



# Item 05 – GRI Topic Standard Project for Labor – Control of Work Standard Interpretation to GRI 2 – Exposure draft

## For GSSB approval

<b>Date</b>	26 April 2024
<b>Meeting</b>	16 May 2024
<b>Project</b>	GRI Topic Standard Project for Labor
<b>Description</b>	<p>This document sets out the exposure draft of the GRI Control of Work Standard Interpretation to <i>GRI 2</i> Standard. These are submitted for GSSB approval for public exposure.</p> <p>If approved, it is proposed that public exposure commence in early June and run until late September 2024.</p>

This document has been prepared by the GRI Standards Division and is made available to observers at meetings of the Global Sustainability Standards Board (GSSB). 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](http://www.globalreporting.org).

# Standard Interpretations

## Standard Interpretation 1 to GRI 2: General disclosures 2021, Control of work.

### Responsibility

This Standard Interpretation is issued by the [Global Sustainability Standards Board \(GSSB\)](#). Any feedback on the GRI Standards and related Interpretations can be submitted to [gssbsecretariat@globalreporting.org](mailto:gssbsecretariat@globalreporting.org) for consideration by the GSSB.

### Relevant section

Guidance to 2-8-a for Disclosure 2-8 in *GRI 2: General Disclosures 2021*

### Issue

Disclosure 2-8 Workers who are not employees in *GRI 2: General Disclosures 2021* requires organizations to report the total number of workers who are not employees and whose work is controlled by the organization. This includes describing the most common types of workers, their contractual relationship with the organization, and the type of work they perform.

The guidance of 2-8-a states:

'The following are examples of workers who are not employees and whose work is controlled by the organization. The following workers are included under this disclosure: [...]

- Workers of one of the organization's suppliers, where the organization instructs the supplier to use particular materials or work methods to manufacture the products or deliver the services.'

Feedback from users of the GRI Standards suggests it is unclear whether organizations should classify workers in their business relationships as workers who are not employees when giving them instructions regarding product or service specifications to their business relationships. This ambiguity is between an example in the guidance of 2-8-a (instructing a supplier to use specific materials or work methods to manufacture the products or deliver the services) and the concept of giving instructions regarding product or service specifications to their business relationships.

### Interpretation Statement

The guidance of Disclosure 2-8-a states:

'The following are examples of workers who are not employees and whose work is controlled by the organization. The following workers are included under this disclosure: [...]

- Workers of one of the organization's suppliers, where the organization instructs the supplier to use particular materials or work methods to manufacture the products or deliver the services. [...]

It is important to note that this applies only in situations where the organization controls the work of the workers in its business relationships, as per the conditions described under 'Control of work' in this Standard Interpretation. When organizations instruct the business relationship with product or service specifications, this does not necessarily mean the organization has control over the work of the workers in its business relationships. The following are examples of an organization's instructions or terms to its business relationships regarding specific materials or work methods for product manufacturing or service delivery without constituting direct control of work:

- A multi-national brand commissions a footwear manufacturer to produce sports shoes to certain measurements and material specifications.
- A retailer requests improved sustainable production practices from its textile suppliers, such as restrictions on freshwater usage during manufacturing.
- A retailer in the purchasing agreement stipulates a certain number of days lead time for its supplier to fulfill the order and deliver the products.

- 45 • A household goods company purchasing team requests one of its furniture suppliers to use  
46 sustainably sourced timber for its products.
- 47 • A food and beverage company contracts a logistics company to provide services that must  
48 adhere to the contracting company's safety standards and code of conduct.

49 It does not constitute control of the work when an organization provides instructions such as those  
50 that prevent human rights impacts and ensure decent working conditions. This may involve  
51 implementing guidelines to ensure products and services do not use child labor or excessive working  
52 hours, or clauses in purchase agreements for third-party audits of business relationships' locations of  
53 operation to verify compliance with labor standards.

54 When reporting disclosures concerning workers who are not employees and whose work is controlled  
55 by the organization, organizations shall use the control of work in conjunction with the guidance of 2-  
56 8-a.

## 57 **Additional guidance**

58 This additional guidance will provide information on the 'control of work' concept and how  
59 organizations should apply it. It will also differentiate between the subsets of workers referred to in  
60 GRI Standards.

### *Control of work*

61 An organization has control of the work when either one or both of the following conditions are met: if  
62 the organization directs the work performed, or if it has control over the means or methods for  
63 performing the work.

64 Firstly, 'directs the work performed' refers to organizations determining who performs it, what work is  
65 performed, and when and where it is carried out. For example, hiring workers with specific skill sets,  
66 distributing overtime between workers, and ensuring the work is done personally by the individual.  
67 Assigning a worker a particular task is an example of directing what work is performed. Deciding  
68 when the work is performed involves determining the working time arrangements, such as the number  
69 of working hours, and requiring workers' availability to be at the organization's disposal or on standby  
70 to perform the work. Finally, directing where the work is performed includes determining the  
71 workplace where the work must be carried out.

72 Secondly, 'means or methods for performing the work' refers to organizations determining the  
73 approach to performing work, such as providing instructions, guidelines, tools, materials, and  
74 machinery to complete the work. Examples include the organization providing its workers with raw  
75 materials and machinery and instructing them to follow standard operating procedures for  
76 manufacturing a product or providing workers with a predetermined script to follow when dealing with  
77 customer telephone calls.

78 An organization does not necessarily need to control the physical aspects of the work performed to  
79 have control of the work. Organizations' ability to control the work may exist even if not exercised,  
80 such as when the worker undertakes the work largely or entirely unsupervised. For example, a truck  
81 driver whose work involves driving on public roads, which the organization has no control over, but  
82 the organization still directs the process the driver should follow, such as the time periods products  
83 need to be delivered and the rules, such as the use of a logbook. Another example is when a worker  
84 has a telework arrangement with flexibility about when and where to complete the work.

### *Shared control*

86 Organizations may have sole control of the work or share control with others (e.g., suppliers,  
87 customers, or other business partners, such as joint ventures). Shared control is determined when  
88 there is a contractual relationship between the organization and another entity, and the organization  
89 shares control over the means, methods, or direction of the work performed. Shared control does not  
90 mean organizations have less control of the work. *Sub-sets of workers in GRI Standards*

91 GRI defines a worker as a person who performs work for the organization. This includes employees,  
92 agency workers, apprentices, contractors, home workers, interns, self-employed persons, sub-  
93 contractors, volunteers, and persons working for organizations other than the reporting organization,  
94 such as suppliers. In some GRI Standards, it is specified whether the disclosures apply to a particular

95 subset of workers. The following are the main subsets of workers covered by the GRI Standards, but  
96 there could be other subsets that an organization can reference.

97       • **Employees**

98 An employee is an individual who is in an employment relationship with the organization according to  
99 national law or practice. It should be noted that different jurisdictions use various indicators to  
100 determine an employment relationship, such as economic dependency.

101 An employee can be further classified as permanent, temporary, non-guaranteed hours, full-time, or  
102 part-time.

103       • **Workers who are not employees**

104 Workers who perform work for the organization and whose work is controlled by the organization but  
105 are not in an employment relationship with the organization. Control of work implies that the  
106 organization directs the work performed or controls the means or methods for performing the  
107 work. Workers who are not employees and whose work is controlled by the organization include  
108 agency workers, apprentices, contractors, home workers, interns, self-employed persons, sub-  
109 contractors, and volunteers. Note that the type of contractual relationship between the organization  
110 and the worker (e.g., employment agency, contractor) does not determine whether the organization  
111 controls the work.

112       • **Workers in business relationships**

113 Workers in business relationships work for organizations other than the reporting organization but  
114 perform work for the organization, such as suppliers. The reporting organization does not control their  
115 work.

116 They work for other organizations linked to the organization's operations, products, or services. These  
117 linkages can be direct business relationships with the organization, often referred to as first-tier  
118 suppliers, or indirect business relationships, often called second- or third-tier suppliers. The types of  
119 workers in business relationships (no control of work) include self-employed persons, workers of  
120 suppliers, and workers of entities downstream of the organization's value chain, such as customers or  
121 investees, including those beyond the first tier.

122 **Effective date**

123 This Standard Interpretation is effective for reports or other materials published on or after [###] 2025.