such as size, industry, level of success, etc.

3.3.68 Remuneration: Payment or reward given to individuals for their services, including:

- Base salary or fees
- Bonuses or incentives
- Benefits (e.g., health insurance, retirement plans)
- Stock options or equity
- Other forms of compensation
- Long-term strategy (typically 5-10 years): overall direction, goals, and priorities
- Medium-term strategy (typically 2-5 years): specific objectives, initiatives, and resource allocation

(Source: ISO 37000:2020 - Governance of Organizations – Guidance)

3.3.69 Responsiveness to stakeholder: The ability of an organization to respond to the needs, expectations, and concerns of its stakeholders in a timely, effective, and transparent manner.

(Source: ISO 26000:2010 - Guidance on social responsibility, Clause 3.16)

3.3.70 Restrictive Trade Practices: Actions or agreements that:

- Limit or distort competition
- Restrict market access or trade
- Manipulate prices or supply
- Exclude or discriminate against certain businesses or groups
- Examples include:
 - Collusion and cartels
 - Price-fixing and bid-rigging
 - Exclusive dealing and market sharing

- Predatory pricing and dumping
- Boycotts and discrimination

(Source: ISO 26000:2010 - Guidance on social responsibility, and ISO 14001:2015 - Environmental management systems — Requirements with guidance for use)

3.3.71 Reasonable assurance engagement: An assurance engagement in which the practitioner evaluates the subject matter against criteria, gathers sufficient appropriate evidence, and expresses a conclusion that provides reasonable assurance about whether the subject matter is free from material misstatement or material non-compliance.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.3)

3.3.72 Responsible party: The individual or organization responsible for the subject matter, such as a company's management or a product's manufacturer.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.18)

3.3.73 Risk of material misstatement: The risk that the subject matter contains material errors, omissions, or misstatements that could impact the decisions of intended users.

(Source: ISO 34101:2022 - Assurance engagements on sustainability reports — Guidelines for practitioners, Clause 3.19)

3.3.74 Reusability: The ability of a product, component, or asset to be used again in the same or a different context, without significant modification or degradation, and to retain its original functionality and performance.

(Source: ISO 14224:2016 - Petroleum, petrochemical and natural gas industries - Collection and exchange of reliability and maintenance data for equipment)

3.3.75 Sustainability: State of the global system in which the needs of the present are met without compromising the ability of future generations to meet their own needs.

Note: Sustainability is the goal of sustainable development.

3.3.76 Sustainable development: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Note: Sustainable development is about integrating the goals of a high quality of life, health and prosperity with social justice and maintaining the earth's capacity to support life in all its diversity. These social, economic and environmental goals are interdependent and mutually reinforcing. Sustainable development can be treated as a way of expressing the broader expectations of society as a whole.

3.3.77 Sustainability information: Information about sustainability matters.

3.3.78 Sustainability matter: Influence of activities, products, service, value chains and natural systems on sustainability, including an organization's governance, objectives, goals, plans, processes, and performance.

3.3.79 Sustainability report: A report that communicates an organization's economic, environmental, and social performance, progress, and impact, as well as its vision, strategy, and goals related to sustainable development.

(Source: ISO 26000:2010 - Guidance on social responsibility, Clause 3.23)

3.3.80 Transparency: The quality of being open, honest, and clear in all interactions, decisions, and actions, providing stakeholders with timely and accurate information.

(Source: ISO 37000:2021 - Governance of organizations — Guidance, Clause 3.16)

3.3.81 Trust: A legal relationship in which one party (trustor) entrusts another party (trustee) the right to hold the title to an asset for the benefit of the beneficiary. Trusts are governed by the deeds of trust.

3.3.82 Technological neutrality: The principle that a system, product, or service should not be biased towards a specific technology, vendor, or platform, and should be able to operate with different technologies, vendors, or platforms.

(Source: ISO/IEC 19988:2015 - Information technology - Competence and qualification of IT professionals – Framework)

3.3.83 Users of sustainability statements: Primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors, including asset managers, credit institutions, insurance undertakings), and other users of sustainability statements, including the undertaking's business partners, trade unions and social partners, civil society and Non-Governmental Organizations(NGOs), governments, analysts and academic institutions.

3.3.84 Volatile organic compounds (VOC): Organic chemicals that evaporate easily at room temperature, releasing vapors that can react with other atmospheric pollutants, contributing to ground-level ozone formation, and potentially harming human health and the environment.

(Source: ISO 16000-6:2011 - Indoor air — Part 6: Determination of volatile organic compounds in indoor and test chamber air by active sampling on Tenax TA sorbent, thermal desorption and gas chromatography using MS/FID)

3.3.85 Value Chain Partners: Organizations or individuals that collaborate with a company to create value for customers, including suppliers, manufacturers, logistics providers, distributors, retailers, and other business partners.

(Source: ISO 26000:2010 - Guidance on Social Responsibility)

3.3.86 Vulnerable and Marginalized Groups: Group of individuals who are unable to realize their rights or enjoy opportunities due to adverse physical, mental, social, economic, cultural, political, geographic or health circumstances.

3.3.87 Workplace: Place(s) where activities of the organization are carried out in pursuance

of its stated objectives.

3.3.88 Work-life balance: Concept of proper balancing of work (career and ambition) on one hand and life (pleasure, leisure, family and spiritual development) on the other.

3.3.89 Waste Management Practices: The actions and procedures used to manage waste generated by an organization, from generation to disposal, including reduction, reuse, recycling, recovery, and disposal.

(Source : ISO 14001:2015 - Environmental management systems - Requirements with guidance for use.)

3.3.90 Water Management System: A management system that is applied for managing water related matters, fulfil compliance obligations, address risks and opportunities and develop mechanisms for appropriate implementation of the water management system

3.3.91 Water Policy: A documented intention and direction that is formally disclosed by the leadership of an organization in respect to its water-based performance

3.3.92 Water footprint: The total volume of freshwater used, consumed, or polluted, directly or indirectly, to produce goods and services, measured in terms of water volume (m³) or water footprint intensity (m³/kg or m³/₹).

(Source: ISO 14046:2014 - Environmental management — Water footprint — Principles, requirements and guidelines, Clause 3.1.1)

3.3.93 Work-related hazards: Hazards that are work related and can be:

- physical (e.g., radiation, temperature extremes, constant loud noise, spills on floors or tripping hazards, unguarded machinery, faulty electrical equipment);
- ergonomic (e.g., improperly adjusted workstations and chairs, awkward movements, vibration);
- chemical (e.g., exposure to carcinogens, mutagens, toxic substances, solvents, carbon monoxide, or pesticides);
- biological (e.g., exposure to blood and bodily fluids, fungi, bacteria, viruses, or insect bites);
- psychosocial (e.g., verbal abuse, harassment, bullying);
- related to work organization (e.g., excessive workload demands, shift work, long hours, night work, workplace violence)."

3.3.94 Work-related incident: Occurrence arising out of or in the course of work that could or does result in injury or ill health. Incidents might be due to, for example, electrical problems, explosion, fire, overflow, overturning, leakage, flow, breakage, bursting, splitting, loss of control, slipping, stumbling and falling, body movement without stress, body movement under/with stress, shock, fright, workplace violence or harassment (e.g., sexual harassment). An incident that results in injury or ill health is often referred to as an 'accident'. An incident that has the potential to result in injury or ill health but where none occurs is often referred to as a 'close call', 'near-miss', or 'near-hit'.

3.3.95 Whistle blower policy: A formal process that allows employees, customers, or other stakeholders to report concerns or unethical behavior, such as fraud, corruption, or violations

of laws and regulations, in a confidential and protected manner, without fear of retaliation or retribution.

(Source: ISO 37001:2016 - Anti-bribery management systems — Requirements with guidance for use, Clause 8.4)

3.3.96 Waste intensity: The amount of waste generated per unit of activity, product, or service, typically measured as:

- Mass of waste per unit of production (e.g., kg waste/ton product)
- Volume of waste per unit of activity (e.g., m³ waste/employee)
- Waste generation rate per unit of time (e.g., kg waste/day)

(Source: ISO 14031:2013 - Environmental management — Environmental performance evaluation — Guidelines)

3.3.97 Zero Liquid Discharge: A water management approach that aims to eliminate the release of industrial process wastewater into the environment, by treating and reusing all wastewater streams, and recovering valuable resources such as water and salts.

(Source: ISO 14001:2015 - Environmental management systems — Requirements with guidance for use)

3.3.98 Zero waste approach: The achievement of increased productivity and reduced environmental impact through the optimization of resources, processes, and systems, while maintaining compliance with Good Manufacturing Practice (GMP) requirements.

(Source: ISO 15378:2017 - Primary packaging materials for medicinal products — Particular requirements for the application of ISO 9001:2015, with reference to Good Manufacturing Practice (GMP), Clause 3.14)