

Educational session on Draft ESRS S1 Own workforce

Educational videos on the First set of draft ESRS

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*This series of educational videos was recorded
between December 2022 and February 2023.*

Overview

- Background
- Structure of the Social Pillar
- Overview of S1 Own workforce

Background

- **(a) a description of:**

- (i) the **due diligence process** implemented by the group with regard to sustainability matters, and where applicable in line with EU requirements on undertakings to conduct a due diligence process;
- (ii) the **principal actual or potential adverse impacts** connected with the group's own operations and with its value chain, including its products and services, its business relationships and its supply chain, actions taken to identify and track these impacts, and other adverse impacts which the parent undertaking is required to identify according to other EU requirements to conduct the due diligence process

CSRD: Article 29(b)

- (b) specify the information that undertakings are to disclose about social factors, including information about:
 - i) equal **treatment and opportunities** for all, including:
 - gender equality and equal pay for work of equal value
 - training and skills development
 - employment and inclusion of people with disabilities
 - measures against violence and harassment in the workplace
 - diversity
 - ii) **working conditions**, including:
 - secure employment
 - working time
 - adequate wages
 - social dialogue
 - freedom of association
 - existence of work councils
 - collective bargaining including the rate of workers covered by collective agreements
 - the information, consultation and participation rights of workers
 - work-life balance
 - health and safety

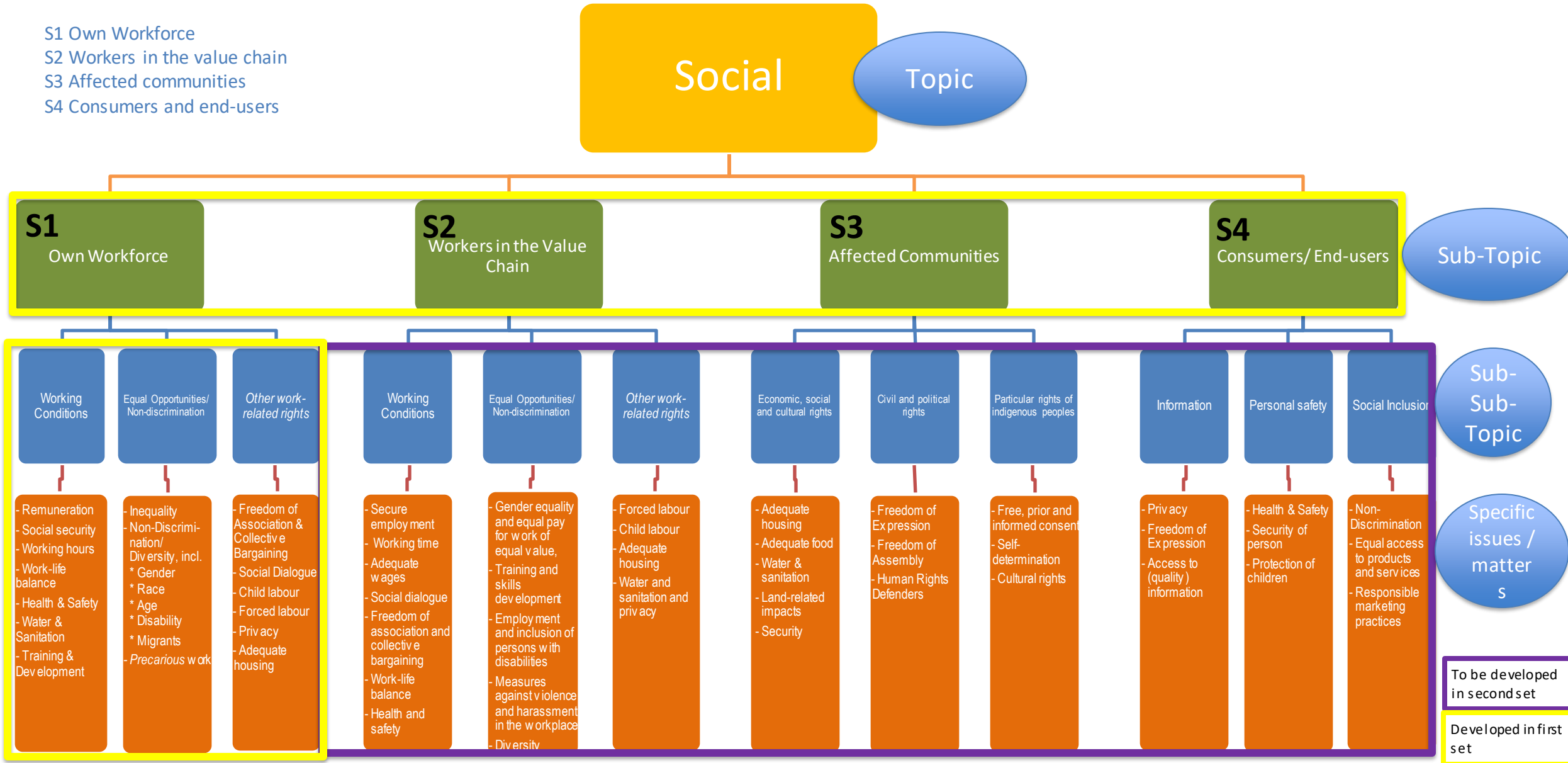
CSRD: Article 29(b)

- (b) specify the information that undertakings are to disclose about social factors, including information about:
 - iii) respect for the **human rights, fundamental freedoms, democratic principles and standards** established in:
 - the International Bill of Human Rights and other core UN human rights conventions, including the UN Convention on Persons with Disabilities
 - the UN Declaration on the Rights of Indigenous Peoples
 - the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
 - the ILO fundamental conventions
 - the European Convention of Human Rights
 - the revised European Social Charter
 - the Charter of Fundamental Rights of the European Union

Structure of the Social Pillar

Social standards: Structure of the social pillar

- S1 Own Workforce
- S2 Workers in the value chain
- S3 Affected communities
- S4 Consumers and end-users



Overview of S1

Own workforce

S1 Own workforce includes:

Employees – individuals who are in an employment relationship with the undertaking according to national law or practice

Non-employee workers:

- **Self-employed workers** - individual contractors supplying labour to the undertaking
- **Agency workers** - workers provided by undertakings primarily engaged in employment activities

S1 Own workforce: DRs 1-5 (related to due diligence)

IRO MANAGEMENT

- DR S1-1: **Policies related to own workforce**
GRI, OECD, UNGP, SFDR
- DR S1-2: **Processes for engaging with own workers and workers' representatives about impacts**
GRI, OECD, UNGP
- DR S1-3: Processes to **remediate negative impacts and channels** for own workers to **raise concerns**
UNGP, SFDR
- DR S1-4: **Taking action on impacts on own workers, and effectiveness of those actions, and approaches to mitigating material risks and pursuing material opportunities related to own workforce**
GRI, OECD, UNGP

METRICS AND TARGETS

- DR S1-5: **Targets** related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
GRI, UNGP

DRs 1-5 mandatory for 250+ employees
ONLY for material impacts, risks and opportunities

ESRS 2 GENERAL DISCLOSURES

- ESRS 2 SBM-2 – **Interests and views of stakeholders**
UNGP, OECD
- ESRS 2 SBM-3 – **Material impacts, risks and opportunities** and their interaction with strategy and business model(s)
UNGP, OECD, ILO

S1 Own workforce: DRs 6-17 (metrics)

MANDATORY (250+ employees)

MANDATORY EXPLANATION

SUBJECT TO MATERIALITY ASSESSMENT

S1-6: Characteristics of the undertaking's **employees**

GRI

S1-7: Characteristics of **non-employee workers**

GRI

S1-8 **Collective bargaining and social dialogue**

ILO

GRI

SASB

S1-9 **Diversity** indicators

SFDR

GRI

S1-10 **Adequate wages**

ILO

S1-11 **Social protection**

ILO

S1-12 Persons with **disabilities**

GRI

S1-13 **Training and skills** development

GRI

S1-14 **Health and safety** indicators

SFDR

GRI

ILO

S1-15 **Work-life balance**

GRI

S1-16 M-F **pay gap** + CEO **pay ratio**

SFDR

GRI

S1-17 **HR incidents and complaints**

SFDR

GRI

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