

# **Revised VSME AFTER PUBLIC CONSULTATION VERSION 2**

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## Comprehensive Module - Social Metrics

### Disclosure C 5 – Workforce (General) Additional characteristics

60. If the undertaking employs 50 or more employees, the undertaking shall disclose the female to male ratio at management level for the reporting period.
61. If the undertaking employs 50 or more employees, the undertaking may disclose the number of non-employees<sup>1</sup> that worked in the reporting period. **[Moved from disclosure B8 – Workforce – General Characteristics following SR TEG decision].**

### Disclosure C 6 – Human rights policies and processes

62. The undertaking shall disclose an answer to the following questions:
- (a) Does the undertaking have a code of conduct or human rights policy for its own workforce? (YES/NO)
  - (b) If yes, does this cover (dropdown menu):
    - i. Child labour (YES/ NO);
    - ii. Forced labour (YES/ NO);
    - iii. Human trafficking (YES/ NO);
    - iv. Discrimination (YES/ NO);
    - v. Accident prevention (YES/ NO);
    - vi. Other (YES/NO, if yes specify).
  - (c) Does the undertaking have a complaints handling mechanism for its own workforce? (YES/ NO)

### Disclosure C 7 – Severe negative human rights incidents

63. The undertaking shall disclose an answer to the following questions:
- (a) Does the undertaking have confirmed incidents related to:
    - i. Child labour (YES/ NO);
    - ii. Forced labour (YES/ NO);
    - iii. Human trafficking (YES/ NO);
    - iv. Discrimination (YES/ NO);
    - v. Other (YES/NO, if yes specify).
  - (b) If yes, the undertaking may describe the actions being taken to address the incidents described above.

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<sup>1</sup> “Non-employees” are either people with contracts with the undertaking to supply labour (“self-employed people”) or people provided by undertakings primarily engaged in “employment activities” (NACE Code N78).

**[Link to simplified EU Taxonomy] [NOTE TO EFRAG SR TEG – TEXT SUBJECT TO CHANGE]**

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64. This module provides a placeholder to the future simplified EU taxonomy tool for aligned and eligible activities that the Platform of Sustainable Finance is currently developing.

**Placeholder on future streamlined alignment with EU Taxonomy aligned and eligible activities**

65. The Platform of Sustainable Finance is starting to work on a streamlined approach for non-listed SMEs to simplify their sustainability efforts for Taxonomy eligible activities. In essence, the streamlined approach serves a dual purpose: facilitating non-listed SMEs in the interaction with banks and the financial sector for the access to sustainable finance, while also providing information to larger companies for their compliance with taxonomy criteria, particularly when such criteria demand value chain information.

66. This disclosure is effective on a voluntary basis starting when this streamlined approach will be available.

## Comprehensive Module: Guidance

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### Comprehensive Module Guidance - Social Metrics

#### Disclosure C 5 – Workforce (General) Additional characteristics

242. To find the gender ratio, divide the number of female employees by the number of male employees at management level. This will give you the proportion of women to men in your company.

$$\text{Gender ratio} = \frac{\text{number of female employees at management level}}{\text{number of male employees at management level}}$$

243. For example, if there are 28 female employees and 84 male employees at management level, the gender ratio would be 1:3, meaning that for every woman at management level, there are three men.

244. The following table shows how information on non-employees may be presented.

Types of non-employees	Number of non-employees (self-employed people or people engaged in employment activities)
Total non-employees	

245. The undertaking may disclose the most common types of non-employees (for example, self-employed people, people provided by undertakings primarily engaged in employment activities, and other types relevant to the undertaking), their relationship with the undertaking, and the type of work that they perform.

#### Disclosure C 6 – Human rights policies and processes

246. Undertakings that have a due diligence process for human rights in place should answer positively (YES) and should clarify the contents of the policies and/or processes using the drop-down menu.

#### Disclosure C 7 – Severe negative human rights incidents

247. The undertaking shall disclose confirmed incidents in its own operations.

248. A “confirmed incident” refers to a legal action or complaint registered with the undertaking or competent authorities through a formal process, or an instance of non-compliance identified by the undertaking through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms.