



Item 05 - Summary of technical questions on the GRI Standards

For GSSB information

Date 05 July 2017

Meeting 19 July 2017

Description This paper provides an overview of technical enquiries that have been sent to the standards inbox, from 9 June until 30 June 2017. The intent is to inform the GSSB about the type of questions that have been received, and to signal which questions may need to be discussed.

A log of all technical enquiries is provided in the [Annex](#).

The GSSB is asked to review the short summary of technical enquiries and the full log of questions, and to identify any additional questions which may require GSSB discussion or action.

This document has been prepared by the GRI Standards Division. It is provided as a convenience to observers at meetings of the Global Sustainability Standards Board (GSSB), to assist them in following the Board's discussion. It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard-setting body of GRI. For more information visit www.globalreporting.org.

1. *Summary of technical enquiries*

As agreed with the GSSB in November 2016, the Standards Division provides the GSSB at each monthly meeting with the full set of technical enquiries received via the 'standards@globalreporting.org' inbox. This list can be found in the [Annex](#) and is categorized by main theme.

Questions received during June were spread across a range of topics, including compliance with the in accordance criteria, changes compared to G4, whether GRI will develop Standards on specific topics (e.g. circular assets and a Standard for real estate owners to report the number of evictions), and questions on how to report individual disclosures, such as how to report on the confirmed incidents of corruption and actions taken under Disclosure 205-3. In addition, there are requests for reporting examples.

2. *Questions for the GSSB to discuss*

At this point, the Standards Division has not identified specific questions that require further GSSB action. The following point however will be added to a longer discussion with the GSSB on monitoring and technical queries during the September 2017 in-person meeting.

- How organizations should report if the scope of reporting changes either between reporting periods (i.e. due to mergers) or varies across different disclosures (for example, a company has data on all their sites for some disclosures but only a portion of their sites for other disclosures)

This theme been raised several times recently and might require further guidance or clarification.

GSSB members are also invited to review the Annex and raise any issues which they believe require further discussion or action.

24 *Annex: Full log of technical enquiries on the GRI Standards, until 30 June 2017¹*

Date received	Category	Enquiry
22-Jun-17	External assurance	Is it possible to use the GRI indicators without being certified GRI?
13-Jun-17	In accordance criteria	<p>Once a company claims that its report has been prepared in accordance with the GRI Standards, the company is required to notify GRI (by sending a copy to GRI ... or registering the report or published material at www.globalreporting.org/standards) (as stated on GRI 101, p. 26).</p> <p>My question relates to once companies send their reports to GRI or if they register or publish their material at GRI website, will the GRI examine the actual content of the reports to ensure that the requirements set out by the standards have been met by companies?</p>
26-Jun-16	In accordance criteria	Finally, in our organization we measure the absentee time in hours, not days, because there are multiple options of hours to work per day depending on the employee (i.e. they could have asked for a reduced schedule, work only part time, etc.). Is there any problem for claiming compliance with GRI if the rates are calculated as “hours lost or hours of absence / total hours scheduled”, as long as the calculation method is indicated in the report?
22-Jun-17	Materiality	<p>The criteria for a topic’s inclusion in a report is that it:</p> <ul style="list-style-type: none"> - Reflects the reporting organization’s significant economic, environmental and social impacts - Substantively influences the assessments and decisions of stakeholders <p>Q1: In light of the above, would you include geopolitical events, such as Brexit, which the organization likely does not impact on, but is impacted by? Similarly, regulations, laws etc. in the materiality matrix? Or should this now move into the general sustainability context narrative of the report?</p> <p>Q2: How do you see materiality assessments evolving in light of the GRI standards clarification regarding impact?</p>

¹ Note this log includes only questions received through the ‘Standards’ email inbox – it does not include other questions from webinar audiences, launch events, or internal GRI Staff queries, unless they were also sent through to the Standards email address.

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Date received	Category	Enquiry
28-Jun-17	Materiality	<p>There are a few sentences in the Q&A on the GRI website that in my understanding of them, mean that things like 'Brexit' or 'Regulation' could be considered material and reported on if they are considered by senior management to impact the organisation, thus influencing their assessments and decisions:</p> <p>"The materiality assessment nevertheless fully recognizes the perceptions of the organization, through the assessments and decisions of key stakeholders such as employees, shareholders and senior management.</p> <p>As noted earlier, a topic need not meet all the dimensions of the Materiality principle in order to be judged to be material. So a topic may be considered material if it is important to stakeholders, whether internal or external, even if the relative significance of the impacts on the economy, environment or society is lower than for other topics.</p> <p>Impacts that are important for an organization, and the organization's awareness of its business model and strategy, are also essential inputs for the holistic impact assessment required by the 'impact' dimension of the principle."</p> <p>Would be great if you could advise on this, and whether I'm interpreting the guidance correctly.</p>
19-Jun-17	Relation with other frameworks	<p>Is there any relationship between the GRI Standards and the UN Guiding Principles Reporting Framework? If we comply with the Standards are we, in any way, complying with the reporting framework?</p>
13-Jun-17	Reporting Principles	<p><u>Translated from Spanish with Google Translate:</u></p> <p>The Reliability principle states: 'It is important that stakeholders are confident that the report can be checked to establish the veracity of its contents and the extent to which the Reporting Principles have been applied. Individuals other than those who prepared the report are expected to be able to review internal controls or documentation that supports the information in the report. Disclosures about the reporting organization's impacts or performance that are not substantiated by evidence do not need to appear in the sustainability report unless they represent material information, and the report provides unambiguous explanations of any uncertainties associated with the information.'</p> <p>If the information must be material, then it seems that: if clarifications are provided in relation to the contents related to the impacts or performance, they do not need to be corroborated by evidence. Is this so?</p>

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12-Jun-17	Transitioning to GRI Standards	<p>Our company is currently working on the sustainability report 2016, we are not yet finished, we are in the translation of texts and the compilation of the evidence to request a review (audit) of the report.</p> <p>I know that by July 31 would be ready to use standard GRI, for which I get a doubt</p> <p>If we use GR4 to make the report and we are going to request an audit and say that it would arrive after July 31, what would happen? Are we audited under standards or under GRI4?</p>
19-Jun-17	Transitioning to GRI Standards	<p>Now I see that there is a new approach (GRI 100 series) and I would appreciate it if you could clarify the following questions:</p> <ul style="list-style-type: none"> - What's new in the 100 series regarding G4? - The 100 series is a more advanced version of G4 or it is a new approach? - What is the validity of a report made under G4 if you want to adapt it to the 100 series?
19-Jun-17	Transitioning to GRI Standards	<p>1- Is GRI 101 an entirely new document and therefore it is not mapped against the G4 Guidelines? If not, is there a mapping document?</p> <p>2- Is GRI 101 Clause 3.4 a new requirement, or is it also valid for G4 submissions?</p>
29-Jun-17	Transitioning to GRI Standards	<p>Previously, the GRI Guideline was separated into Core and Comprehensive for G4 version, and this year, you have launched the GRI Standard.</p> <p>My question is do you still use the GRI Core and Comprehensive or is it now only GRI Standard?</p> <p>What is the difference between GRI standard and the previous version?</p>

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Date received	Category	Enquiry
19-Jun-17	General Disclosures	<p>We would like your advice on the application of GRI 102-45.</p> <p>If there are entities included in the organization’s consolidated financial statements or equivalent documents that is not covered by the report (GRI 102-45), for example if an organization’s sustainability report only covers its operations in Europe even though it has operations worldwide:</p> <ul style="list-style-type: none"> • GRI 102-7 Scale of the organization <ul style="list-style-type: none"> o Is the organization expected to report total number of employees, operations, net sales/revenue etc for its global operations, or report numbers for its European operations only? • GRI 201-1 Economic performance <ul style="list-style-type: none"> o Can the organization reference to the financial statements with figures covering global operations, without a breakdown for Europe?
20-Jun-17	General Disclosures	<p>I’m also wondering if there’s a place I can find an explanation regarding why Disclosure 102-38 covers the ratio of an organizations’ highest-paid individual to the median compensation for all employees rather than the ratio of highest-paid to lowest-paid individual. I have seen both ratios discussed in public media and am curious how/why GRI landed on the former. I don’t see any such explanation in Standard 102 so hoping the info can be found elsewhere.</p>

Date received	Category	Enquiry
26-Jun-17	Economic Standards	<p>We would appreciate if you could clarify some questions regarding “Disclosure 205-3 Confirmed incidents of corruption and actions taken”.</p> <p>First of all, the disclosure indicates that the reporting organization shall report the following information:</p> <p>a) Total number and nature of confirmed incidents of corruption.</p> <p>A confirmed incident of corruption (as defined in the Glossary) is an incident of corruption that has been found to be substantiated. Note: Confirmed incidents of corruption do not include incidents of corruption that are still under investigation in the reporting period.</p> <p>So in this case we understand:</p> <ul style="list-style-type: none"> - That we don’t have to include inquiries or preliminaries investigations, only those cases opened in reporting period which are already awaiting sentence or have been closed. - That we don’t have to report those cases opened in previous years and still in process. <p>Please confirm.</p> <p>In addition to that, in the last paragraph, the disclosure indicates that the reporting organization shall report the following information:</p> <p>d) Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.</p> <p>Here the number is not required and there is any clarification about the status of the cases (confirmed or not). Only remark “public” and, according to the Guidance for Disclosure 205-3, “Public legal cases regarding corruption can include current public investigations, prosecutions, or closed cases.”</p> <p>So we suppose here we shall report about all cases opened in the reporting period (without providing the number), even if they are still under investigation. Is it correct? Please confirm and if it possible clarify because in general is a bit confusing all the disclosure, especially considering the differences between a) and d), even for lawyers who the answer is requested.</p>
21-Jun-17	Environmental Standards	<p>Is it required to report on Market based and Local based CO₂ emissions with the GRI Standards?</p>

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21-Jun-17	Environmental Standards	<p>Water withdrawn includes surface water, ground water, rainwater, waste water from another organization and municipal water supplies.</p> <p>Recycled water includes wastewater recycled back in the same process or higher use of recycled water in the process cycle; wastewater recycled and reused in a different process, but within the same facility; and wastewater reused at another of the organization's facilities.</p> <p>The percentage of water recycled is a water recycled divided by total water withdrawn.</p> <p>If we don't withdraw any water during the reporting period, and reuse the existing water withdrawn, does that mean the percentage of water recycled becomes infinity?</p>
26-Jun-16	Social Standards	<p>I have some questions regarding the standard 403-2, in particular about the "absentee rate" and "lost day rate".</p> <p>In the glossary, "absentee rate" is defined as the "actual absentee days lost" divided by the total work days scheduled. "Actual" is translated to "real" in Spanish, which might refer to labor + free days (weekends). Thus, is it correct if the absentee rate is calculated as total work days of absence/total work days scheduled?</p> <p>Moreover, the lost day rate is calculated as "work days lost/total number of hours scheduled". Is it correct that the units of the rate are then "days/hours"?</p>
13-Jun-17	Miscellaneous	<p>We are trying to help a client answer indicator GRI 419-1: "Non-compliance with laws and regulations in the social and economic area," and she has asked for examples from other companies. Would you be able to point us towards any reports you have seen that have reported on this indicator?</p>
15-Jun-17	Miscellaneous	<p>Do you by any chance have an idea if there are organizations which do report on circular assets? Also, will GRI Standards include circular assets in the (near) future?</p>
15-Jun-17	Miscellaneous	<p>I am writing regarding the seemingly contradiction in requirement to notify GRI on the use of the GRI Standards. In GRI 101: Foundation, page 26, requirement 3.4, it states that notifying via email or registering the report on the GRI website are both accepted (see following extract). Is this GRI website referring to the GRI database (http://database.globalreporting.org)?</p> <p>However, on the GRI website (http://database.globalreporting.org/register-report), it is stated that registering the report on the website is insufficient, an email still has to be sent.</p>

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15-Jun-17	Miscellaneous	Please send me information related to the procedure and requirements to obtain recognition of GRI for a medium size enterprise in Mexico that produces and exports mezcal according to ancestral traditions. We would like to know the costs and benefits, as well as the validity.
20-Jun-17	Miscellaneous	I wonder whether GRI has considered developing a standard for real estate owners to disclose number of evictions.
27-Jun-17	Miscellaneous	Due to the merger of [Company X] and [Company X] to “[Company X]” the scope of our company has changed enormously. So my question is, when reporting, e.g. Environmental figures, like electricity, does it make sense to report the last three years? The data from 2014/2015 and 2015/2016 will not be comparable to the new data. Of course all figures will be increasing due to the merger of [Company X] and [Company X]. Below you can see an example for energy consumption, when reporting the new figures the consumption might be more than doubled ... Can you give a me a hint how to deal with that issue?
29-Jun-17	Miscellaneous	Please let me know whether the current GRI standards will change in 2018? Are there any changes for 2017/18 Annual Reports?
30-Jun-17	Miscellaneous	I understand G4 guidelines are being phased out and replaced with the GRI Standards by July 2018. Have you been notified of any published reports that conform to the new Standards yet? We'd love to read a report which is in accordance with the new requirements.