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Item 05 – Final GSSB Project Proposal for developing a Standard Interpretation for Disclosure 401-I

For GSSB discussion and approval

Date	28 March 2018
Meeting	11-12 April 2018
Project	Standard Interpretation for Disclosure 401-I
Description	<p>This document sets out the final GSSB project proposal for developing a Standard Interpretation to clarify the reporting requirements for Disclosure 401-I New employee hires and employee turnover, for GSSB discussion and approval.</p> <p>In line with the GSSB Due Process Protocol, the GRI Board (as advised by the GRI Stakeholder Council) was invited to comment on the draft project proposal. No comments were received.</p>

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 About this document

2 The Global Sustainability Standards Board (GSSB) has initiated a project to develop a Standard
3 Interpretation, as provided for in the [GSSB Due Process Protocol](#), to clarify the reporting
4 requirements for Disclosure 401-I New employee hires and employee turnover.

5 This proposal was presented to the GSSB during its meeting on 22 February 2018. At the
6 meeting, the GSSB approved the development of a draft project proposal for issuing a Standard
7 Interpretation to clarify the reporting requirements for Disclosure 401-I, for sharing directly
8 with the GRI Board and GRI Stakeholder Council (SC) for comments.

9 The GSSB confirmed the [draft project proposal](#) during its meeting on 22 March 2018.

10 The GRI Board and SC have not provided any comments on the draft project proposal.

11 This document sets out the final project proposal for issuing a Standard Interpretation to clarify
12 the reporting requirements for Disclosure 401-I, for the approval of the GSSB.

13 Project background

14 Disclosure 401-I New employee hires and employee turnover in *GRI 401: Employment 2016*
15 requires organizations to report the total numbers and rates of new employee hires and
16 employee turnover during the reporting period, by age group, gender and region.

17 [Clause 2.1](#) in *GRI 401* further requires organizations to use the total employee numbers at the
18 end of the reporting period to calculate the rates of new employee hires and employee
19 turnover.

20 Users of the GRI Standards have pointed out that the required methodology in clause 2.1 is
21 incorrect. It was further noted that these rates should be calculated using either the total
22 employee numbers at the beginning of the reporting period or the average number of employees
23 across the reporting period.

24 In order to clarify the reporting requirements for Disclosure 401-I, the GSSB has initiated a
25 project to develop a Standard Interpretation, as provided for in the [GSSB Due Process Protocol](#).

26 Development process

27 The development of this Standard Interpretation follows the [GSSB Due Process Protocol](#). The
28 steps involved in the development process are outlined below:

Due process step	Description	Completion date
Project Identification and Prioritization	The GSSB votes on the approval, amendment, or rejection of the draft project proposal to share with the GRI Board (as advised by the SC) for review.	22 February 2018 GSSB meeting
Project Commencement	The GSSB considers comments from the GRI Board (as advised by the SC) on the draft project proposal and votes on the approval, amendment, or rejection of the project proposal.	11-12 April 2018 GSSB meeting
Development of Proposed Standard Interpretation	The Standards Division consults with content experts and undertakes research to develop the Standard Interpretation.	11-12 April 2018 GSSB meeting
Interaction with the GRI Board and Stakeholder Council	The GSSB seeks comment from the GRI Board (as advised by the SC) on the draft project proposal and any significant issues relating to the development of the Standard Interpretation.	23 March 2018
Approval of Final Interpretation	The GSSB votes on the approval of the final Standard Interpretation.	11-12 April 2018 GSSB meeting
Release of Final Interpretation	Before the release of the Standard Interpretation, the Chair of the GSSB reports to the Due Process Oversight Committee (DPOC) that due process has been followed in its development, and obtains the conclusion of the DPOC as to whether due process as defined in the GSSB Due Process Protocol has been followed.	Q2 2018 <i>Note: This Standard Interpretation will be released together with the revised Standards GRI 303: Water and Effluents and GRI 403: Occupational Health and Safety.</i>