



Item 04 – GRI 105: Remuneration and Working Time 2027

For GSSB approval

Date	03 July 2026
Meeting	16 July 2026
Project	GRI Topic Standard Project for Labor
Description	<p>This document presents <i>GRI 105: Remuneration and Working Time 2027</i> for GSSB approval.</p> <p>A summary of key changes from the exposure draft is provided in the explanatory note at the beginning of the document.</p> <p>This document is complemented by Item 06 – Basis for conclusions for <i>GRI 105: Remuneration and Working Time 2027</i>, which summarizes the significant issues raised during the public comment period and the GSSB responses to these.</p> <p>The proposed effective date for all revised labor Standards will be discussed during the GSSB meeting on 16 July 2026.</p>

This document has been prepared by the GRI Standards Team 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.

1 Explanatory note

2 This section summarizes the key changes in *GRI 105: Remuneration and Working Time 2027*,
3 compared to the exposure draft. These changes are recommended by the technical committee with
4 additional feedback from the advisory group based on comments from the public comment period.
5 Please note that only key changes are listed in this summary; minor changes to wording are not
6 included.

7 Remuneration and working time are included in the revision of existing disclosures in *GRI 202: Market*
8 *Presence*, *GRI 401: Employment*, and *GRI 405: Diversity and Equal Opportunity*. *GRI 105* has been
9 developed as a standalone Standard due to its importance in workers' employment and working
10 conditions.

11 Background information:

- 12 • Included references to United Nations (UN), *Universal Declaration of Human Rights*, 1948;
13 International Labour Organization (ILO), Meeting of experts on wage policies, including living
14 1389 wage, 2024; International Labour Organization (ILO), *Measurement of working time*, 2008;
15 International Labour Organization (ILO), *World Social Protection Report 2020-22: Social*
16 *Protection at the Crossroads – in Pursuit of a Better Future*, 2021; International Labour
17 Organization (ILO), *Working Time and Work-Life Balance Around the World*, 2023.

18 Disclosure 105-1: Remuneration policies

- 19 • Revised requirement 105-1-a-i to only retain 'any collective bargaining' agreements because of
20 how 'workers' representatives are included' is captured in 105-1-f.
- 21 • Added requirement 105-1-f to describe how worker representatives are involved in developing
22 and evaluating remuneration policies.
- 23 • Revised guidance to requirement 105-1-a-ii to include the International Labour Organization (ILO)
24 definition of a 'living wage' and the ILO principles for estimating the living wage and wage setting.
25 Additionally, the description of the methodologies used to calculate cost-of-living estimates was
26 moved to requirement 105-4-g.
- 27 • Added guidance to requirement 105-1-a-ii on whether other types of payments in cash and in kind
28 provided through employer-sponsored social protection programs are counted toward meeting the
29 cost-of-living estimate.
- 30 • Revised guidance to requirement 105-1-d to improve readability and alignment with 105-2-b.
- 31 • Revised guidance to requirement 105-1-e to include the reference Organisation for Economic Co-
32 operation and Development (OECD), *Pay Transparency in Progress, Valuing Jobs, Closing*
33 *Gender Pay Gaps, Gender Equality at Work*, 2026.
- 34 • Added guidance to requirement 105-1-f to align with other GRI labor Standards with the same
35 requirement regarding the involvement of worker representatives in developing and evaluating
36 remuneration policies.

37 Disclosure 105-2: Working time policies

- 38 • Revised requirement 105-2-c to include reporting the working time policies for workers with
39 disabilities.
- 40 • Revised guidance to requirement 105-2-a-i to refer to the definition of regular hours of work.
- 41 • Revised guidance to requirement 105-2-ii to clarify the term compulsory overtime, adding that it
42 means the organization does not have to consult workers before requiring them to work overtime,
43 such as in the case of an actual or potential accident, emergency equipment maintenance, or
44 force majeure.
- 45 • Revised guidance to requirement 105-2-a-v to include the definitions of shift work, time-banking,
46 and remote work.
- 47 • Added guidance to requirement 105-2-c-ii to include examples of working time policies for
48 workers who are pregnant or breastfeeding and the link with *GRI 107: Working Parents and*
49 *Caregivers 2027*.
- 50 • Added guidance to the new requirement 105-2-c-iii to include examples of working time policies
51 for workers with disabilities and the link with *GRI 110: Non-discrimination and Equal Opportunity*
52 *2027*.

53 **Disclosure 105-3: Transparency of remuneration and working time**

- 54 • No changes to the requirement; only improvements were added to the readability of the guidance.

55 **Disclosure 105-4: Remuneration**

- 56 • Removed requirement 105-4-a, which required organizations to report the median gross hourly
57 basic pay.
- 58 • Revised requirements 105-4-a and 105-4-b to request reporting by percentage of employees. The
59 term 'local minimum wage' was also changed to 'applicable minimum wage'.
- 60 • Revised requirement 105-4-c to include the breakdown by employee type.
- 61 • Revised requirement 105-4-d to require reporting the applicable minimum wages for each
62 significant location of operation.
- 63 • Revised requirement 105-4-g to include 'reporting on the assumptions used, and specifically the
64 methodologies used to calculate the cost-of-living estimates'.
- 65 • Added guidance to requirements 105-4-a and 105-4-b to define applicable minimum wages,
66 provide examples of how minimum wages are set, and incorporate a formula to calculate the
67 percentage of employees who are paid at the applicable minimum wage, along with additional
68 reporting recommendations.
- 69 • Added guidance to requirement 105-4-g on how organizations should report the methodologies
70 used to calculate cost-of-living estimates and whether those methodologies have been developed
71 in line with ILO principles for estimating living wage or with another widely recognized
72 methodology.

73 **Disclosure 105-5: Gender pay gap**

- 74 • Revised requirement 105-5-a to specify that organizations shall report the percentage difference
75 in median or mean gross basic hourly pay.
- 76 • Added requirement 105-5-b to describe actions taken or commitments to address gender pay
77 gaps for employees and non-employee workers.
- 78 • Revised requirement 105-5-d to clarify the contextual information organizations are required to
79 report. Organizations shall now report, under requirement 105-5-d-i, whether the gender pay gap
80 has been calculated based on the median or mean gross basic hourly pay; and, under
81 requirement 105-5-d-ii, whether the gender pay gap is based on the number of employees at the
82 end of the reporting period, the average across the reporting period, or another methodology.
- 83 • Revised guidance to requirement 105-5-a to include additional examples on reporting pay gap for
84 groups of employees other than men and women.
- 85 • Added guidance to requirement 105-5-b to include examples of actions to close the gender pay
86 gap.
- 87 • Added guidance to 105-5-c to include a definition of locations of operation.

88 **Disclosure 105-6: Social protection coverage**

- 89 • Revised requirements 105-6-a, 105-6-b, and 105-6-e to improve readability.
- 90 • Added guidance to requirements 105-6-a and 105-6-b to report the breakdown by gender, and
91 that organizations can separately report any preferential agreements they facilitate with external
92 providers without making any direct contribution.
- 93 • Added examples to the guidance of requirement 105-6-e on monitoring contributions made to
94 public social protection programs for non-employee workers.

95 **Disclosure 105-7: Working time**

- 96 • Revised requirements 105-7-a and 105-7-b to report the number of employees in each employee
97 type based on the range of hours they regularly work.
- 98 • Split requirement 105-7-d into two (105-7-d and 105-7-e) to improve clarity on reporting the
99 percentage of employees and non-employee workers with flexible working time arrangements.
- 100 • Revised requirement 105-7-f to report the breakdown by employee type.
- 101 • Revised guidance to requirement 105-7-f for readability.
- 102 • Added guidance to requirement 105-7-i that organizations should report how they determine the
103 number of hours regularly worked a week.

104 **Glossary**

- 105 • Added existing glossary terms: business relationships, business partner, discrimination, human
106 rights, Indigenous Peoples, local community, material topics, mitigation, remedy/remediation,
107 reporting period, supplier, supply chain, sustainable development/sustainability, value chain.
- 108 • Removed existing glossary terms: benefit, entry level wage, and minimum wage.
- 109 • Added new glossary terms: employee type and non-employee worker.
- 110 • Revised existing glossary terms: basic salary and remuneration.

111 **Contents subject to change:**

112 As other labor Standards will be submitted to the GSSB for final approval in 2026 and
113 2027, references to those Standards in *GRI 105*, as well as to related disclosures and requirements,
114 are subject to change in line with the final content of those Standards. Some glossary terms, such as
115 basic salary, collective bargaining, discrimination, and remuneration, may also be revised following
116 their review in the context of other labor Standards.

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117 **GRI 105: Remuneration and Working**
118 **Time 2027**

This document does not represent an official position of the GSSB

119 **EFFECTIVE DATE: [DAY MONTH YEAR]**
120 **TOPIC STANDARD**

GRI 105: Remuneration and Working Time 2027

Topic Standard

Effective Date

This Standard is effective for reports or other materials published on or after [day month year].

Responsibility

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

Due Process

This Standard was developed in the public interest and in accordance with the requirements of the GSSB Due Process Protocol. It has been developed using multi-stakeholder expertise, and with regard to authoritative intergovernmental instruments and widely held expectations of organizations relating to social, environmental, and economic responsibilities.

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158 Introduction

159 *GRI 105: Remuneration and Working Time 2027* contains disclosures for organizations to report
160 information about their remuneration and working time-related impacts and how they manage these
161 impacts.

162 The Standard is structured as follows:

- 163 • [Section 1](#) contains three disclosures, which provide information about how the organization
164 manages its remuneration and working time-related impacts.
- 165 • [Section 2](#) contains four disclosures, which provide information about the organization's
166 remuneration and working time-related impacts.
- 167 • The [Glossary](#) contains defined terms with a specific meaning when used in the GRI
168 Standards. The terms are underlined in the text of the GRI Standards and linked to the
169 definitions.
- 170 • The [Bibliography](#) lists authoritative intergovernmental instruments and additional references
171 used in developing this Standard.

172 The rest of the Introduction section provides a background on the topic, an overview of the system of
173 GRI Standards, and further information on using this Standard.

174 **Background on the topic**

175 This Standard addresses the topic of remuneration and working time, including social protection.

176 Remuneration and working time directly affect workers' everyday lives and their ability to enjoy a
177 decent and dignified life.

178 Remuneration is the gross amount paid to a worker and includes basic pay, as well as additional cash
179 or in-kind payments. Remuneration can also be referred to as salary or wages.

180 Every worker has the right to just and favorable remuneration. When determining remuneration, it is
181 necessary to offer an amount sufficient to meet the needs of workers and their families while allowing
182 them to live with dignity [23]. This can be achieved by using transparent cost-of-living estimates and
183 engaging in meaningful social dialogue and consultation with worker representatives throughout the
184 design, implementation, and data collection processes. Social dialogue, including collective
185 bargaining, is crucial in setting remuneration that meets cost-of-living estimates [29].

186 Remuneration policies are expected to ensure equal pay for work of equal value, preventing
187 discrimination based on gender or any other personal characteristics, particularly for vulnerable
188 groups. The International Labour Organization's (ILO) *Equal Remuneration Convention* addresses
189 discrimination in remuneration, ensuring men and women receive equal remuneration for work of
190 equal value [1].

191 Remuneration is supplemented, where necessary, by social protection [23]. Social protection, also
192 called social security, is a set of policies and programs that provide benefits to individuals based on
193 situations faced throughout their lives (e.g., unemployment, disability, and maternity) and to those
194 experiencing poverty and social exclusion [31]. Social protection plays a vital role in mitigating
195 poverty, inequality, and vulnerability of workers and their families, while also supporting broader
196 economic development. Organizations contribute to public social protection programs through
197 payments to social protection funds. They can also complement these programs by sponsoring
198 initiatives to cover workers in the event of, for example, loss of income or sickness.

199 Alongside just and favorable remuneration, working time can significantly affect the quality of work
200 and workers' personal lives [32]. Working time is the time associated with productive job activities and
201 the arrangement of this time during a specified reference period [28]. It encompasses the number of
202 hours worked, the way they are organized (e.g., night and part-time work), and the availability and
203 distribution of rest periods.

204 The ILO's *Hours of Work (Industry) Convention* establishes a maximum number of working hours per
205 day and week [3]. Factors related to working time, such as the predictability of working hours and the
206 flexibility workers have in managing their hours, are important for achieving a work-life balance.

207 This Standard applies to the organization's:

- 208 • employees: individuals who are in an employment relationship with the organization according
209 to national law or practice;
- 210 • non-employee workers: individuals whose work is controlled by the organization, but who do
211 not have an employment relationship with it.

212 Control of work implies that the organization directs the work performed or has control over the means
213 or methods for performing the work. See the [Control of Work Standard Interpretation to GRI 2:](#)
214 [General Disclosures 2021](#) for more information.

215 **System of GRI Standards**

216 This Standard is part of the GRI Sustainability Reporting Standards (GRI Standards). The GRI
217 Standards enable an organization to report information about its most significant impacts on the
218 economy, environment, and people, including impacts on their human rights, and how it manages
219 these impacts.

220 The GRI Standards are structured as a system of interrelated standards that are organized into three
221 series: GRI Universal Standards, GRI Sector Standards, and GRI Topic Standards (see [Figure 1](#) in
222 this Standard).

223 **Universal Standards: GRI 1, GRI 2 and GRI 3**

224 *GRI 1: Foundation 2021* specifies the requirements that the organization must comply with to report in
225 accordance with the GRI Standards. The organization begins using the GRI Standards by consulting
226 *GRI 1*.

227 *GRI 2: General Disclosures 2021* contains disclosures that the organization uses to provide
228 information about its reporting practices and other organizational details, such as its activities,
229 governance, and policies.

230 *GRI 3: Material Topics 2021* provides guidance on how to determine material topics. It also contains
231 disclosures that the organization uses to report information about its process of determining material
232 topics, its list of material topics, and how it manages each topic.

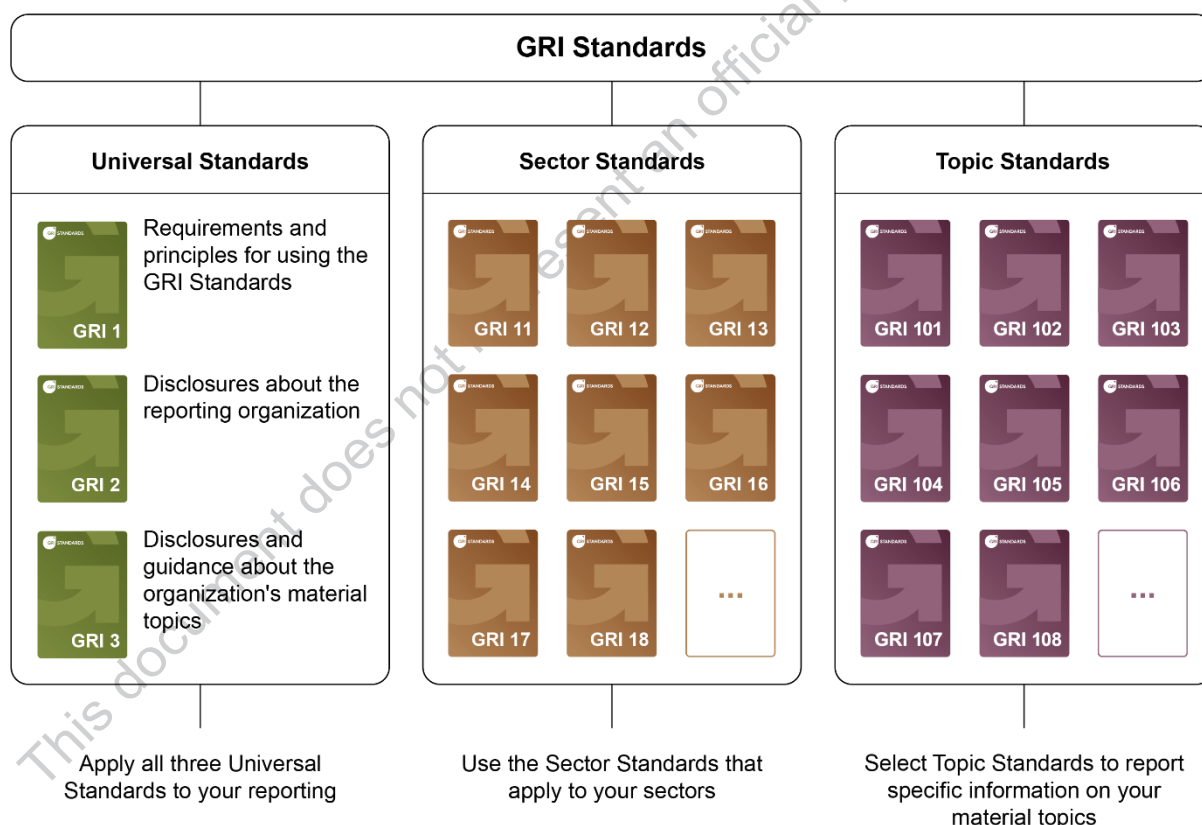
233 **Sector Standards**

234 The Sector Standards provide information for organizations about their likely material topics. The
235 organization uses the Sector Standards that apply to its sectors when determining its material topics
236 and when determining what to report for each material topic.

237 **Topic Standards**

238 The Topic Standards contain disclosures that the organization uses to report information about its
239 impacts in relation to particular topics. The organization uses the Topic Standards according to the list
240 of material topics it has determined using *GRI 3*.

241 **Figure 1. GRI Standards: Universal, Sector and Topic Standards**



242 **Using this Standard**

243 This Standard can be used by any organization – regardless of size, type, sector, geographic location,
244 or reporting experience – to report information about its remuneration and working time-related
245 impacts. Other GRI Standards that cover labor rights and working conditions include:

- 246 • [GRI 2: General Disclosures 2021 \(see also the Control of Work Standard Interpretation to GRI 2\)](#)
- 247
- 248 • [GRI 104: Employment 2027](#)
- 249 • [GRI 106: Significant Changes for Workers 2027](#)
- 250 • [GRI 107: Working Parents and Caregivers 2027](#)
- 251 • [GRI 108: Training and Education 2027](#)
- 252 • [GRI 109: Diversity and Inclusion 2027](#)
- 253 • [GRI 110: Non-discrimination and Equal Opportunity 2027](#)
- 254 • [GRI 111: Child Labor 2027](#)
- 255 • [GRI 112: Forced Labor 2027](#)
- 256 • [GRI 113: Freedom of Association and Collective Bargaining 2027](#)
- 257 • [GRI 114: Labor Rights in Business Relationships 2027](#)
- 258 • [GRI 403: Occupational Health and Safety 2018](#)

259 An organization reporting in accordance with the GRI Standards is required to report the following
 260 disclosures if it has determined remuneration and working time to be a material topic:

- 261 • [Disclosure 3-3 in GRI 3: Material Topics 2021](#).
- 262 • Any disclosures from this Topic Standard that are relevant to the organization's remuneration
 263 and working time-related impacts (Disclosure 105-1 through Disclosure 105-7).

264 See [Requirements 4 and 5 in GRI 1: Foundation 2021](#).

265 Reasons for omission are permitted for these disclosures.

266 If the organization cannot comply with a disclosure or with a requirement in a disclosure (e.g.,
 267 because the required information is confidential or subject to legal prohibitions), the organization is
 268 required to specify the disclosure or the requirement it cannot comply with and provide a reason for
 269 omission together with an explanation in the GRI content index. See [Requirement 6 in GRI 1](#) for more
 270 information on reasons for omission.

271 If the organization cannot report the required information about an item specified in a disclosure
 272 because the item (e.g., committee, policy, practice, process) does not exist, it can comply with the
 273 requirement by reporting this to be the case. The organization can explain the reasons for not having
 274 this item or describe any plans to develop it. The disclosure does not require the organization to
 275 implement the item (e.g., developing a policy), but to report that the item does not exist.

276 If the organization intends to publish a standalone sustainability report, it does not need to repeat
 277 information that it has already reported publicly elsewhere, such as on web pages or in its annual
 278 report. In such a case, the organization can report a required disclosure by providing a reference in
 279 the GRI content index as to where this information can be found (e.g., by providing a link to the web
 280 page or citing the page in the annual report where the information has been published).

281 **Requirements, guidance and defined terms**

282 The following apply throughout this Standard:

283 Requirements are presented in **bold font** and indicated by the word 'shall'. An organization must
 284 comply with requirements to report in accordance with the GRI Standards.

285 Requirements may be accompanied by guidance.

286 Guidance includes background information, explanations, and examples to help the organization
 287 better understand the requirements. The organization is not required to comply with guidance.

288 The Standards may also include recommendations. These are cases where a particular course of
 289 action is encouraged but not required.

290 The word 'should' indicates a recommendation, and the word 'can' indicates a possibility or option.

291 Defined terms are underlined in the text of the GRI Standards and linked to their definitions in the
 292 [Glossary](#). The organization is required to apply the definitions in the Glossary.

293

1. Topic management disclosures

294

An organization reporting in accordance with the GRI Standards is required to report how it manages each of its material topics.

295

296

An organization that has determined remuneration and working time to be a material topic is required to report how it manages the topic using [Disclosure 3-3 in GRI 3: Material Topics 2021](#). The organization is also required to report any disclosures from this section (Disclosure 105-1 through Disclosure 105-3) that are relevant to its remuneration and working time-related impacts.

297

298

299

300

This section is, therefore, designed to supplement – and not replace – Disclosure 3-3 in *GRI 3*.

301

Disclosure 105-1 Remuneration policies

302

REQUIREMENTS

303

The organization shall:

304

a. describe its policies to determine basic pay for permanent full-time employees and how they incorporate:

305

306

i. collective bargaining agreements;

307

ii. cost-of-living estimates;

308

b. describe its policies to determine additional amounts paid to permanent full-time employees, including:

309

310

i. type and rate of overtime pay;

311

ii. other types of payments in cash and in kind;

312

c. report whether deductions are permitted for permanent full-time employees and, if so, describe the deductions permitted;

313

314

d. describe any differences in remuneration policies reported under 105-1-a to 105-1-c for temporary, part-time, and non-guaranteed hours employees, and non-employee workers, and explain the reasons for them;

315

316

317

e. describe actions taken on equal remuneration for work of equal value for employees and non-employee workers;

318

319

f. describe how worker representatives are involved in developing and evaluating remuneration policies.

320

321

GUIDANCE

322

If the organization operates in multiple locations and there are significant variations in laws governing basic pay, additional payments, and deductions, it should report the differences in policies across significant locations of operation.

323

324

325

The organization is required to describe its policies to ensure non-discrimination and equal opportunity for its employees and non-employee workers regarding remuneration under [Disclosure 110-1 in GRI 110: Non-discrimination and Equal Opportunity 2027](#).

326

327

328

Guidance to 105-1-a

329

Basic pay excludes any additional payments, such as overtime, bonuses, or productivity or performance pay.

330

331

Basic pay can be paid as piece rates as well as by regular hours of work.

332

Piece rate pay refers to workers being paid by the unit performed. If the organization provides permanent full-time employees with a piece rate, it should report how its pay-per-unit calculation reflects the difficulty and quality of the work, whether the work can be completed within regular hours of work, and whether the pay is not below the applicable minimum wage.

333

334

335

336 Regular hours of work are the period during which a worker is at the disposal of an organization to
337 perform paid work. It does not include rest periods or overtime [2] [3].

338 The organization should report how it considers the International Labour Organization's (ILO)
339 principles of wage setting when determining basic pay. The principles include collective bargaining
340 and tripartite social dialogue; taking into account the needs of workers and their families, as well as
341 economic factors; ensuring gender equality and non-discrimination; using robust information and
342 statistics for an evidence-based approach; and considering national circumstances and the root
343 causes of low pay [29].

344 The organization can describe what factors determine employees' basic pay, such as skills,
345 education, performance, experience, and years of service.

346 The organization can describe the frequency with which it adjusts employees' basic pay, such as
347 when the cost of living increases due to inflation or when employees have their annual performance
348 review.

349 **Guidance to 105-1-a-i**

350 If basic pay is determined by collective bargaining, the organization should report the level at which
351 the collective bargaining agreements were made. Collective bargaining agreements can be made at
352 the organization level, a particular site level, industry level, and national level in countries where this is
353 the practice.

354 **Guidance to 105-1-a-ii**

355 Cost-of-living estimates are approximate calculations determining the necessary amount to cover an
356 individual and their family's basic expenses like food, housing, healthcare, and education, and other
357 necessary goods and services based on national circumstances.

358 Cost-of-living estimates are used in determining basic pay. Certain payments in cash and in kind,
359 such as contractual bonuses, may only be counted toward meeting the cost-of-living estimate if they
360 are predictable and paid to all employees (not discretionary). Payments in kind may only be included
361 if the principles of fair value attribution are applied.

362 The organization should report whether other types of payments in cash and in kind provided through
363 employer-sponsored social protection programs are counted toward meeting the cost-of-living
364 estimate, including those that complement public social protection programs or replace them where
365 none exist.

366 The organization should report how it ensures that the calculation of the cost-of-living estimates is not
367 used to reduce existing basic pay.

368 When basic pay is at or above the cost-of-living estimate, it is also referred to as a 'living wage' and
369 an 'adequate wage'. The ILO defines a 'living wage' as the amount paid to a worker during regular
370 hours of work that is necessary to afford a decent standard of living for the worker and their family,
371 taking into account national circumstances. The ILO stipulates that living wages are to be calculated
372 and implemented through processes aligned with ILO principles for estimating the living wage and
373 wage setting [29].

374 The organization can report how frequently it assesses cost-of-living estimates, such as annually or
375 biannually.

376 The standards and methodologies used to calculate cost-of-living estimates are reported under
377 requirement 105-4-g.

378 **Guidance to 105-1-b-i**

379 Overtime pay refers to payment made for hours worked beyond the regular hours of work.

380 The type of overtime pay refers to whether it is a monetary payment, paid time off, or a combination of
381 both.

382 The rate of overtime is the number of hours compensated for each overtime hour worked, or the
383 percentage of basic pay offered. Overtime pay usually differs for hours worked at night, on weekends,
384 or on holidays.

385 According to the *ILO's Hours of Work (Industry) Convention* and *Hours of Work (Commerce and*
386 *Offices) Convention*, the rate of overtime pay cannot be less than one-and-a-quarter times the regular
387 rate [3] [2]. If overtime is paid in cash and the rate is below the 125% threshold prescribed by the ILO,
388 it should explain the reason. For example, because national regulations permit a lower overtime pay
389 rate.

390 **Guidance to 105-1-b-ii**

391 Payments in cash include productivity bonuses, performance payments, seniority increments, work-
392 from-home allowances, tips or gratuities, commissions, company shares, and profits.

393 Payments in kind include food, drink, clothing, footwear, free or subsidized housing, transport,
394 electricity, nurseries, or subsidized childcare. The organization should report whether and how
395 payments in kind benefit its employees and their families for personal, non-work-related use.

396 Benefits related to social protection, such as medical and health care insurance, maternity and
397 paternity benefits, or retirement benefits, are not reported under this requirement but under [Disclosure](#)
398 [105-6](#).

399 The organization can report how it ensures that additional payments in kind are not used to
400 compensate for low basic pay.

401 The organization can also report how it decides to provide certain types of payments in cash and in
402 kind, and if these decisions are made in consultation with worker representatives.

403 **Guidance to 105-1-c**

404 Deductions are amounts that the organization withholds from workers' remuneration. Examples of
405 deductions include social protection benefits, other benefits provided by the organization, payments in
406 kind, and deductions due to loss or damage to the organization's goods and facilities.

407 According to the *ILO's Protection of Wages Convention*, deductions of any type are only permitted
408 when prescribed by national law or fixed by collective bargaining agreements or arbitration awards
409 [14].

410 Deductions can be mandatory or statutory if required by national law or collective bargaining
411 agreements. They can also be non-mandatory, meaning they are not required by national laws,
412 regulations, or collective bargaining agreements. For example, retirement plans, gym memberships,
413 and worker purchase programs.

414 If the organization applies deductions, it should report:

- 415 • the reasons for the deductions made;
- 416 • how it informs employees of any deductions made;
- 417 • how employees can appeal any deductions.

418 If deductions are applied to reimburse the organization for loss or damage to its goods and facilities,
419 the organization should explain how it determines the employee's responsibility and how the cost is
420 calculated.

421 For deductions related to payments in kind, the organization should report how the deducted amount
422 is calculated and whether it reflects the full cost or a subsidized amount.

423 The organization can report whether it has an overall threshold for deductions and, if so, the
424 maximum percentage of remuneration that can be deducted for payments in kind. For example, the
425 organization can report that deductions for payments in kind must not exceed 30% of the
426 remuneration, or that it does not apply those deductions to the lowest-paid employees. The
427 organization should report how it determines the amount of deductions for payments in kind and
428 whether these decisions are made in consultation with worker representatives.

429 See references [14] and [15] in the [Bibliography](#).

430 According to the *ILO's Protection of Wages Convention*, deductions for the purpose of obtaining or
431 retaining employment are not permitted [14]. See [Guidance to 104-3-b in GRI 104: Employment 2027](#)
432 for more information on recruitment fees and related costs.

433 **Guidance to 105-1-d**

434 The organization is required to report the differences in 105-1-d separately for temporary, part-time,
435 and non-guaranteed hours employees, and non-employee workers.

436 Remuneration policies are compared against those of permanent full-time employees, as they are
437 assumed to have the most favorable remuneration conditions.

438 Reasons for differences in policies to determine basic pay can include the use of worker
439 representatives to determine employees' basic pay and the use of industry standards to determine the
440 basic pay of non-employee workers. Differences can also reflect statutory deductions for social
441 protection contributions that apply only to permanent full-time employees and are not legally extended
442 to temporary or part-time employees.

443 The organization should report any differences in remuneration policies beyond those reported under
444 105-1-a to 105-1-c, such as differences in payment frequency. For example, the organization can
445 report that permanent full-time employees are paid once a month, while non-employee workers are
446 paid weekly.

447 The organization should report whether its policy to determine basic pay for non-employee workers
448 engaged through third parties incorporates cost-of-living estimates.

449 If there are differences in remuneration policies among different types of non-employee workers, the
450 organization can report the differences for each of the most common types of workers. The most
451 common types of non-employee workers are described under requirement [2-8-a in GRI 2: General](#)
452 [Disclosures 2021](#).

453 **Guidance to 105-1-e**

454 This requirement covers remuneration for work of equal value without discrimination based on
455 personal characteristics, such as race, sex, gender, religion, age, or social origin.

456 The ILO's *Equal Remuneration Convention* introduces the principle of equal remuneration for work of
457 equal value without discrimination based on sex. 'Work of equal value' refers to situations where two
458 workers perform the same or similar tasks, or work, that involve comparable levels of skill, effort,
459 responsibility, qualifications, and working conditions and are of comparable value. Based on this
460 principle, these workers are expected to receive equal remuneration, regardless of their personal
461 characteristics.

462 The principle aims to eliminate direct and indirect discrimination in remuneration.

463 See reference [1] in the [Bibliography](#).

464 The organization can report how it uses job classification systems and the work-related criteria they
465 employ to ensure equal remuneration for roles of equal value.

466 Other examples of actions on equal remuneration for work of equal value include: making information
467 about remuneration scales per job level available to employees and non-employee workers, equal
468 remuneration auditing, publishing remuneration information in job vacancies, and using gender-
469 neutral and skills-based performance assessments and classification systems.

470 The organization can report how it engages with worker representatives on equal remuneration for
471 work of equal value for employees and non-employee workers.

472 See references [33] and [34] in the [Bibliography](#).

473 **Guidance to 105-1-f**

474 Involving worker representatives in developing and evaluating remuneration policies for employees
475 and non-employee workers ensures that workers' viewpoints, knowledge, and experiences are taken
476 into account. This approach advances management's objectives and prevents and mitigates negative
477 impacts on workers, while retaining decision-making authority within the appropriate roles.

478 According to the ILO's *Tripartite Declaration of Principles concerning Multinational Enterprises and*
479 *Social Policy*, systems devised by mutual agreement between employers and workers and their
480 representatives are expected, in accordance with national law and practice, to provide for regular
481 consultation on matters of mutual concern [19]. Such consultation cannot be a substitute for collective
482 bargaining.

483 The organization can report whether the involvement takes the form of worker consultation, in which it
484 shares information with worker representatives and gains their views before decision-making, or
485 worker participation, in which workers are directly involved in the decision-making process.

486 Worker representatives' involvement can occur through discussions between labor and management
487 committees.

488 The organization should report any social dialogue methods used to engage with non-employee
489 workers, who are usually excluded from worker representatives, in the development and evaluation of
490 remuneration policies.

491 The organization can report how worker representatives are informed about proposed changes in
492 remuneration policies, and how their knowledge and experiences are taken into account to improve
493 the policies following their evaluation.

494 The organization can report how often it adjusts its remuneration policies based on consultations with
495 worker representatives to ensure alignment with relevant benchmarks.

496 The organization can also report whether and how it considers feedback from other parties, such as
497 civil society organizations, in developing and evaluating remuneration policies.

498 The organization can report whether worker representatives are involved in setting up any worker
499 feedback mechanisms, such as satisfaction surveys, on its remuneration policies.

500 The organization can also report how worker representatives are involved in implementing the policies
501 and actions taken to improve them, such as providing advice during policy implementation.

502 Disclosure 105-2 Working time policies

503 REQUIREMENTS

504 The organization shall:

- 505 a. report its working time policies for permanent full-time employees, including:
- 506 i. maximum regular hours of work per day and week;
 - 507 ii. maximum hours of overtime per day and week, whether overtime is voluntary or
 - 508 compulsory, and how employees' consent for voluntary overtime is obtained;
 - 509 iii. hours of daily and weekly rest;
 - 510 iv. number of days or weeks of paid annual leave and measures to encourage employees
 - 511 to take it;
 - 512 v. working time arrangements;
- 513 b. describe any differences in working time policies reported under 105-2-a for temporary,
- 514 part-time, and non-guaranteed hours employees, and non-employee workers, and explain
- 515 the reasons for them;
- 516 c. describe its working time policies for vulnerable groups, including:
- 517 i. young workers;
 - 518 ii. workers who are pregnant or breastfeeding;
 - 519 iii. workers with disabilities;
- 520 d. describe how worker representatives are involved in developing and evaluating working
- 521 time policies.

522 GUIDANCE

523 Working time can be divided into two components:

- 524 • the number of hours of work; and
- 525 • the setting of hours of work, commonly known as working time arrangements or work
- 526 schedules.

527 See reference [32] in the [Bibliography](#).

528 If the organization operates in multiple locations and there are significant variations in working time

529 laws, it should report the differences in policies across significant locations of operation.

530 Guidance to 105-2-a-i

531 For information on regular hours of work, see [Guidance to 105-1-a](#).

532 For example, the organization reports that regular hours of work do not exceed eight in a day and

533 forty-eight in a week.

534 The organization should report any exceptions to the maximum regular hours of work and explain the

535 reasons for them.

536 Guidance to 105-2-a-ii

537 Overtime refers to hours worked beyond regular hours of work. For example, the organization reports

538 that overtime does not exceed four hours per day and twelve hours per week.

539 Overtime can be compulsory or voluntary. Compulsory overtime means the organization does not

540 have to consult workers before requiring them to work overtime, such as in the case of an actual or

541 potential accident, emergency equipment maintenance, or force majeure. Voluntary overtime is when

542 workers can opt in or out, such as when an organization provides a sign-up form to indicate workers'

543 availability and obtain their consent.

544 If compulsory or voluntary overtime exceeds the limits prescribed by law or collective bargaining

545 agreements, it might result in forced labor [27]. The organization can report how it ensures overtime is

546 fairly distributed among employees. The organization can report the applicable notice period it

547 provides to employees when requesting overtime.

548 See reference [16] in the [Bibliography](#).

549 **Guidance to 105-2-a-iii**

550 Daily rest is the interval between two shifts, made up of a period of continuous non-working hours
551 within 24 hours. Weekly rest refers to a continuous rest period over seven days.

552 According to the International Labour Organisation's (ILO) *Weekly Rest (Industry) Convention* and
553 *Weekly Rest (Commerce and Offices) Convention*, organizations are expected to provide a weekly
554 rest of at least twenty-four consecutive hours in every period of seven days [20] [21].

555 For example, the organization reports that it provides a daily rest of 12 continuous hours and a weekly
556 rest of 48 continuous hours for every seven days.

557 **Guidance to 105-2-a-iv**

558 Annual leave is important to provide a period of rest, maintain a work-life balance, reduce
559 absenteeism, and enhance employee motivation.

560 Paid annual leave is a period of time that allows workers to be away from work, receive remuneration,
561 and remain entitled to social protection. It is made available in addition to public holidays, sick leave,
562 daily and weekly rest, and maternity, paternity, parental, and caregiver leave.

563 For example, the organization reports that it provides four weeks of paid annual leave, allocated
564 proportionately to employees' length of service in that year.

565 Measures to encourage employees to take their paid annual leave can include setting a limit on the
566 number of days of leave that can be carried forward to the next calendar year and adjusting workload.

567 The organization can report the number of days or weeks of paid annual leave provided to employees
568 exceeding legal requirements and collective bargaining agreements.

569 When the organization allows the accumulation of paid annual leave across multiple years, it should
570 report this and the reasons for allowing it.

571 The organization can describe its policies for unpaid annual leave, including the conditions for it.

572 Unlimited unpaid annual leave allows workers to take as many days off as they need or desire. If the
573 organization has an unlimited unpaid annual leave policy, it should report the reasons for this policy
574 and how it ensures employees take adequate paid annual leave before taking unpaid annual leave.

575 See reference [30] in the [Bibliography](#).

576 **Guidance to 105-2-a-v**

577 Working time arrangements (also called work schedules) refer to how work is structured in terms of
578 time and location, which vary depending on the sector and its characteristics. It includes scheduling
579 the hours of work and distributing work and rest periods over a specific period. Examples of working
580 time arrangements are a fixed five-day workweek from Monday to Friday, 9 a.m. to 5 p.m., or a fixed
581 six-day workweek from Monday to Saturday, 8 a.m. to 4 p.m. Other working time arrangements
582 comprise shift work, including night or weekend work, compressed workweeks, flexitime, and remote
583 work and telework.

584 Shift work is a structured scheduling system in which workers take turns working. This arrangement
585 allows the organization to operate beyond the regular hours of work of individual workers. There are
586 two basic categories of shift work: fixed and rotating systems.

587 According to the ILO's *Night Work Convention*, night work is all work performed during a period of at
588 least seven consecutive hours, including the interval from midnight to 5 a.m. What constitutes night
589 work is determined by competent authorities in consultation with organizations of employers and
590 workers or by collective agreements [10]. If the organization's employees work at night, it should
591 report how it arranges working hours to protect their health and help them meet family and social
592 responsibilities.

593 Compressed workweeks, flexitime, time-banking, remote work, and telework are forms of flexible
594 working time arrangements.

595 Compressed workweeks involve scheduling hours over fewer than the normal number of working
596 days, resulting in longer working days but fewer days worked each week. For example, a compressed
597 workweek typically reduces a 40-hour workweek from five 8-hour days to four 10-hour days [32].

598 Flextime refers to a worker's ability to define their working time based on individual needs and
599 preferences (within specified limits) and, in some cases, the number of hours they work in a particular
600 week [32].

601 Time-banking arrangements enable workers to accumulate hours over a long period, up to a
602 maximum amount, which they can convert into paid time off over months or even a full year [32].

603 Remote work is any work carried out, in whole or in part, in an alternative workplace other than the
604 default place of work. It is the 'umbrella term' for work done at a distance, regardless of the
605 technology used [25].

606 Telework is remote work that uses information and communications technologies (ICTs) to perform
607 work from outside the organization's premises. If the organization offers telework, it should report how
608 it guarantees that telework is voluntary, safeguards the right to a healthy work-life balance, and
609 protects employees' personal data and privacy [32].

610 The organization can report its policies on the right to disconnect. The right to disconnect refers to a
611 worker's right to disengage from work and refrain from engaging in work-related electronic
612 communications during non-working hours, such as emails, texting, or other communications [24].

613 The organization can report any additional actions taken to ensure that employees maintain a healthy
614 work-life balance regarding working time arrangements.

615 **Guidance to 105-2-b**

616 The organization is required to report the differences in 105-2-b separately for temporary, part-time,
617 and non-guaranteed hours employees, and non-employee workers.

618 Working time policies are compared against those of permanent full-time employees, as they are
619 assumed to have the most favorable working time conditions.

620 If there are differences in working time policies among different types of non-employee workers, the
621 organization can report the differences for each of the most common types of workers. The most
622 common types of non-employee workers are described under requirement [2-8-a in GRI 2: General
623 Disclosures 2021](#).

624 **Guidance to 105-2-c-i**

625 A 'young worker' is defined as a person above the minimum age for work and under the age of 18.

626 Organizations are expected to ensure that young workers do not perform night work, overtime, or
627 excessively long shifts, and that they receive adequate rest and that working hours do not interfere
628 with school or training and education programs.

629 See references [7], [8], [11], [12], and [22] in the [Bibliography](#).

630 **Guidance to 105-2-c-ii**

631 Examples of working time policies for workers who are pregnant or breastfeeding include providing
632 remunerated breastfeeding breaks or daily reduction of working hours, access to compressed
633 workweeks, and alternatives to night work for a specified period before and after childbirth. If the
634 organization has described its working time policies for workers who are breastfeeding under
635 requirement [107-1-e-i in GRI 107: Working Parents and Caregivers 2027](#), it can provide a reference
636 to this information under 105-2-c-ii and does not need to repeat the information.

637 See references [4], [5], [10], and [13] in the [Bibliography](#).

638 **Guidance to 105-2-c-iii**

639 Examples of working time policies for workers with disabilities include flexible start and end times,
640 access to compressed workweeks, and remote work or telework. If the organization has described its
641 working time policies for workers with disabilities under requirement [110-1-a-iii in GRI 110: Non-
642 discrimination and Equal Opportunity 2027](#), it can provide a reference to this information under 105-2-
643 c-iii and does not need to repeat the information.

644 **Guidance to 105-2-d**

645 See [Guidance to 105-1-f](#) for more information on reporting worker representatives' involvement in
646 developing and evaluating policies.

This document does not represent an official position of the GSSB

647 **Disclosure 105-3** Transparency of remuneration and
648 working time

649 **REQUIREMENTS**

650 **The organization shall:**

- 651 a. describe how it communicates remuneration and working time to employees and non-
652 employee workers.

653 **GUIDANCE**

654 Providing accessible information on remuneration and working time builds trust between the
655 organization and its workers and helps improve job satisfaction.

656 **Guidance to 105-3-a**

657 Communicating remuneration to employees and non-employee workers includes providing written
658 remuneration details, such as basic pay, overtime pay, additional payments in cash and in kind,
659 deductions, and methods of payment, as well as providing pay statements.

660 Communicating working time to employees and non-employee workers includes embedding working
661 time policies in the contracts and posting shift schedules in visible locations at the workplace.

662 The organization can report how it communicates remuneration and working time, and any changes
663 to these, to employees and non-employee workers in an accessible and understandable format. For
664 example, the organization reports that it provides information in languages that migrant workers can
665 easily understand.

666 The organization can also describe the channels available to employees and non-employee workers
667 to seek clarification on remuneration and working time, including how it informs them about the
668 availability of these channels and how to access them.

669 The organization can report how it transparently communicates remuneration and working time to job
670 seekers before and during the process of entering into employment or a contractual relationship.

671

2. Topic disclosures

672 An organization reporting in accordance with the GRI Standards is required to report any disclosures
673 from this section (Disclosure 105-4 through Disclosure 105-7) that are relevant to its remuneration
674 and working time-related impacts.

675

Disclosure 105-4 Remuneration

676

REQUIREMENTS

677

The organization shall:

678 a. for each significant location of operation, report the number and percentage of employees
679 (headcount) paid at the applicable minimum wage;

680 b. for each significant location of operation, report the number and percentage of non-
681 employee workers (headcount) paid at the applicable minimum wage;

682 c. for each significant location of operation, report the number and percentage of employees
683 (headcount) whose basic pay is at or above the cost-of-living estimate, and a breakdown
684 by:

685 i. employee category;

686 ii. employee type;

687 iii. gender;

688 d. for each significant location of operation, report the applicable minimum wages and the
689 cost-of-living estimate;

690 e. describe actions taken or commitments to address any gaps between basic pay and the
691 cost-of-living estimates for employees and non-employee workers;

692 f. report the definition used for 'significant locations of operation';

693 g. report contextual information necessary to understand how the data has been compiled,
694 including the standards, methodologies, and assumptions used, and specifically the
695 methodologies used to calculate the cost-of-living estimates.

696

GUIDANCE

697 The number of employees and non-employee workers used as the basis for this disclosure is the
698 cumulative number of employees or non-employee workers (headcount) for the relevant period. For
699 example, if an employee paid at the applicable minimum wage during the reporting period was no
700 longer employed by the organization before the end of the reporting period, that employee is still
701 included in the calculation of 105-4-a.

Guidance to 105-4-a and 105-4-b

703 Applicable minimum wages are the minimum amounts that the organization is required to pay workers
704 for work performed during a given period, which cannot be reduced by a collective agreement or an
705 individual contract.

706 According to the International Labour Organization's (ILO) *Minimum Wage Fixing Convention*, a
707 competent national authority legally sets minimum wages [9].

708 When a competent national authority in one of the organization's significant locations of operation
709 does not establish a minimum legal wage, the organization should describe how it defines the
710 applicable minimum wage, such as wages set by collective bargaining agreements or the prevailing
711 industry wage.

712 Applicable minimum wages may be set on an hourly, daily, weekly, monthly, or other basis. When the
713 applicable minimum wage is not hourly, the organization should report how it determines whether
714 part-time employees, non-guaranteed hours employees, and non-employee workers are paid at least
715 the applicable minimum wage, for example, by converting it to an hourly equivalent.

716 The percentage of employees who are paid at the applicable minimum wage in each significant
 717 location of operation is calculated using the following formula:

Percentage of employees who are paid at the applicable minimum wage	=	$\frac{\text{Number of employees (headcount) who are paid at the applicable minimum wage}}{\text{Total number of employees (headcount)}} \times 100$	X 100
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718 This formula can be used to calculate the percentage of non-employee workers who are paid at the
 719 applicable minimum wage in each significant location of operation by replacing the number of
 720 employees with the number of non-employee workers.

721 **Table 1. Template for presenting employees and non-employee workers paid at the applicable**
 722 **minimum wage**

	Employees paid at the applicable minimum wage (headcount) (105-4-a)		Non-employee workers paid at the applicable minimum wage (headcount) (105-4-b)	
	No.	%	No.	%
Significant Location A				
Significant Location B				
Significant Location C				

723 The organization can also report the number and percentage of employees or non-employee workers
 724 (headcount) for each significant location of operation paid above, but close to, the applicable
 725 minimum wage. For example, the number and percentage of employees who are paid up to 10%
 726 above the applicable minimum wage.

727 **Guidance to 105-4-c**

728 Basic pay is for regular hours of work and excludes additional payments. See [Guidance to 105-1-a](#) for
 729 more information on basic pay and [Guidance to 105-1-a-ii](#) for more information on cost-of-living
 730 estimates.

731 The percentage of employees whose basic pay is at or above the cost-of-living estimate in each
 732 significant location of operation is calculated using the following formula:

Percentage of employees whose basic pay is at or above the cost-of-living estimate	=	$\frac{\text{Number of employees (headcount) whose basic pay is at or above the cost-of-living estimate}}{\text{Total number of employees (headcount)}} \times 100$	X 100
------------------------------------------------------------------------------------	---	---------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------

733 This formula can be used to calculate the breakdowns by employee category, employee type, and
 734 gender. For example, when reporting the percentage of women employees in Significant Location A
 735 whose basic pay is at or above the cost-of-living estimate, the number of employees in the formula
 736 should be replaced by the number of women employees in Significant Location A.

737 **Table 2. Template for presenting employees whose basic pay is at or above the cost-of-living**
 738 **estimate**

	Employees whose basic pay is at or above the cost-of-living estimate (headcount) (105-4-c)	
	No.	%

Significant Location A (total)		
Employee category		
Employee category 1		
Employee category 2		
Employee category 3		
Employee type		
Permanent employees		
Temporary employees		
Non-guaranteed hours employees		
Full-time employees		
Part-time employees		
Gender		
Men		
Women		
Other*		
Not disclosed**		

739 * Gender as specified by the employees themselves.

740 ** Gender is not disclosed by the employees themselves.

741 The organization is free to choose how to report the breakdowns by gender. It is not required to report
742 the four categories suggested in Table 2. For example, instead of an 'other' category, the organization
743 can report any gender category as specified by employees.

744 The organization can also report requirement 105-4-c for non-employee workers, with breakdowns by
745 the most common types of workers and by gender. The most common types of non-employee
746 workers are described under requirement 2-8-a in [GRI 2: General Disclosures 2021](#).

747 **Guidance to 105-4-d**

748 The organization should calculate the cost-of-living estimate in the local currency of the significant
749 location of operation to ensure accuracy.

750 To facilitate comparability across locations, the organization should report the applicable minimum
751 wages and cost-of-living estimate for each significant location of operation using a single currency.
752 The organization should use the average exchange rate for the reporting period to convert local
753 currencies and report the exchange rate used for each local currency.

754 The organization should report whether cost-of-living estimates reflect the cost of living over a one-
755 month or one-year period. The organization can report the cost-of-living estimates as either a single
756 monetary value or a monetary range.

757 **Table 3. Template for presenting the applicable minimum wages and cost-of-living estimate**

	Significant Location A	Significant Location B	Significant Location C
Applicable minimum wages (105-4-d)			

Cost-of-living estimate (105-4-d)			
---------------------------------------------	--	--	--

758 **Guidance to 105-4-e**

759 If the organization has commitments to address gaps between basic pay and cost-of-living estimates,
760 it should report the types of employees and non-employee workers to which the commitments apply.

761 An example of an action to address these gaps is adopting transparency measures, which means
762 providing workers with information to understand their pay so they can negotiate, identify potential pay
763 discrimination, and raise questions. Transparency measures can include publishing remuneration
764 structures that show the minimum and maximum pay levels for each job level and the criteria for
765 increasing remuneration.

766 Other actions include making public commitments to provide basic pay at or above cost-of-living
767 estimates, setting up pay scales in line with the international labor standards, joining a sector initiative
768 to improve basic pay conditions, participating in governmental or non-governmental initiatives to
769 operationalize the calculation of cost-of-living estimates, setting up a plan for a gradual increase in
770 basic pay, revising and adjusting basic pay policies, and supporting social dialogue.

771 If the organization provides all its employees and non-employee workers with a basic pay that is
772 above the cost-of-living estimates, it can explain this.

773 **Guidance to 105-4-f**

774 Locations of operation refer to the geographic locations where the organization's sites are located or
775 where its activities are conducted. Significant locations of operation can be the same across different
776 reported disclosures or differ for each disclosure depending on the organization's impacts.

777 **Guidance to 105-4-g**

778 The organization should report whether the cost-of-living estimate methodology it uses assumes that
779 remuneration is earned by one or multiple family or household members, and explain the rationale for
780 this assumption. In addition, the organization should report what is included in the calculation, such as
781 food, housing, healthcare, and education. The organization should report any differences in the
782 methodology used by significant locations of operation.

783 The organization should report how it ensures the promotion of gender equality and non-
784 discrimination when determining its cost-of-living estimate methodology. For example, the
785 organization reports how the cost-of-living estimate calculations account for the realities of single-
786 parent households, as their needs are often underrepresented in typical family cost-of-living
787 estimates.

788 The organization should report if worker representatives were involved in determining the cost-of-
789 living estimate methodology, including its design and validation, and in verifying the cost-of-living
790 estimates. The organization can report whether it included feedback from other parties, such as local
791 civil society organizations.

792 The organization should report whether its cost-of-living estimate methodology has been developed in
793 line with the ILO principles for estimating the living wage or another widely recognized methodology
794 and, if not, explain the reasons for this. If the organization uses another widely recognized
795 methodology, it should report its name.

796 The ILO principles for estimating the living wage are a set of ten principles to define a legitimate way
797 to calculate cost-of-living estimates, including the use of evidence-based methodologies and robust
798 data, consultation with representative employers' and workers' organizations, promotion of gender
799 equality and non-discrimination, specification on whether estimates are gross or net, regular
800 adjustments to consider changes in the cost-of-living, quality control, and considerations of regional
801 and local contexts and socio-economic and cultural realities [29].

802 The organization should report whether it uses its own cost-of-living estimates or uses third-party
803 benchmarks that align with the ILO principles for estimating the living wage. Examples include official
804 local or industry-specific cost-of-living estimates, or any cost-of-living estimates produced by
805 institutions mandated by public authorities in the country where the workers are based.

806 The organization should report the measures implemented to ensure that the funding to develop the
 807 cost-of-living estimate methodologies is free of conflicts of interest.

808 The organization can report actions to operationalize cost-of-living estimates, for example, by sharing
 809 its cost-of-living calculations with other organizations.

810 **Guidance to 105-4 (remuneration distribution)**

811 The organization can report the distribution of remuneration across its employees.

812 Pay inequality within an organization can have an impact on an employee's overall well-being and
 813 satisfaction, and contribute to inequality in broader society. To understand whether there is pay
 814 inequality within the organization and to what extent, the organization can rank all employees from
 815 lowest to highest remuneration for the reporting period. It can then divide them into ten equal groups
 816 (deciles), where the first decile represents the lowest-paid 10% and the tenth decile the highest-paid
 817 10%. For each decile, the organization should report the remuneration band, defined as the minimum
 818 and maximum actual remuneration received by employees within that decile during the reporting
 819 period.

820 **Table 4. Template for presenting employee remuneration by deciles**

	1 st decile (bottom 10%)	2 nd decile	3 rd decile	4 th decile	5 th decile	6 th decile	7 th decile	8 th decile	9 th decile	10 th decile		
										1st half of top 10 %	Top 5% (excl top 1%)	Top 1%
Remuneration bands												

821 See reference [35] in the [Bibliography](#).

822 **Guidance to 105-4 (payments in kind)**

823 The organization can report the average percentage of permanent full-time employees' remuneration
 824 consisting of payments in kind for each employee category. This can be calculated using the following
 825 formula:

Average percentage of permanent full-time employees' remuneration consisting of payments in kind	=	$\frac{\text{Total monetary value of payments in kind to permanent full-time employees}}{\text{Total remuneration of permanent full-time employees receiving payments in kind}} \times 100$
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826 See [Guidance to 105-1-b-ii](#) for more information on payments in kind.

827 Disclosure 105-5 Gender pay gap

828 REQUIREMENTS

829 The organization shall:

- 830 a. for each significant location of operation, report the percentage difference in median or
831 mean gross basic hourly pay between men and women employees for each employee
832 category;
- 833 b. describe actions taken or commitments to address gender pay gaps for employees and
834 non-employee workers;
- 835 c. report the definition used for 'significant locations of operation';
- 836 d. report contextual information necessary to understand how the data has been compiled,
837 including the standards, methodologies, and assumptions used, and specifically:
- 838 i. whether the gender pay gap has been calculated based on the median or mean gross
839 basic hourly pay;
- 840 ii. whether the gender pay gap is based on the number of employees at the end of the
841 reporting period, the average across the reporting period, or another methodology.

842 GUIDANCE

843 This disclosure provides information on the difference in gross basic hourly pay between men and
844 women. This measurement is commonly known as the gender pay gap.

845 Measurements of the gender pay gap typically focus on the comparison between men and women.
846 However, the organization can also explain how it includes employees who do not identify as men or
847 women in its reporting of the gender pay gap. To protect data confidentiality, or if the employee
848 population size is too small, the organization may provide qualitative information about the pay gap for
849 these employees.

850 Guidance to 105-5-a

851 The organization is required to use either the median gross basic hourly pay or the mean gross basic
852 hourly pay as the measure of central tendency for the gender pay gap.

853 The mean is the most commonly used measure of central tendency. To calculate the mean gross
854 basic hourly pay, the organization adds together the gross basic hourly pay of all men or women
855 within the same employee category and significant location of operation. It divides the total by the
856 number of men or women employees in that category and location.

857 The median is the middle value in a set of values arranged from highest to lowest. To calculate the
858 median gross basic hourly pay, the organization arranges the gross basic hourly pay of all men or
859 women within the same employee category and significant location of operation from lowest to
860 highest, and takes the middle value. If there is no single middle value, the median is the average of
861 the two middle values.

862 The mean gender pay gap is more common and widely understood, while the median gender pay gap
863 is less affected by outliers or extreme values, like a small number of highly paid employees.

864 Therefore, calculating and reporting both measures can provide a more comprehensive
865 understanding of the gender pay gap.

866 The gender pay gap in each significant location of operation is calculated using the following formula:

Percentage difference in gross basic hourly pay between men and women employees in a specific employee category	=	$\frac{\text{Median or mean gross basic hourly pay of men employees in a specific employee category} - \text{median or mean gross basic hourly pay of women employees in the same employee category}}{\text{Median or mean gross basic hourly pay of men employees in a specific employee category}} \times 100$
-----------------------------------------------------------------------------------------------------------------	---	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

867 A positive percentage means women employees have lower gross basic hourly pay than men
 868 employees. A negative percentage indicates that men employees have lower gross basic hourly pay
 869 than women employees. A percentage of zero indicates that men and women employees receive the
 870 same gross basic hourly pay.

871 The organization can also report the values used in the numerator when calculating the gender pay
 872 gap, i.e., the median or mean gross basic hourly pay of men and women employees for each
 873 employee category in each significant location of operation.

874 **Table 5. Template for presenting the percentage difference in gross basic hourly pay of men**
 875 **and women employees**

	Percentage difference in gross basic hourly pay between men and women employees (105-5-a)		
	Significant location A	Significant location B	Significant location C
Employee category 1			
Employee category 2			
Employee category 3			

876 The organization can report the pay gap for groups of employees other than men and women. For
 877 example, it can report pay gaps between employees with and without disabilities, or between
 878 employees based on other characteristics, such as race, age group, or belonging to an under-
 879 represented social group.

880 The organization can report any differences in additional payments between men and women
 881 employees, such as productivity bonuses or overtime.

882 The organization can also report, for each significant location of operation, the percentage difference
 883 in median or mean gross basic hourly pay between men and women non-employee workers for each
 884 of the most common types of workers. The most common types of non-employee workers are
 885 described under requirement [2-8-a in GRI 2: General Disclosures 2021](#).

886 **Guidance to 105-5-b**

887 Examples of actions to close the gender pay gap between men and women employees include
 888 increasing diversity in senior leadership, reviewing hiring processes, increasing pay transparency,
 889 setting succession planning and promotion targets, and introducing policies for the reintegration of
 890 women employees after maternity leave.

891 Examples of actions to close the gender pay gap between men and women non-employee workers
 892 include monitoring third-party agencies and publishing average gross hourly pay rates for the most
 893 common types of non-employee workers by gender.

894 See reference [26] in the [Bibliography](#).

895 **Guidance to 105-5-c**

896 Locations of operation refer to the geographic locations where the organization's sites are located or
 897 where its activities are conducted. Significant locations of operation can be the same across different
 898 reported disclosures or differ for each disclosure depending on the organization's impacts.

899 **Guidance to 105-5-d**

900 The organization should report whether it has considered other relevant variables, such as length of
901 service and education, when calculating the gender pay gap to determine whether there is equal pay
902 for work of equal value.

This document does not represent an official position of the GSSB

903 Disclosure 105-6 Social protection coverage

904 REQUIREMENTS

905 The organization shall:

- 906 a. for each significant location of operation, report whether it contributes to public social
907 protection programs that provide the following social protections to employees:
908 i. medical and health care insurance;
909 ii. sickness benefit;
910 iii. maternity and paternity benefits;
911 iv. employment injury benefit;
912 v. unemployment benefit;
913 vi. invalidity benefit;
914 vii. survivor's benefit;
915 viii. retirement benefit;
- 916 b. for each significant location of operation, report whether it provides the social protections
917 listed in 105-6-a as employer-sponsored programs in the absence of, or that complement,
918 public programs;
- 919 c. for each significant location of operation, report the number and percentage of employees
920 (headcount) not covered under each type of social protection listed under 105-6-a;
- 921 d. for each significant location of operation, list the employee types not covered under each
922 type of social protection listed under 105-6-a and explain the reasons for this;
- 923 e. describe how it monitors that contributions are made to public social protection programs
924 for non-employee workers;
- 925 f. describe actions taken or commitments to increase social protection coverage for:
926 i. employees;
927 ii. non-employee workers;
- 928 g. report the definition used for 'significant locations of operation';
- 929 h. report contextual information necessary to understand how the data has been compiled,
930 including standards, methodologies, and assumptions used.

931 GUIDANCE

932 Social protection increases human dignity and prevents and reduces poverty, inequalities, social
933 exclusion, and social insecurity, thereby promoting equal opportunity, gender and racial equality, and
934 the well-being of workers and their families. It also helps improve the transition from informal to formal
935 employment.

936 See reference [17] in [Bibliography](#).

937 Most countries have programs anchored in national legislation that cover all or some types of social
938 protection. In many jurisdictions, organizations are responsible for contributing, in whole or in part, to
939 the social protection of their workers. These are statutory contributions mandated by law as part of
940 public social protection programs.

941 Organizations can help enhance public social protection coverage through their own sponsored
942 programs as a complementary package or in the absence of public programs. For example, if the
943 national legislation covers a basic retirement benefit, organizations can offer an additional private
944 retirement plan.

945 Benefits derived from collective bargaining agreements are also reported under 105-6-b.

946 Additional payments in cash and in kind, unrelated to social protection, such as housing, food, and
947 transport, are reported under [105-1-b-ii](#).

948 Guidance to 105-6-a and 105-6-b

949 Medical and health care insurance concerns the availability of facilities such as general practitioners,
950 specialists, pharmaceutical supplies, hospitalization, and medical rehabilitation.

951 Sickness benefit relates to when a worker is unable to work due to a health-related condition. This
 952 benefit enables workers to stay home until they recover, which protects their health and, in the case of
 953 communicable diseases, the health of others.

954 Maternity and paternity benefits cover income security in case of pregnancy or childbirth, maternal
 955 healthcare, and maternity, paternity, and parental leave, including adoption leave, breastfeeding
 956 support, employment protection, and childcare solutions after return to work.

957 Employment injury benefit relates to workers who suffer a work-related accident or a prescribed
 958 occupational disease.

959 Unemployment benefit applies in cases of suspension of earnings due to the inability to obtain
 960 suitable employment in the case of a person protected who is capable of, and available for, work.

961 Invalidity benefit relates to when workers are unable to engage in any gainful activity and in cases
 962 where this inability is permanent or persists after the sickness benefit ends.

963 Survivor's benefit applies when there is a loss of support to the widow or child as a result of the
 964 worker's death, who was the principal earner in the household.

965 Retirement benefit is the support provided to workers upon retirement age.

966 See reference [18] in the [Bibliography](#).

967 **Table 6. Template for presenting the social protection provided to employees**

	Significant location A		Significant location B		Significant location C	
	Social protection provided		Social protection provided		Social protection provided	
	Public programs (105-6-a)	Employer-sponsored programs (105-6-b)	Public programs (105-6-a)	Employer-sponsored programs (105-6-b)	Public programs (105-6-a)	Employer-sponsored programs (105-6-b)
Medical and health care insurance	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Sickness benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Maternity and paternity benefits	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Employment injury benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Unemployment benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Invalidity benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Survivor's benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
Retirement benefit	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

968 The organization can also report 105-6-a and 105-6-b with a breakdown by gender.

969 The organization can report how it supports migrant employees in accessing the same benefits as
 970 nationals. Many countries have concluded bilateral or multilateral social security agreements to
 971 transfer social protection rights and benefits between host countries and countries of origin. The
 972 organization can report how it facilitates the transfer of migrant employees' benefits from one country
 973 to another.

974 See reference [6] in the [Bibliography](#).

975 In addition to reporting the social protection provided beyond public programs, the organization can
 976 separately report any preferential agreements it facilitates with external providers without making any
 977 direct contribution. For example, the organization can report that it provides employees with access to
 978 a facilitated medical and health insurance plan at 20% less than market rates.

979 **Guidance to 105-6-c and 105-6-d**

980 Employees not covered under social protection are those who do not receive contributions to public
 981 programs, nor complementary benefits from the organization.

982 The percentage of employees who are not covered under each type of social protection in each
 983 significant location of operation is calculated using the following formula:

Percentage of employees not covered under each type of social protection	=	$\frac{\text{Number of employees (headcount) not covered under each type of social protection}}{\text{Total number of employees (headcount)}} \times 100$
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984 The number of employees used as the basis for this requirement is the cumulative number of
 985 employees (headcount) for the relevant period. For example, if an employee who was not covered by
 986 any form of social protection during the reporting period was no longer employed by the organization
 987 before the end of the reporting period, that employee is still included in the calculation of 105-6-c.

988 **Table 7. Template for presenting employees who are not covered by social protection**

	Significant location A			Significant location B		
	Employees not covered by social protection (headcount)			Employees not covered by social protection (headcount)		
	No. (105-6-c)	% (105-6-c)	Employee types and reasons (105-6-d)	No. (105-6-c)	% (105-6-c)	Employee types and reasons (105-6-d)
Medical and health care insurance						
Sickness benefit						
Maternity and paternity benefits						
Employment injury benefit						
Unemployment benefit						
Invalidity benefit						
Survivor's benefit						
Retirement benefit						

989 The organization can also report a breakdown by gender of the number and percentage of employees
990 not covered by social protection. For example, under maternity and paternity benefits.

991 The organization can also report 105-6-c for non-employee workers.

992 The organization can also report 105-6-d for non-employee workers by listing the most common types
993 of workers not covered by social protection. The most common types of non-employee workers are
994 reported under requirement [2-8-a in GRI 2: General Disclosures 2021](#).

995 **Guidance to 105-6-e**

996 Examples of monitoring that contributions are made to public social protection programs for non-
997 employee workers include tracking contractual clauses for different types of non-employee workers,
998 auditing third-party agencies, such as employment agencies, to verify payments of social protection
999 contributions for a sample of non-employee workers, and establishing self-reporting mechanisms from
1000 non-employee workers.

1001 **Guidance to 105-6-f**

1002 Social protection coverage can be increased by either expanding the number of employees and non-
1003 employee workers covered or expanding the types of social protection available to them.

1004 Actions to increase social protection coverage include expanding eligibility criteria to cover all types of
1005 employees and non-employee workers, reducing gender gaps in social protection contributions,
1006 supplementing inadequate protections for certain groups, such as agency and part-time workers, and
1007 supporting migrant workers in accessing and transferring social protection rights and benefits across
1008 countries.

1009 The organization can also describe how it works with governments and other stakeholders to improve
1010 and increase coverage of social protection.

1011 **Guidance to 105-6-g**

1012 Locations of operation refer to the geographic locations where the organization's sites are located or
1013 where its activities are conducted. Significant locations of operation can be the same across different
1014 disclosures or differ depending on the organization's impacts. In the context of social protection
1015 coverage, significant locations of operation can include those where a large proportion of the
1016 organization's employees are based and where there is a lack of public social protection programs.

1017 **Disclosure 105-7 Working time**

1018 **REQUIREMENTS**

1019 **The organization shall:**

- 1020 a. for each significant location of operation, report the number of employees (headcount) in
- 1021 each employee type who regularly work:
- 1022 i. less than 20 hours a week;
- 1023 ii. 20-35 hours a week;
- 1024 iii. 36-48 hours a week;
- 1025 iv. more than 48 hours a week;

- 1026 b. for each significant location of operation, report the number of non-employee workers
- 1027 (headcount) who regularly work:
- 1028 i. less than 20 hours a week;
- 1029 ii. 20-35 hours a week;
- 1030 iii. 36-48 hours a week;
- 1031 iv. more than 48 hours a week;

- 1032 c. for each significant location of operation, report the average number of days' notice given
- 1033 to non-guaranteed hours employees regarding their work schedule;

- 1034 d. for each significant location of operation, report the percentage of employees (headcount)
- 1035 with flexible working time arrangements;

- 1036 e. for each significant location of operation, report the percentage of non-employee workers
- 1037 (headcount) with flexible working time arrangements;

- 1038 f. for each significant location of operation, report the percentage of paid annual leave days
- 1039 taken by employees compared to the paid annual leave entitlement, and a breakdown by
- 1040 employee type and gender;

- 1041 g. for each significant location of operation, report the average number of paid annual leave
- 1042 days taken by non-employee workers, and a breakdown by the most common types of
- 1043 workers and gender;

- 1044 h. report the definition used for 'significant locations of operation';

- 1045 i. report contextual information necessary to understand how the data has been compiled,
- 1046 including standards, methodologies, and assumptions used.

1047 **GUIDANCE**

1048 The number of employees and non-employee workers used as the basis for this disclosure is the

1049 cumulative number of employees or non-employee workers (headcount) for the relevant period. For

1050 example, if an employee with flexible working time arrangements during the reporting period was no

1051 longer employed by the organization before the end of the reporting period, that employee is still

1052 included in the calculation of 105-7-d.

1053 **Guidance to 105-7-a and 105-7-b**

1054 In the context of these requirements, the number of hours a week regularly worked is the number of

1055 actual hours of routine and frequent work per week over a certain period of time. It includes overtime.

1056 The International Labour Organization (ILO) uses the hour ranges of less than 20, less than 35,

1057 between 35 and 48, and more than 48 hours per week to provide information on the average number

1058 of hours worked [32].

Guidance to 105-7-a

1059 **Table 8. Template for presenting employees by the number of hours regularly worked**

	Employees by number of hours worked (headcount) (105-7-a)			
	Less than 20 hours a week	20-35 hours a week	36-48 hours a week	More than 48 hours a week

Significant location A	Permanent employees				
	Temporary employees				
	Non-guaranteed hours employees				
	Full-time employees				
	Part-time employees				
Significant location B	Permanent employees				
	Temporary employees				
	Non-guaranteed hours employees				
	Full-time employees				
	Part-time employees				

1060 The organization can also provide breakdowns by gender or employee category.

1061 The organization can also report, for each significant location of operation, the number of employees
 1062 (headcount) in each employee type who regularly work the following number of overtime hours:

- 1063
- 1064 • less than 12 hours a week;
 - 1065 • 12-20 hours a week;
 - 1066 • more than 20 hours a week.

1067 **Guidance to 105-7-b**

1068 **Table 9. Template for presenting non-employee workers by the number of hours regularly worked**

	Non-employee workers by number of hours worked (headcount) (105-7-b)			
	Less than 20 hours a week	20-35 hours a week	36-48 hours a week	More than 48 hours a week
Significant location A				
Significant location B				

1069 **Guidance to 105-7-c**

1070 The average number of days' notice given to non-guaranteed hours employees in each significant
 1071 location of operation is calculated using the following formula:

Average number of days' notice given to non-guaranteed hours employees	=	$\frac{\text{Total number of days' notice given to non-guaranteed hours employees}}{\text{Total number of non-guaranteed hours employees (headcount)}}$
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1072 **Guidance to 105-7-d and 105-7-e**

1073 See [Guidance to 105-2-a-v](#) for more information on flexible working time arrangements.

1074 The percentage of employees with flexible working time arrangements in each significant location of
 1075 operation is calculated using the following formula:

Percentage of employees with flexible working time arrangements	=	$\frac{\text{Number of employees (headcount) with flexible working time arrangements}}{\text{Total number of employees (headcount)}} \times 100$	X 100
-----------------------------------------------------------------	---	--------------------------------------------------------------------------------------------------------------------------------------------------	-------

1076 This formula can be used to calculate the percentage of non-employee workers with flexible working
 1077 time arrangements in each significant location of operation by replacing the number of employees
 1078 with the number of non-employee workers.

1079 **Table 10. Template for presenting employees and non-employee workers with flexible working**
 1080 **time arrangements**

	% of employees with flexible working time arrangements (headcount) (105-7-d)	% of non-employee workers with flexible working time arrangements (headcount) (105-7-e)
Significant Location A		
Significant Location B		
Significant Location C		

1081 **Guidance to 105-7-f**

1082 Entitlement refers to the number of paid annual leave days available to employees according to
 1083 national legislation and the organization’s policies. Public holidays are separate from paid annual
 1084 leave entitlements.

1085 Paid annual leave entitlements vary by jurisdiction and the employment contracts between the
 1086 organization and its employees. The amount of paid annual leave days used also varies across
 1087 locations, due to prevailing work culture and gender; for example, women tend to take more leave to
 1088 fulfil childcare responsibilities.

1089 The percentage of paid annual leave days taken by employees in each significant location of
 1090 operation is calculated using the following formula:

Percentage of paid annual leave days taken by employees	=	$\frac{\text{Number of paid annual leave days taken by employees}}{\text{Total number of paid annual leave days entitlement of employees}} \times 100$	X 100
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1091 This formula can be used to calculate the breakdown by employee type and gender. For example,
 1092 when reporting the percentage of paid annual leave days taken by temporary women employees in
 1093 Significant Location A, the formula should use the number of paid annual leave days taken and the
 1094 entitlement for temporary women employees in Significant Location A.

1095 **Table 11. Template for presenting the percentage of paid annual leave days taken by**
 1096 **employees**

Significant Location A	% of paid annual leave days taken by employees (105 7-f)			
Total employees				
By employee type and gender	Men	Women	Other*	Not disclosed**
Permanent employees				

Temporary employees				
Non-guaranteed hours employees				
Full-time employees				
Part-time employees				

1097 * Gender as specified by the employees themselves.

1098 ** Gender is not disclosed by the employees themselves.

1099 The organization is free to choose how to report the breakdowns by gender. It is not required to report
 1100 the four categories suggested in Table 11. For example, instead of an 'other' category, the
 1101 organization can report any gender category as specified by employees.

1102 **Guidance to 105-7-g**

1103 The most common types of non-employee workers are described under requirement [2-8-a in GRI 2:](#)
 1104 [General Disclosures 2021](#). Types of non-employee workers include agency workers, apprentices,
 1105 contractors, home workers, interns, self-employed persons, subcontractors, and volunteers.

1106 The average number of paid annual leave days taken by non-employee workers in each significant
 1107 location of operation is calculated using the following formula:

Average number of paid annual leave days taken by non-employee workers	=	$\frac{\text{Total number of paid annual leave days taken by non-employee workers}}{\text{Total number of non-employee workers (headcount)}}$
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1108 This formula can be used to calculate the breakdown by the most common types of workers and
 1109 gender. For example, when reporting the average number of paid annual leave days taken by women
 1110 contractors in Significant Location A, the formula should use the number of paid annual leave days
 1111 taken by, and the total number of, women contractors in Significant Location A.

1112 **Table 12. Template for presenting the average number of paid annual leave days taken by non-**
 1113 **employee workers**

Significant Location A	Average No. of paid annual leave days taken by non-employee workers (105 7-g)			
Total non-employee workers				
Most common type of worker and gender	Men	Women	Other*	Not disclosed**
Most common type of non-employee worker 1				
Most common type of non-employee worker 2				
Most common type of non-employee worker 3				

1114 * Gender as specified by the non-employee workers themselves.

1115 ** Gender is not disclosed by the non-employee workers themselves.

1116 The organization is free to choose how to report the breakdowns by gender. It is not required to report
 1117 the four categories suggested in Table 12. For example, instead of an 'other' category, the
 1118 organization can report any gender category as specified by non-employee workers.

1119 **Guidance to 105-7-h**

1120 Locations of operation refer to the geographic locations where the organization's sites are located or
1121 where its activities are conducted. Significant locations of operation can be the same across different
1122 reported disclosures or differ for each disclosure depending on the organization's impacts.

1123 **Guidance to 105-7-i**

1124 The organization should report how it determines the number of hours regularly worked a week. For
1125 example, depending on the type of activity or sector, the number of hours regularly worked may be
1126 based on fixed contractual hours or on an average over a specified period.

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1127

Glossary

1128 This glossary provides definitions for terms used in this Standard. The organization is required to
1129 apply these definitions when using the GRI Standards.

1130 The definitions included in this glossary may contain terms that are further defined in the complete
1131 [GRI Standards Glossary](#). All defined terms are underlined. If a term is not defined in this glossary or in
1132 the complete *GRI Standards Glossary*, definitions that are commonly used and understood apply.

1133 **basic pay**

1134 fixed, minimum amount paid to a worker for performing their duties

1135 Note: Basic pay excludes any additional remuneration, such as payments for overtime
1136 working or bonuses.

1137 **business relationships**

1138 relationships that the organization has with business partners, with entities in its value chain including
1139 those beyond the first tier, and with any other entities directly linked to its operations, products, or
1140 services

1141 Source: United Nations (UN), *Guiding Principles on Business and Human Rights:
1142 Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011;
1143 modified

1144 Note: Examples of other entities directly linked to the organization's operations, products, or
1145 services are a non-governmental organization with which the organization delivers
1146 support to a local community or state security forces that protect the organization's
1147 facilities.

1148 **business partner**

1149 entity with which the organization has some form of direct and formal engagement for the
1150 purpose of meeting its business objectives

1151 Source: Shift and Mazars LLP, *UN Guiding Principles Reporting Framework*, 2015; modified

1152 Examples: affiliates, business-to-business customers, clients, first-tier suppliers, franchisees,
1153 joint venture partners, investee companies in which the organization has a
1154 shareholding position

1155 Note: Business partners do not include subsidiaries and affiliates that the organization
1156 controls.

1157 **collective bargaining**

1158 all negotiations that take place between one or more employers or employers' organizations, on the
1159 one hand, and one or more workers' organizations (e.g., trade unions), on the other, for determining
1160 working conditions and terms of employment or for regulating relations between employers and
1161 workers

1162 Source: International Labour Organization (ILO), *Collective Bargaining Convention*, 1981 (No.
1163 154); modified

1164 **discrimination**

1165 act and result of treating persons unequally by imposing unequal burdens or denying benefits instead
1166 of treating each person fairly on the basis of individual merit

1167 Note: Discrimination can also include harassment, defined as a course of comments or
1168 actions that are unwelcome, or should reasonably be known to be unwelcome, to the
1169 person towards whom they are addressed.

1170 **employee**

1171 individual who is in an employment relationship with the organization according to national law or
1172 practice

1173 **employee category**

1174 breakdown of employees by level (such as senior management, middle management) and function
1175 (such as technical, administrative, production)

1176 Note: This information is derived from the organization's own human resources system.

1177 **employee type**

1178 refers to permanent employees, temporary employees, non-guaranteed hours employees, full-time
1179 employees, and part-time employees

1180

1181 Note 1: See [Guidance to 2-7-b in GRI 2: General Disclosures 2021](#) for more information on
1182 employee types.

1183 Note 2: Employee type and employee category are two distinct terms with specific meanings.
1184 See definition of 'employee category'.

1185 **full-time employee**

1186 employee whose working hours per week, month, or year are defined according to national law or
1187 practice regarding working time

1188 **human rights**

1189 rights inherent to all human beings, which include, at a minimum, the rights set out in the *United*
1190 *Nations (UN) International Bill of Human Rights* and the principles concerning fundamental rights set
1191 out in the *International Labour Organization (ILO) Declaration on Fundamental Principles and Rights*
1192 *at Work*

1193 Source: United Nations (UN), *Guiding Principles on Business and Human Rights:*
1194 *Implementing the United Nations "Protect, Respect and Remedy" Framework*, 2011;
1195 modified

1196 Note: See [Guidance to 2-23-b-i in GRI 2: General Disclosures 2021](#) for more information on
1197 'human rights'.

1198 **impact**

1199 effect the organization has or could have on the economy, environment, and people, including on their
1200 human rights, which in turn can indicate its contribution (negative or positive) to sustainable
1201 development

1202 Note 1: Impacts can be actual or potential, negative or positive, short-term or long-term,
1203 intended or unintended, and reversible or irreversible.

1204 Note 2: See [section 2.1 in GRI 1: Foundation 2021](#) for more information on 'impact'.

1205 **Indigenous Peoples**

1206 Indigenous Peoples are generally identified as:

- 1207 • tribal peoples in independent countries whose social, cultural and economic conditions
1208 distinguish them from other sections of the national community, and whose status is regulated
1209 wholly or partially by their own customs or traditions or by special laws or regulations;
- 1210 • peoples in independent countries who are regarded as indigenous on account of their descent
1211 from the populations which inhabited the country, or a geographical region to which the
1212 country belongs, at the time of conquest or colonization or the establishment of present state
1213 boundaries and who, irrespective of their legal status, retain some or all of their own social,
1214 economic, cultural and political institutions.

1215 Source: International Labour Organization (ILO), *Indigenous and Tribal Peoples Convention*,
1216 1989 (No. 169)

1217 **local community**

1218 individuals or groups of individuals living or working in areas that are affected or that could be affected
1219 by the organization's activities

1220 Note: The local community can range from those living adjacent to the organization's
1221 operations to those living at a distance.

1222 **mitigation**

1223 action(s) taken to reduce the extent of a negative impact

- 1224 Source: United Nations (UN), *The Corporate Responsibility to Respect Human Rights: An*
1225 *Interpretive Guide*, 2012; modified
- 1226 Note: The mitigation of an actual negative impact refers to actions taken to reduce the
1227 severity of the negative impact that has occurred, with any residual impact needing
1228 remediation. The mitigation of a potential negative impact refers to actions taken to
1229 reduce the likelihood of the negative impact occurring.
- 1230 **material topics**
1231 topics that represent the organization's most significant impacts on the economy, environment, and
1232 people, including impacts on their human rights
- 1233 Note: See [section 2.2 in GRI 1: Foundation 2021](#) and [section 1 in GRI 3: Material Topics](#)
1234 [2021](#) for more information on 'material topics'.
- 1235 **non-employee worker**
1236 individual whose work is controlled by the organization, but who does not have an employment
1237 relationship with it
- 1238 Note 1: Control of work implies that the organization directs the work performed or has control
1239 over the means or methods for performing the work. The type of contractual
1240 relationship between the organization and the worker (e.g., employment agency,
1241 contractor) does not determine whether the organization controls the work.
- 1242 Note 2: See [Guidance to Disclosure 2-8](#) and the [Control of Work Standard Interpretation to](#)
1243 [GRI 2: General Disclosures 2021](#) for more information on 'non-employee worker'.
- 1244 **non-guaranteed hours employee**
1245 employee who is not guaranteed a minimum or fixed number of working hours per day, week, or
1246 month, but who may need to make themselves available for work as required
- 1247 Source: ShareAction, *Workforce Disclosure Initiative Survey Guidance Document*, 2020;
1248 modified
- 1249 Examples: casual employees, employees with zero-hour contracts, on-call employees
- 1250 **part-time employee**
1251 employee whose working hours per week, month, or year are less than the number of working hours
1252 for full-time employees
- 1253 **permanent employee**
1254 employee with a contract for an indeterminate period (i.e., indefinite contract) for full-time or part-time
1255 work
- 1256 **remedy / remediation**
1257 means to counteract or make good a negative impact or provision of remedy
- 1258 Source: United Nations (UN), *The Corporate Responsibility to Respect Human Rights: An*
1259 *Interpretive Guide*, 2012; modified
- 1260 Examples: apologies, financial or non-financial compensation, prevention of harm through
1261 injunctions or guarantees of non-repetition, punitive sanctions (whether criminal or
1262 administrative, such as fines), restitution, restoration, rehabilitation
- 1263 **remuneration**
1264 gross amount paid to workers, including basic pay and additional payments in cash or in-kind, such as
1265 overtime pay and bonuses
- 1266 Note 1: Remuneration can also be referred to as wages or salary.
- 1267 Note 2: Examples of additional amounts payments include those based on years of service,
1268 bonuses including cash and equity such as stocks and shares, benefit payments,
1269 overtime, time owed, and any additional allowances, such as transportation, living
1270 and childcare allowances.
- 1271 **reporting period**

- 1272 specific time period covered by the reported information
- 1273 Examples: fiscal year, calendar year
- 1274 **severity (of an impact)**
- 1275 The severity of an actual or potential negative impact is determined by its scale (i.e., how grave the
- 1276 impact is), scope (i.e., how widespread the impact is), and irremediable character (how hard it is to
- 1277 counteract or make good the resulting harm).
- 1278 Source: Organisation for Economic Co-operation and Development (OECD), *OECD Due*
- 1279 *Diligence Guidance for Responsible Business Conduct*, 2018; modified
- 1280 United Nations (UN), *The Corporate Responsibility to Respect Human Rights: An*
- 1281 *Interpretive Guide*, 2012; modified
- 1282 Note: See [section 1 in GRI 3: Material Topics 2021](#) for more information on ‘severity’.
- 1283 **stakeholder**
- 1284 individual or group that has an interest that is affected or could be affected by the organization’s
- 1285 activities
- 1286 Source: Organisation for Economic Co-operation and Development (OECD), *OECD Due*
- 1287 *Diligence Guidance for Responsible Business Conduct*, 2018; modified
- 1288 Examples: business partners, civil society organizations, consumers, customers, employees and
- 1289 other workers, governments, local communities, non-governmental organizations,
- 1290 shareholders and other investors, suppliers, trade unions, vulnerable groups
- 1291 Note: See [section 2.4 in GRI 1: Foundation 2021](#) for more information on ‘stakeholder’.
- 1292 **supplier**
- 1293 entity upstream from the organization (i.e., in the organization’s supply chain), which provides a
- 1294 product or service that is used in the development of the organization’s own products or services
- 1295 Examples: brokers, consultants, contractors, distributors, franchisees, home workers,
- 1296 independent contractors, licensees, manufacturers, primary producers, sub-
- 1297 contractors, wholesalers
- 1298 Note: A supplier can have a direct business relationship with the organization (often
- 1299 referred to as a first-tier supplier) or an indirect business relationship.
- 1300 **supply chain**
- 1301 range of activities carried out by entities upstream from the organization, which provide products or
- 1302 services that are used in the development of the organization’s own products or services
- 1303 **sustainable development / sustainability**
- 1304 development that meets the needs of the present without compromising the ability of future
- 1305 generations to meet their own needs
- 1306 Source: World Commission on Environment and Development, *Our Common Future*, 1987
- 1307 Note: The terms ‘sustainability’ and ‘sustainable development’ are used interchangeably in
- 1308 the GRI Standards.
- 1309 **temporary employee**
- 1310 employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific
- 1311 time period expires, or when the specific task or event that has an attached time estimate is
- 1312 completed (e.g., the end of a project or return of replaced employees)
- 1313 **under-represented social group**
- 1314 group of individuals who are less represented within a subset (e.g., a body or committee, employees
- 1315 of an organization) relative to their numbers in the general population, and who therefore have less
- 1316 opportunity to express their economic, social, or political needs and views
- 1317 Note 1: Under-represented social groups may include minority groups.
- 1318 Note 2: The groups included under this definition depend on the organization’s operating
- 1319 context and are not uniform for every organization.

1320 **value chain**
1321 range of activities carried out by the organization, and by entities upstream and downstream from the
1322 organization, to bring the organization's products or services from their conception to their end use
1323 Note 1: Entities upstream from the organization (e.g., suppliers) provide products or services
1324 that are used in the development of the organization's own products or services.
1325 Entities downstream from the organization (e.g., distributors, customers) receive
1326 products or services from the organization.
Note 2: The value chain includes the supply chain.

1327 **vulnerable group**
1328 group of individuals with a specific condition or characteristic (e.g., economic, physical, political,
1329 social) that could experience negative impacts as a result of the organization's activities more
1330 severely than the general population
1331 Examples: children and youth; elderly persons; ex-combatants; HIV/AIDS-affected households;
1332 human rights defenders; Indigenous Peoples; internally displaced persons; migrant
1333 workers and their families; national or ethnic, religious and linguistic minorities;
1334 persons who might be discriminated against based on their sexual orientation, gender
1335 identity, gender expression, or sex characteristics (e.g., lesbian, gay, bisexual,
1336 transgender, intersex); persons with disabilities; refugees or returning refugees;
1337 women
1338 Note: Vulnerabilities and impacts can differ by gender.

1339 **worker**
1340 person that performs work for the organization
1341 Examples: employees, agency workers, apprentices, contractors, home workers, interns, self-
1342 employed persons, sub-contractors, volunteers, and persons working for
1343 organizations other than the reporting organization, such as for suppliers
1344 Note: In the GRI Standards, in some cases, it is specified whether a particular subset of
1345 workers is required to be used.

1346 **worker consultation**
1347 seeking of workers' views before making a decision
1348 Note 1: Worker consultation might be carried out through workers' representatives.
1349 Note 2: Consultation is a formal process, whereby management takes the views of workers
1350 into account when making a decision. Therefore, consultation needs to take place
1351 before the decision is made. It is essential to provide timely information to workers or
1352 their representatives in order for them to provide meaningful and effective input
1353 before decisions are made. Genuine consultation involves dialogue.
1354 Note 3: Worker participation and worker consultation are two distinct terms with specific
1355 meanings. See definition of 'worker participation'.

1356 **worker participation**
1357 workers' involvement in decision-making
1358 Note 1: Worker participation might be carried out through workers' representatives.
1359 Note 2: Worker participation and worker consultation are two distinct terms with specific
1360 meanings. See definition of 'worker consultation'.

1361 **worker representative**
1362 person who is recognized as such under national law or practice, whether they are:
1363 • a trade union representative, namely, a representative designated or elected by trade unions
1364 or by members of such unions; or
1365 • an elected representative, namely, a representative who is freely elected by the workers of
1366 the undertaking in accordance with provisions of national laws, regulations, or collective

1367 agreements, whose functions do not include activities which are recognized as the exclusive
1368 prerogative of trade unions in the country concerned.
1369 Source: International Labour Organization (ILO), *Workers' Representatives Convention*, 1971
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This document does not represent an official position of the GSSB

1371

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1373 developing this Standard.

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