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## **Draft Amended Non-Mandatory Illustrative Guidance ESRS S1 Own workforce UNAPPROVED Working document (S1 V1.6)**

### **DRAFTING PROCESS FOR THE WORKING DOCUMENTS SO FAR**

The EFRAG SRB and SR TEG provided written comments on the “V.1” versions of the Secretariat working drafts prepared between the end of May and the first week of June. Based on those comments, the EFRAG Secretariat prepared the “V1.5” versions which were discussed in meetings mid-June by both EFRAG SR TEG and SRB.

Subsequently these versions were amended and critically reviewed by dedicated review panels. The review panels submitted the outcome of their work and the remaining points for discussion to the EFRAG SRB and ST TEG.

All agenda papers for the 9/10 July EFRAG SR TEG meeting and 14/16 July SRB meeting (“V.1.6”) have been prepared by the Secretariat on the basis of (i) the “V1.5” working documents discussed by the EFRAG SRB and SR TEG, (ii) the review by the respective review panels within the SRB (with SR TEG experts when appropriate) and (iii) the subsequent discussions and decisions in the SRB. Step (i) and (ii) took place in the first week of July.

All comments shared by members in written on the “V1.5” working documents have been considered and incorporated when consistent with the SRB decisions.

### **DISCLAIMER ON THE STATUS OF THIS UNAPPROVED DOCUMENT**

This working document does not represent an EFRAG view at this stage. This “V.1.6” draft is now made public as Working Document for the SR TEG discussions on 9/10 July and the SRB discussions on 14/16 July 2025. They are not to be considered as Exposure Drafts yet. They are unapproved and still subject to change reflecting the discussions in those meetings and for editorial and quality review that has not yet taken place. In addition, they are not accompanied by the necessary explanatory documents that are still being prepared and will accompany the Exposure Draft.

EFRAG recommends stakeholders that intend to contribute to the consultation to plan their review on the Exposure Drafts once they are issued, as they will benefit from the final content and from explanatory content.

### **REVISED STRUCTURE AND DRAFTING CONVENTIONS**

As compared to the ESRS Set 1 (adopted in July 2023), the structure of the standards has been revised and streamlined. In particular:

- All the “shall disclose/shall include/shall report/shall describe/shall explain” have been considered and simplified. They are presented in the main body of the standard. They have been counted as separate datapoints.
- Below the text of each Disclosure Requirement in topical standards (or section for ESRS 1), boxed content presents the streamlined corresponding mandatory methodological guidance, which is still named “Application Requirements” (AR). This includes “shall consider” as element of methodology for preparing the disclosure and “may (present)” for presentation options.
- Non mandatory appendices have been maintained in ESRS 1 on an exceptional basis, given their importance (former AR 16).
- All the “may” disclosures have been either eliminated or moved to another category (either deleted or moved to guidance), except for a few of them which are exceptionally still being considered.

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- All the non-mandatory content has been moved to separate documents named “Non-Mandatory Illustrative Guidance (NMIG). While the four points above are drafted to become part of the delegated act, the legal status of the NMIG remains open from an EFRAG’s standpoint (either as appendices in the delegated act or as documents issued independently of the delegated act) and will be considered by the EC in due course.

**HOW TO READ THIS DOCUMENT**

The paragraph numbering has been revised to reflect the draft amendments. Where applicable, the previous Set 1 paragraph numbers are indicated in brackets – for example, ‘4. (24)’ or ‘4. (24. amended)’.

UNAPPROVED DRAFT

**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-1 Policies related to own workforce**

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| <b>NMIG 1 for para. 12</b> | (24 and AR15 amended) When disclosing in accordance with paragraph 12 the undertaking might describe its policies and procedures for preventing and mitigating <b>discrimination</b> , including <b>harassment</b> , <b>promoting equal opportunities</b> and other ways to advance diversity and inclusion (for example, through staff <b>training</b> on non-discrimination policies and practices with a particular focus on middle and upper management to raise awareness). Discrimination in employment and occupation occurs when someone is treated differently or less favourably because of characteristics that are not related to merit or the inherent requirements of the job. These characteristics are commonly defined in national laws. |
| <b>NMIG 2 for para. 12</b> | (AR 16 and AR 17 amended) <b>Discrimination</b> can arise in a variety of work-related activities. These include access to employment, particular occupations, <b>training</b> and vocational guidance and social security. Moreover, it can occur with respect to the terms and conditions of employment, such as recruitment, remuneration, hours of work and rest, paid holidays, maternity protection, security of tenure, job assignments, performance assessment and advancement, training <b>opportunities</b> , promotion prospects, occupational safety and health, termination of employment. Disclosures about the undertaking’s policies and underlying procedures might therefore cover these areas.                                         |
| <b>NMIG 3 for para. 12</b> | (AR10 amended) When disclosing in accordance with paragraph 12 the undertaking might describe its policies and commitments for (i) preventing or mitigating the <b>risks</b> and negative <b>impacts</b> on people in its <b>own workforce</b> that derive from <b>actions</b> to reduce carbon emissions and transitioning to greener and climate-neutral operations, as well as (ii) providing <b>opportunities</b> for the workforce such as job creation and upskilling, including explicit commitments to a ‘just transition’.                                                                                                                                                                                                                       |
| <b>NMIG 4 for AR 1</b>     | (AR 14 amended) Accessibility of information is an important aspect of how the undertaking communicates its policies towards its <b>own workforce</b> . This can include translating websites or documents, using pictures or graphics in addition to text. Among the communication channels that the undertaking might talk about in its disclosure in accordance with paragraph 12 are flyers, newsletters, dedicated websites, social media, face-to-face interactions or <b>workers’ representatives</b> .                                                                                                                                                                                                                                            |

**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-2 Engagement with own workforce and workers’ representatives, existence of channels for own workers to raise concerns or needs and approaches to remedy.**

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| <b>NMIG 5 for para. 16</b> | (AR 19 amended) When disclosing in accordance with paragraph 16 the undertaking might describe: <ul style="list-style-type: none"> <li>(a) whether and how the perspectives of the undertaking’s <b>own workforce</b> inform its decisions or activities aimed at managing the actual and <b>potential impacts</b> on its own workforce;</li> <li>(b) for the frequency of the engagement, whether engagement occurs on a regular basis, at certain points in a project or business process, (for example, when a new harvest season begins or a</li> </ul> |
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|                                       | <p>new production line is opened), as well as whether it occurs in response to legal requirements and/or in response to stakeholder requests and whether the result of the engagement is being integrated into the undertaking's decision-making processes;</p> <p>(c) whether the undertaking requires relevant staff to have certain skills, or whether it provides <b>training</b> or capacity building to relevant staff to undertake engagement;</p> <p>(d) how feedback is recorded and integrated into decision-making, and how people in the workforce are informed about the way in which their feedback has influenced decisions;</p> <p>(e) whether engagement activities take place at the organisational level or at a lower level, such as at the <b>site</b> or project level, and in the latter case, how information from engagement activities is centralised; and</p> <p>(f) how the undertaking engages with people in its workforce and <b>workers' representatives</b> on the <b>impacts</b> on its <b>own workforce</b> that may arise from reducing carbon emissions and transitioning to greener and climate-neutral operations, in particular restructuring, employment loss or creation, <b>training</b> and up/reskilling, gender and social equity, and health and safety.</p> |
| <p><b>NMIG 6 for para. 16</b></p>     | <p>(AR 22 amended) If the undertaking discloses in accordance with paragraph 16 and if it has agreements with national, European or international trade unions or works councils related to the rights its <b>own workforce</b>, it might disclose this fact to illustrate how the agreement enables the undertaking to gain insight into their perspectives.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>NMIG 7 for para. 17, 18</b></p> | <p>(AR 27 amended) When disclosing in accordance with paragraph 17 and 18, the undertaking may be guided by the provisions on <b>grievance mechanisms</b> and <b>remediation</b> of the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct when completing the disclosure.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p><b>NMIG 8 for para. 17</b></p>     | <p>(AR 31 and AR 32 amended) When describing the effectiveness of channels for the undertaking's <b>own workforce</b> and <b>workers' representatives</b> to raise concerns in accordance with paragraph 17 the undertaking might address the following questions that are based on the effectiveness criteria for non-judicial <b>grievance mechanisms</b> in the UN Guiding Principles on Business and Human Rights, in particular principle 31. These questions apply to individual channels or systems of channels.</p> <p>(a) Do the channels have legitimacy by providing appropriate accountability for their fair conduct and building stakeholder trust?</p> <p>(b) Are the channels known and accessible to the concerned stakeholder group?</p> <p>(c) Do the channels have clear and known procedures, with indicative timeframes?</p> <p>(d) Do the channels ensure reasonable access for <b>stakeholders</b> to sources of information, advice and expertise?</p>                                                                                                                                                                                                                                                                                                                             |

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|                                                                                                                 | <p>(e) Do the channels offer transparency by providing sufficient information both to complainants and, where applicable, to meet any public interest?</p> <p>(f) Do outcomes achieved through the channels accord with internationally recognised human rights?</p> <p>(g) Does the undertaking identify insights from the channels that support continuous learning in both improving the channels and preventing future <b>impacts</b>?</p> <p>(h) Does the undertaking focus on dialogue with complainants as the means to reach agreed solutions, rather than seeking to unilaterally determine the outcome?</p> <p>This disclosure can include relevant and reliable data about the effectiveness of these channels from the perspective of the people concerned. Sources of such information include, for instance, surveys of people in the undertaking’s workforce that have used such channels and their levels of satisfaction with the process and outcomes.</p> <p>The disclosures under paragraph 17 can demonstrate how the undertaking determines whether people in its <b>own workforce</b> are aware of, and trust, these channels and whether they are fit for purpose and explain how follow up is carried out regarding the concerns or needs raised.</p> |
| <p>NMIG 9 for para. 17, AR 5</p>                                                                                | <p>If the undertaking uses third party mechanisms mentioned in AR 5, it might also address the following questions when disclosing in accordance with paragraph 17:</p> <p>(a) If members of the undertaking’s workforce are either formally employed by a third party or work in the workplace of a third party, whether they or their <b>worker representatives</b> are able to access channels provided by that third party in relation to a material <b>impact</b>; and</p> <p><b>NOTE: (a) not to be replicated in S2, 3, 4)</b></p> <p>(b) whether the undertaking relies solely on information from a third party about the existence or management of such channels.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-3 Actions and resources related to Own workforce</b></p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>NMIG 10 for para. 20, AR 11</p>                                                                              | <p>Material negative <b>impacts</b> on the undertaking’s <b>own workforce</b> may be connected to entities or operations outside its financial control. If the undertaking discloses how it uses its <b>leverage</b> vis-à-vis business partners to manage those impacts when disclosing in accordance with paragraph 20 it might explain how it uses</p> <p>(a) commercial leverage (for example, enforcing contractual requirements with <b>business relationships</b> or implementing incentives),</p> <p>(b) other forms of leverage within the relationship (such as providing <b>training</b> or capacity-building on workers’ rights to entities with which the undertaking has a business relationship), or</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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|                                | (c) collaborative leverage with peers or other actors (such as initiatives aimed at responsible recruitment or ensuring workers receive an <b>adequate wage</b> ).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>NMIG 11 for para. 20(a)</b> | (AR 36 amended) If the undertaking discloses its participation in an industry or multi-stakeholder initiative as part of its <b>actions</b> to address material negative <b>impacts</b> in accordance with paragraph 20(a), it might explain how the initiative, and its involvement in it, address the material impact concerned.                                                                                                                                                                                                                                                                                                                                                              |
| <b>NMIG 12 for para. 20a)</b>  | Illustrations of situations where tension may arise between the <b>impacts</b> of <b>actions</b> performed by the undertaking can be in hiring and promotion of <b>employees</b> , the use of labour providers and contract labour or the storing and use of personal data.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>NMIG 13 for para. 20(b)</b> | (AR 38 and AR 39 amended) Reporting on the effectiveness of <b>actions</b> in accordance with paragraph 20(b) demonstrates the links between the undertaking's actions and effective impact management. Tracking the effectiveness of actions can include internal or external auditing or verification, court proceedings and/or related court decisions, impact assessments, measurement systems, stakeholder feedback, <b>grievance mechanisms</b> , external performance ratings, and benchmarking.                                                                                                                                                                                         |
| <b>NMIG 14 for para. 20(b)</b> | (AR 42 amended) When disclosing intended or achieved positive outcomes of its <b>actions</b> for its <b>own workforce</b> in accordance with paragraph 20(b) the undertaking might distinguish between evidence of certain activities having occurred (for example, that x number of people have received financial literacy <b>training</b> ) and evidence of actual outcomes for the people concerned (for example, that x people report that they are able to better manage their <b>pay</b> and their household budgets).                                                                                                                                                                   |
| <b>NMIG 15 for para. 19</b>    | (38 c) amended) <b>Actions</b> include initiatives by the undertaking with the primary purpose of delivering positive <b>impacts</b> for its <b>own workforce</b> and human capital value for the undertaking.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>NMIG 16 for para. 20</b>    | (AR 40 amended) When disclosing information about initiatives or processes for delivering positive <b>impacts</b> for the undertaking's <b>own workforce</b> and <i>about</i> progress in the implementation of those initiatives or processes the undertaking might disclose: <ul style="list-style-type: none"> <li>(a) information about whether and how people in its own workforce and <b>workers' representatives</b> play a role in decisions regarding the design and implementation of these initiatives or processes; and</li> <li>(b) information about the intended or achieved positive outcomes for the undertaking's own workforce of these initiatives or processes.</li> </ul> |

**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-4 Targets related to Own workforce**

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|  | (AR 49 amended) When disclosing information about <b>targets</b> in accordance with paragraph 21, the undertaking might also disclose: |
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| <p><b>NMIG 17 for para. 21</b></p>                                                                              | <p>(a) the intended outcomes to be achieved in the lives of a certain number of people in its <b>own workforce</b>;</p> <p>(b) the stability of the targets over time in terms of definitions and methodologies to enable comparability over time; and/or</p> <p>(c) the standards or commitments which the targets are based on (for instance codes of conduct, sourcing policies, global frameworks, or industry codes).</p>                                                                                                                                                                                                                            |
| <p><b>NMIG 18 for para. 21</b></p>                                                                              | <p><b>Targets</b> related to <b>risks</b> and <b>opportunities</b> may be the same as or distinct from targets related to <b>impacts</b>. For example, a target to reach <b>adequate wages</b> for <b>non-employees</b> could both reduce impacts on those people and reduce associated risks in terms of the quality and reliability of their output.</p>                                                                                                                                                                                                                                                                                                |
| <p><b>NMIG 19 for para. 21</b></p>                                                                              | <p>(AR 51 amended) When disclosing in accordance with paragraph 21 the undertaking might distinguish between short-, medium- and long-term <b>targets</b> covering the same <b>policy</b> commitment. For example, the undertaking may have a long-term target to achieve an 80% reduction in health and safety <b>incidents</b> affecting its delivery drivers by 2030 and a near-term target to reduce the <b>overtime</b> hours of delivery drivers by x% while maintaining their income by 2024.</p>                                                                                                                                                  |
| <p><b>NMIG 20 for para. 22</b></p>                                                                              | <p>When disclosing in accordance with paragraph 22, the undertaking might disclose any lessons or improvements as a result of the undertaking's engagement with its <b>own workforce</b> or <b>workers' representatives</b>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-5 Characteristics of the undertaking's employees</b></p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>NMIG 21 for para. 24</b></p>                                                                              | <p>(50 d) amended) When disclosing in accordance with paragraph 24, the undertaking might disclose the assumptions on which it based itself when compiling the data, including whether the numbers are reported in head count or full-time equivalent (FTE) (including an explanation of how FTE is defined).</p>                                                                                                                                                                                                                                                                                                                                         |
| <p><b>NMIG 22 for para. 24(a)</b></p>                                                                           | <p>(AR 57 amended) Disclosing the number of <b>employees</b> at the end of the reporting period provides information for that point in time, without capturing fluctuations during the reporting period. Disclosing these numbers in averages across the reporting period takes into account fluctuations during the reporting period.</p>                                                                                                                                                                                                                                                                                                                |
| <p><b>NMIG 23 for para. 24, AR 11, AR 12</b></p>                                                                | <p>(AR 54 amended) Breaking <b>employee</b> number down by country sheds light on the distribution of activities across countries. The number of employees in each country is also a key trigger for many information, consultation and participation rights for workers and <b>workers' representatives</b>, both in the Union labour law acquis (for example, Directive 2009/38/EC of the European Parliament and of the Council "European Works Councils Directive" and Directive 2002/14/EC of the European Parliament and of the Council "Information and Consultation Directive") and in national law (for example, rights to establish a works</p> |

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|  | council or to have board level <b>employee</b> representation). Breaking employee numbers down by gender and type of employment relationship sheds light on gender representation across the undertaking. Additionally, providing a breakdown of employees by region gives insight into regional variations. A region can mean a country or other geographic locations, such as a region within a country or a world region. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-6 Characteristics of non-employees in the undertaking’s own workforce**

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| <b>NMIG 24 for para. 27</b> | (56 amended) When disclosing in accordance paragraph 27 it might explain relevant contextual information such as the most common types of <b>non-employees</b> (e.g. whether they are self-employed), their relationship with the undertaking or the type of work they perform. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-7 – Collective bargaining coverage and social dialogue**

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| <b>NMIG 25 for para. 29</b> | (AR 68 amended) The information that must be disclosed in accordance with paragraph 29 must not be confused with the percentage of <b>employees</b> represented by a works council or belonging to trade unions. The percentage of employees covered by a <b>collective bargaining</b> agreement can be higher than the percentage of unionised employees if the agreement applies to union and non-union members. The percentage of employees covered by a collective bargaining agreements can also be lower than the percentage of unionised employees if there is no agreement or if it does not cover all unionised employees. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-8 Diversity metrics**

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| <b>NMIG 26 for para. 31</b> | (66 b) amended) When disclosing under Disclosure Requirement S1-8 the undertaking might also choose to disclose the distribution of <b>employees</b> by age group: under 30 years old; 30-50 years old; over 50 years old. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-9 Adequate wages**

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| <b>NMIG 27 for para. 34</b> | <p>EU Directive (EU) 2022/2041 on <b>adequate</b> minimum <b>wages</b> in the European Union (EU) aims to improve the adequacy of minimum wages for workers in the European Union. It states that minimum wages are considered adequate if they are fair in relation to the <b>wage</b> distribution in the relevant Member State and if they provide a decent standard of living for a full-time <b>employee</b>. The Conclusions of the ILO’s February 2024 ‘Meeting of experts on wage policies, including living wages’ articulate the concept of a living wage, also referring to a decent standard of living. Within the EU, minimum wages set in accordance with Directive (EU) 2022/2041 can be considered adequate. Outside the EU, minimum wages or estimates of living wages can only be considered adequate if they comply with the ILO principles on wage-setting or the ILO principles of estimating a living wage, respectively.</p> <p>The ILO provides guidance on the principles that the estimation of living wages should follow. It also provides principles for wage setting, which is the process through which living wages are to be achieved.</p> |
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|  | When disclosing in accordance with paragraph 34 the undertaking might need to use more than one of the adequate minimum wage references listed above, depending on availability in the locations where it has employees. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-12 Training and skills development metrics**

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| <b>NMIG 28 for para. 40 (a) and (b)</b>               | (83 a) and b) amended) When disclosing in accordance with paragraph 40 (a) and (b) the undertaking might break down the information by gender.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>NMIG 29 for para. 40 (a) and (b), AR 25, AR 26</b> | The undertaking might exclude inactive <b>employees</b> from the denominators in the calculations described in AR 25 and AR 26. In this case, it might state this fact and how many employees were counted as inactive. An employee is considered inactive if they have been on sick leave, parental leave or other kind of absence for no less than six months, despite their ongoing employment relationship with the undertaking.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>NMIG 30 for para. 40(b)</b>                        | To be counted as <b>training</b> under paragraph 40 (b) there must be an unambiguous connection between the training activity and the maintenance, or improvement, of an <b>employee's</b> professional skills. The ultimate goal is professional growth and maintaining employability. This includes, for example, technical skills development training or management and leadership development training. It can include health and safety training if offered to employees in industries in which a solid knowledge of health and safety <b>risks</b> and the prevention of accidents is crucial because of the nature of the industries' physical operations, as in mining or any kind of operation on the high seas. Similarly, compliance training can be acknowledged as training if the nature of the industry makes it necessary that <b>employees</b> be familiar with legal requirements for the tasks they perform. This is typically the case in highly regulated industries, such as the financial sector. It does not matter whether a training activity has been delivered by an external party or internally developed, provided that, in the case of internal training, the undertaking has a system for managing and tracking these activities. Activities that do nothing to improve the skills of an employee in a way that will make them more productive or more employable in the same firm or sector or in another cannot be counted as training under paragraph 36(b). This applies to fire safety drills, generic health and safety trainings or orientation training ('onboarding') for new employees. To be counted as training, an activity needs to be offered by the reporting undertaking. On-the-job training, the byproduct of someone doing their work and getting better at it through experience and reflection, does not qualify as training. |

**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-13 Health and Safety metrics**

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| <b>NMIG 31 for para. 42(a)</b> | (AR 81 amended) If the undertaking's health and safety management system has been internally audited or certified externally the undertaking might state this fact and describe the standards for the audit or certifications-when disclosing in accordance with paragraph 42(a). |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-14 Work-life balance metrics**

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| <b>NMIG 32 for para. 44</b> | (93 b) amended) When disclosing in accordance with paragraph 44 the undertaking might also disclose the percentage of entitled <b>employees</b> that took <b>family-related leave</b> , and a breakdown by gender. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-15 Remuneration metrics**

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| <b>NMIG 33 for para. 46</b> | (AR 102 amended) When disclosing in accordance with paragraph 46 the undertaking might explain how the data has been compiled (methodology). Quantitative data, such as the <b>annual total remuneration</b> ratio, may not be sufficient on its own to understand <b>pay</b> disparity and its drivers. For example, pay ratios can be influenced by the size of the undertaking (for example, revenue, number of <b>employees</b> ), its sector, its employment strategy (for example, reliance on outsourced workers or part-time employees, a high degree of automation), or currency volatility. |
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**NON-MANDATORY ILLUSTRATIVE GUIDANCE – NMIG on S1-16 Incidents of discrimination and other human rights incidents**

|                             |                                                                                                                                                                                                                                                                       |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NMIG 34 for para. 48</b> | (103 b) amended) When disclosing in accordance with paragraph 48 the undertaking might also disclose the number of complaints filed through channels for people in the undertaking’s <b>own workforce</b> to raise concerns (including <b>grievance mechanisms</b> ). |
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**Appendix 1**

**Reporting on Employees and Non-Employees - Examples and relevant DRs**

The definitions of 'employees' and 'non-employees' depend on national legislation

