

EFRAG SRT 30 September 2022

EFRAG Secretariat recommendations to the SRT
on S1

APPENDIX to agenda paper 04-01

30 September 2022



S1-7– Characteristics of the Undertaking's Employees

Coverage: employees

Reference: GRI 2-7

Data points:

- Headcount (w/Gender breakdown), with country breakdown for 50+
- Full time (by gender and by ~~10% employment region~~)
- Part time (by gender and by ~~10% employment region~~)
- No guaranteed hours (by gender and by ~~10% employment region~~)
- Permanent (by gender and by ~~10% employment region~~)
- Temporary (by gender and by ~~10% employment region~~)
- Turnover (headcount)
- Table of movement (opening, movement and closing balance) [voluntary]
- Provision of contextual information
- Cross-reference to financial statements

To discuss: moving to ESRS 2

S1-8– Characteristics of non-employees in the undertaking's own workforce

Coverage: non-employee workers

Reference: GRI 2-8

Data points:

- Headcount
- Most common types of workers
- Type of work they perform

1 year phase-in for non-employee worker DRs

To discuss: moving to ESRS 2

S1-9 – Training and skills development indicators

Coverage: employees *[and non-employee workers moved to optional]*

Reference: GRI 404-1 and 404-3

Data points:

- ~~% own workers~~ employees in performance/career development reviews by gender
- Average number of training hours ~~for own workers~~ employees by employee category and gender
- ~~Average expenses for FTE~~

Voluntary DP for non-employee workers

Merge: S1-10 – Coverage of the health and safety management system S1-11 – Performance of the health and safety management system

Coverage: employees, non-employee workers in own workforce, other workers on site
Reference: GRI 403-1, 403-8, 403-9, 403-10

Data points:

- ~~Description of management system~~ **Included within PTAPR** SFDR datapoint
- (a) % of own employees covered by management system
If the system have been internally audited or externally audited/certified *[voluntary]*
- (b) Number of fatalities
- (c) Number and rate of recordable work-related injuries SFDR datapoint
- (d) Number of cases of recordable work-related ill health
- (e) Number of days lost to work-related injuries and fatalities SFDR datapoint

The information for (b)-(d) shall also be reported for other workers working on the undertaking's sites.
Further alignment with GRI and practice

S1-12 – Working hours (optional DR)

Coverage: employees and non-employee workers

Reference: not covered by GRI

Data points:

- % of own workers that exceed 48 hours work/week over reference period

Move to sector-specific

Move to sector-specific

S1-13 – Work-life balance indicators

Coverage: Employees

Reference: GRI 401-3 Parental leave

Data points:

- % employees entitled to take family-related leave, by gender
- % of entitled employees that took family-related leave, by gender
- Return to work/retention rates **voluntary?**

To be discussed

S1-14 Fair remuneration wages

Coverage: Employees and non-employee workers

Reference: GRI 13 Sector Standard: Agriculture, Aquaculture and Fishing

Data points:

- ~~• % own workers earning less than the fair wage benchmark, by country (where below), benchmark based on EU adequate minimum wage directive~~
- Identification of countries (in EEA) or outside EEA country or region where lowest wage is below fair wage, report if employee and/or non-employee workers are concerned
- Explanation of methodology used for defining fair wage benchmark:
 - Shall not be below any local fair wage benchmark (in EEA 60% median/50% mean average gross hourly earnings)
 - Shall not be below any local minimum wage

1-year phase-in for non-EEA and non-employee workers

Merger: S1-15 Social security eligibility coverage

S1-20 Differences in the provision of benefits to employees with different employment contracts types

Coverage: Employees and non-employee workers

Reference: Not covered by GRI

Data points:

- ~~• % of own workers not eligible for social security through government or undertaking~~
- ~~• Reporting on benefits that are standard for permanent full time employees but not for other employees (life insurance, health care, disability/invalidity coverage, family-related leave, retirement provision, stock ownership, training/skills, other benefits)~~
- % of own workers with protection through public programs or benefits offered by the undertaking against major adverse events, broken down by region and employee/non-employee worker
 - sickness
 - unemployment
 - employment injury and acquired disability
 - loss of employment due to maternity

1-year phase in for non-employee workers and non-EU

Merge: S1-16 – Pay gap between women and men S1-17 – Annual compensation ratio

Coverage: Employees

References: GRI 405-2 and 2-21

Data points:

- ‘unadjusted’ male-female pay gap SFDR datapoint
- ‘adjusted’ gap (voluntary) including breakdowns by gender and/or country/region
- ~~actions taken to reduce the gap [in PTAPR]~~
- Ratio highest-compensated individual / median employee compensation SFDR datapoint
- % change in annual tot comp of highest paid / median % change for all employees
- any contextual information [voluntary]

MERGE S1-18 Discrimination incidents + S1-21 Grievances and complaints related to other work-related rights + S1- 25 Identified cases of severe human rights issues and incidents

88. The undertaking shall report the following information in relation to employee-related incidents, grievances and complaints: SFDR datapoint
- ~~a. (a) a statement as to whether the undertaking lacks a grievance/complaints handling mechanism related to employee matters (including discrimination). The undertaking may state this information by cross-referring to Disclosure requirement ESRS S1-2 Grievance mechanisms where this statement may be formulated; COVERED BY REVISED DR 3 Grievance mechanisms~~
- (a) the total number of incidents of discrimination, including harassment, reported in the reporting period; SFDR datapoint
- (b) for the remaining social and human right factors described under the objective of the Standards in paragraph 2 (i.e. excluding discrimination and harassment as reported in para 88 (b)), the number of complaints filed through operational-level grievance mechanisms and National Contact Points for the OECD Multinational Enterprise.
- voluntary In addition, the undertaking may disclose the status of the incidents and/or complaints and actions taken with reference to the following:
- (i) incidents or complaints reviewed by the undertaking; GRI 406 discrimination incidents
 - (ii) remediation plans being implemented;
 - (iii) remediation plans that have been implemented, with results reviewed through routine internal management review processes; and
 - (iv) incidents no longer subject to action. connectivity
- (c) the total amount of material fines, penalties and compensation for damages as a result of violations on the social and human rights factors defined in paragraph 2 under the Objective and the reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements. If no such fines, penalties and compensation has been received/paid, the undertaking may also state this; and
- (d) any contextual information necessary to understand the data and how such data has been compiled.
89. The undertaking shall disclose the following information regarding identified cases of severe human rights (e.g. forced labour, human trafficking or child labour) issues and incidents: SFDR datapoint
- (a) the number of severe human rights issues and incidents connected to the undertaking's own workforce in the reporting period, including an indication of how many of these are violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. If no such incidents or issues have occurred, the undertaking shall also state this; connectivity
- (b) the total amount of fines, penalties and compensation for damages for the issues and incidents described in (a) above together with a reconciliation of the monetary amounts disclosed with the most relevant amount in the financial statements.
- In addition, the undertaking may disclose the number of severe human rights incidents where the undertaking has played a role in securing remedy for those affected.

Merge: S1-22 Collective Bargaining Coverage S1-24 Social Dialogue

Coverage: Employees and (for collective bargaining coverage) non-employee workers

Reference: GRI 2-30, 2-9 and 402-1

Data points:

- Broken down by country with significant (50+) employment only for EEA, outside EEA by region
 - % of employees covered by collective bargaining agreements
 - % of employees not covered by CBAs but working conditions influenced by CBAs
 - % of non-employee workers determined or influenced by CBAs
- For EEA only: % of workforce represented at establishment level by trade unions and/or works councils, broken down by country with significant (50+) employment
- Existence of a European Works Council/SE Works Council/SCE Works Council
- ~~Workers' representatives in board [moved to G standards]~~
- ~~Description of Information, consultation and participation rights implementation in cases of takeovers, mergers, etc.~~
- Outside of EEA: advance notice of significant operational changes + specification of whether these rights are contractually anchored

1 Year delay in reporting on non-employee workers + non-EEA operations

S1-23 Work stoppages [*postpone*]

Coverage: Employees and non-employee workers

Reference: SASB

Data points:

- Number of major (100+ employee) work stoppages
- For each major work stoppage
 - Number of workers involved
 - Length in days
 - Description of reason for dispute and steps taken to resolve

Postpone

S1-26 Privacy at work

Coverage: employees and non-employee workers

Reference: Not covered by GRI

Data points:

- Description of Information Protection System for personal data of workers
- Number of data breaches
- Type of data surveillance systems used + % of workers covered