



Mr. Michael S. PIWOWAR
Acting Chairman of the U.S. Security and Exchange Commission
100 F Street, NE
Washington, DC 20549

16 March 2017

SUBJECT: GRI's comments on the SEC reconsideration of Dodd-Frank Act, Section 1502 Conflict Minerals Rule Implementation

Dear Mr. Piwowar,

On behalf of GRI, I would like to thank the SEC for holding a public consultation on the reconsideration of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Section 1502 Conflict Minerals Rule (the Rule) implementation. Collecting feedback from a broad range of stakeholders is instrumental in evaluating both the positive and negative impacts of the Rule. As such, GRI is pleased to contribute to this important discussion concerning corporate transparency and responsible business conduct.

Based on the following points, GRI urges the SEC to preserve the fundamental basis of the Conflict Minerals Rule:

- (1) Transparency is a proven driver for business' ability to detect, respect and remedy human rights abuses in their value chains;
- (2) The Rule plays an important role in harmonizing international policy on best practices for supply chain due diligence.

GRI is the leading international sustainability reporting standards organization. Our standards are used by 72% of all companies producing sustainability reports and 74% of the largest 250 companies in the world. The GRI Sustainability Reporting Standards help businesses, governments and other organizations understand and communicate their impact on critical sustainability issues such as climate change, human rights, and corruption. With thousands of reporters in almost 100 countries, and references in policy and regulation in over 45 countries and regions, GRI provides the world's most trusted and widely-used standards on sustainability reporting, enabling organizations and their stakeholders to make better decisions, based on information that matters. As such, GRI welcomes the effort to leverage transparency as a means of driving social and environmental improvements.

GRI believes that the SEC should study the positive impacts that the Rule has had on mitigating conflicts and associated human rights abuses in conflict-affected areas. These conclusions should be used to improve the efficiency and effectiveness of the SEC's corporate transparency approach within the Rule.

This letter outlines GRI's input relative to the SEC's reconsideration of the Conflict Minerals Rule:

1. [The Dodd-Frank Act, Section 1502 Conflict Minerals Rule as a driver for corporate transparency and corporate respect for human rights](#)

GRI commends the SEC for its leadership in corporate transparency. The U.S. government has been a strong advocate for responsible business conduct. The 2016 U.S. National Action Plan for Responsible Business Conduct is a testament of the steps taken to “promote fair play, the rule of law, and high standards for global commerce”¹. The UN 2030 Agenda’s Sustainable Development Goals (SDGs) – which the U.S. government has committed to implementing domestically and abroad² – set ambitious international standards for responsible business conduct. Goal 12 focuses on responsible consumption and production, and requires governments to work with business leaders to this end. The Conflict Minerals Rule has contributed to the development of an environment conducive to the achievement of this goal.

2. [Demonstrated US leadership, resulting in a model for international policy and best practice, built on Dodd-Frank Act, Section 1502 Conflict Minerals Rule](#)

The Conflict Mineral Rule within the Dodd-Frank Act sets a worldwide precedent for regulation on supply chain due diligence, concerning conflict minerals. Domestically, the Rule helped enhance the corporate transparency culture. It also signaled US leadership in responsible supply chain management, leading to greater international attention for supply chain due diligence. Since the introduction of the Rule, regional and national policies, mandating disclosure requirements on supply chain due diligence, have increased dramatically, most notably: the Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains of 2015; the UK’s Modern Slavery Bill of 2015; the French Duty of Care Law of 2016; the upcoming EU Conflict Minerals Regulation; the upcoming Dutch Child Labor Due Diligence Law; the upcoming Australian Modern Slavery Law; and the upcoming Swiss Responsible Business Initiative. These international developments demonstrate the global consensus developing around the importance of supply chain due diligence.

GRI urges the U.S. government to maintain its leading role in advancing responsible business conduct and respect for human rights. A substantial reconsideration of the Rule would be a step back for US commitment to the SDGs. As a leader in the global economy, the U.S. must guide business in a “race to the top”, in transparency and action to mitigate human rights abuses. GRI calls on the SEC to fulfil its commitments by maintaining the fundamental basis of Section 1502 of the Dodd-Frank Act.

I have been deeply engaged with the SEC in the development of the Rule in my prior role with AMD and as the co-chair of the multi-stakeholder group. Now, as GRI’s Chief Executive, I remain available to support you in this reform process and to discuss the ideas proposed in this letter. Please do not hesitate to reach out to me as you consider improvements to this Rule.

Yours Sincerely,



Tim Mohin
Chief Executive, GRI

¹ Office of the Press Secretary. (2016). Fact Sheet: National Action Plan on Responsible Business Conduct. Available at: <https://obamawhitehouse.archives.gov/the-press-office/2016/12/16/fact-sheet-national-action-plan-responsible-business-conduct>

² USAID Office. (2016). *Sustainable Development Goals*. [online] Available at: <https://www.usaid.gov/globalgoals>.