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

Comments to be received by 4 October 2024

This exposure draft of the GRI Labor Topic Standards is published for public comment by the
Global Sustainability Standards Board (GSSB), the independent standard-setting body of GRI.

This exposure draft is intended to be a Standard Interpretation 1 to GRI 2: General disclosures
2021, Control of work.

Any interested party can submit comments on this draft by 4 October 2024 via this online
survey. As required by the GSSB Due Process Protocol, only comments submitted in
writing and in English will be considered. Comments will be published on the GRI website and
considered a matter of public record. Instructions on how to submit comments are outlined on the
first page of the online questionnaire.

An explanatory memorandum summarizes the objectives of the project and the summary of the
proposals contained within this exposure draft.

This draft is published for comment only and may change before official publication.

For more information, please visit the GRI Standards webpage. For questions regarding the
exposure draft or the public comment period, please send an email to labor@globalreporting.org

This document has been prepared by the GRI Standards Division and is made available to observers
at meetings of the Global Sustainability Standards Board (GSSB). It does not represent an official
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Standard Interpretations

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

Responsibility

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

Relevant section

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

Issue

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

The guidance of 2-8-a states:

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

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

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

Interpretation Statement

The guidance of Disclosure 2-8-a states:

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

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

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

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

A food and beverage company contracts a logistics company to provide services that must adhere to the contracting company’s safety standards and code of conduct.

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

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

Additional guidance

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

Control of work

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

Firstly, ‘directs the work performed’ refers to organizations determining who performs it, what work is performed, and when and where it is carried out. For example, hiring workers with specific skill sets, distributing overtime between workers, and ensuring the work is done personally by the individual.

Assigning a worker a particular task is an example of directing what work is performed. Deciding when the work is performed involves determining the working time arrangements, such as the number of working hours, and requiring workers’ availability to be at the organization’s disposal or on standby to perform the work. Finally, directing where the work is performed includes determining the workplace where the work must be carried out.

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

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

Shared control

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

GRI defines a worker as a person who performs work for the organization. This includes employees, agency workers, apprentices, contractors, home workers, interns, self-employed persons, subcontractors, volunteers, and persons working for organizations other than the reporting organization, such as suppliers. In some GRI Standards, it is specified whether the disclosures apply to a particular
subset of workers. The following are the main subsets of workers covered by the GRI Standards, but there could be other subsets that an organization can reference.

- **Employees**

An employee is an individual who is in an employment relationship with the organization according to national law or practice. It should be noted that different jurisdictions use various indicators to determine an employment relationship, such as economic dependency. An employee can be further classified as permanent, temporary, non-guaranteed hours, full-time, or part-time.

- **Workers who are not employees**

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

- **Workers in business relationships**

Workers in business relationships work for organizations other than the reporting organization but perform work for the organization, such as suppliers. The reporting organization does not control their work. They work for other organizations linked to the organization's operations, products, or services. These linkages can be direct business relationships with the organization, often referred to as first-tier suppliers, or indirect business relationships, often called second- or third-tier suppliers. The types of workers in business relationships (no control of work) include self-employed persons, workers of suppliers, and workers of entities downstream of the organization's value chain, such as customers or investees, including those beyond the first tier.

**Effective date**

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