



## EFRAG SECRETARIAT ANALYSIS OF THE COMMENTS – Survey 2 – Q73-98 – ESRS S1

### General Comments across S1

Abbreviation	Comment	Type	Already in TEG survey /GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
ISSB	Key standard for alignment ISSB does not yet cover the topic	Alignment with ISSB	No	There is no social standard yet under ISSB to take into account. The comment is more relevant for the discussion of higher alignment in CCS in SRB / SRT.	No action	No
<ul style="list-style-type: none"> <li>Digitalization</li> <li>Digital Guidance</li> </ul>	<ul style="list-style-type: none"> <li>Form and scope of digitization of reporting should be revised and need improvement (e. g. machine readability, metadata)</li> <li>Digital guidance needed for evaluation to be possible</li> <li>Align use of terminology for digital tagging of key words is essential. Suggestion to provide reference tables in the sustainability statements</li> </ul>	Digitization requirements	No	Work will be done on digitalization of ESRS.	No action	No



<ul style="list-style-type: none"> <li>Digital tagging</li> <li>Table format</li> </ul>	<ul style="list-style-type: none"> <li>with anchored hyperlinks to facilitate access to information, avoid loss, and support comparability.</li> <li>Should be disclosed in table format with 1 column if they have policy, 1 column on violations, 1 column ongoing issues started in another reporting period, otherwise difficult for investors reporting on SFDR</li> </ul>					
GRI	Definition of own workforce should be aligned with GRI	Alignment with GRI	Yes, GRI & TEG (S1-GRI1 - GRI27) S1-T4 S1-T10 S1-T12 S1-T14 S1-T22	The workforce definition is only partially aligned with GRI's definition because of the observation by many preparers that the concept of "control of work and workplace" central to the GRI definition is difficult to operationalize. An issue paper is being prepared which will provide further guidance on the ESRS workforce definition.	To be discussed	Yes



<ul style="list-style-type: none"> <li>• EU alignment</li> <li>• Key words</li> </ul>	<ul style="list-style-type: none"> <li>• Alignment check with Directive 2002/14 needed</li> <li>• Include reference table for with anchored hyperlinks if the sustainability statement is not tagged and align key terminology with EU legislation</li> </ul>	Alignment with EU legislation	No	Alignment with EU and international legislation to be considered in the context of consultation comments.	To be considered	No
Merge	Merge S1-1, S1-2, S1-4, S1-5 and S1-6 into two DRs, one about policies and processes and one about targets, action plans and approaches	Merge DRs	No	The DRs cover individual non-separable aspects of international standards on due diligence	No action	No
SFDR	Need to be mirrored with PAI indicator in SFDR	Alignment with SFDR	Yes, TEG & GRI S1-T14 S1-T15 S1-T22 S1-T29 S1-GRI1 S1-GRI26	Extensive analysis of SRDR PAI have been done.	No action	No
Social taxonomy	Should be aligned with the final version of the social taxonomy	Alignment with social taxonomy	No	It is not foreseen to include disclosure requirements in ESRS that anticipate final legislative decisions. However, the ESRS should be adjusted as appropriate after law comes into force.	No action	No



CSRD	No legal basis for this requirement in CSRD/ Misalignment with CSRD	Alignment with CSRD	Yes, GRI & TEG S1-GRI9 S1-GRI13 S1-DG1 (S) S1-C17	A careful analysis of CSRD and the EU legislation and international instruments referenced was done and DRs were proposed based on compatibility with CSRD.	No action	No
Country-by-country	Reconsider reporting requirements: full country-by-country- breakdown should be mandatory, add mandatory disclosure of violation local law	Adapt country-by-country basis	Yes, TEG & GRI S1-GRI7 S1-T9 S1-T11 S1-T18 S1-T24	A balance needs to be struck between users' needs and preparers' concerns in country-by-country breakdowns	To be considered	No



**Q73: Please, rate to what extent do you think S1 – Policies relate to own workforce – A-I**

General comments : EU alignment – GRI – Merge – Digital Tagging – Social Taxonomy

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Additional indicators in SFDR are made mandatory which exceed the requirements in CSRD, e.g. policies related to "minimum" wage, benchmark for "fair" or "living" wage and access to social security (AG 12 viii and ix)</li> </ul>	Alignment with SFDR	Yes, TEG S1-C17	A careful analysis of CSRD and the EU legislation and international instruments referenced was done and DRs were proposed based on compatibility with CSRD. "Fair wage" is mentioned in the European Pillar of Social Rights		
2	<ul style="list-style-type: none"> <li>S1 should not introduce new concepts not included in CSRD or EU legislation, e.g. living wage or fair wage</li> </ul>	Alignment with CSRD	No	<p>S1 was developed based on a thorough review of the CSRD, including the social matters explicitly mentioned and legislation and initiatives referenced, and is based on these. S1-14 refers specifically to the 'fair wage', which is contained in the European Pillar of Social Rights; the term 'living wage' is used only to reference its common use as a synonym for 'fair wage'.</p> <p>Granularity to be considered in the context of discussions on user need and granularity and simplification.</p>	To be discussed	No



3	<ul style="list-style-type: none"> <li>AG 13-22 is too granular and should rather serve as recommendations for entities with activities in geographical areas with an elevated risk</li> <li>DR should include how breaches are monitored and enforce them [Accountancy Europe]</li> <li>Scope is not clearly defined, policies is wider than own workforce, see 18 (a) and (c)</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>Yes, TEG &amp; GRI</li> </ul> <p>S1-T1 S1-GRI3</p>	DR is being fully aligned with international due diligence guidance.	To be discussed	Yes
4	<ul style="list-style-type: none"> <li>Only changes to policies should be disclosed and link to the policy, this should also apply for determination of materiality and due processes.</li> </ul>	Consistency within standards & Phasing-in / prioritization	Yes, GRI S1-GRI3	It is important that information be easily accessible in one location for users – a short summary with a link to the policy is allowed.	No action	No
5	<ul style="list-style-type: none"> <li>Check definition of workers with Whistle-blower Directive (Article 4)</li> <li>Difficult with data on independent workers, especially on global basis</li> </ul>	Definition of workforce / FTE	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	The workforce definition is based on a modification of the GRI definition based on stakeholder feedback. But an issue paper will be discussed in TEG.	To be discussed	Yes
6	<ul style="list-style-type: none"> <li>Privacy of data as some data might be sensitive, need to check to EU 2016/679</li> </ul>	Alignment with EU-legislation (excl. CSRD, SFDR, CSDDD)	<ul style="list-style-type: none"> <li>No</li> <li>Yes, GRI</li> </ul> <p>S1-GRI1</p> <ul style="list-style-type: none"> <li>No</li> </ul>	Will clarify expectations that disclosure of data in contravention of privacy law is not expected.	To be considered	No



	<ul style="list-style-type: none"> <li>alignment with international frameworks (UNGC / OECD, ...)</li> <li>AG should be better articulated with European legislation, e.g. privacy rights (§AG 31 (f)), should require an undertaking to declare if its policies respect a specific directive and not add additional norms which are not in the EFRAG's prerogatives and add complexity</li> </ul>					
7	<ul style="list-style-type: none"> <li>Add equal opportunity to base for discrimination in objective section 2 (b) (vii)</li> <li>Para 22 should be updated to should instead of may related to the timeframe</li> <li>Relate to DR 2 SBM-2, para. 38: Lack DR on how stakeholders are identified and prioritized, for which areas or how regular stakeholder engagement has been performed, and for what purpose, and outcome of the stakeholder</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>Yes S1-C17</li> <li>No</li> <li>No</li> <li>No</li> </ul>	Updating based on final version of CSRD and changes in CCS will be done.	To be considered	No



	<p>engagement</p> <ul style="list-style-type: none"> <li>Update para 22 so it only needs to be explained if a topic is material</li> </ul>					
8	<ul style="list-style-type: none"> <li>Remove para 22 and include it in ESRS 1 para 98</li> </ul>	Consistency with other standards	Yes, TEG S1-T1	Updating based on final version of CSRD and changes in CCS will be done.	To be considered	No
9	<ul style="list-style-type: none"> <li>Remove para 17 (link to policy) and include it in ESRS 1 para 97</li> <li>Move para 18 a to ESRS 2 (2-GOV 5 Statement on due diligence) as commitments for human rights should not be subject to materiality assessment</li> </ul>	Revising general structure and concepts within the standard	<ul style="list-style-type: none"> <li>Yes, TEG S1-T1</li> <li>Yes, TEG &amp; GRI S1-T1 S1-GRI3</li> </ul>	Updating based on final version of CSRD and changes in CCS will be done.	To be considered	No
10	<ul style="list-style-type: none"> <li>Not clear what the auditor needs to check, assessment if presented policies identifies issues/risks/opportunities (challenging) VS checking that policies are present (easy) as completeness is difficult to assess</li> </ul>	Ensuring assurability	No	Streamlining exercise is underway and application guidance will be enhanced to improve clearness and understandability.	To be considered	No





11	<ul style="list-style-type: none"> <li>DRs in S1 is too complex, detailed and sometimes not relevant and S1-1 require massive work effort with questionable value, general statement should be sufficient</li> </ul>	Reduce complexity	No	A number of exercises are underway to address this concern – consideration of streamlining, simplification, phasing-in, delegating to sector-specific	To be considered	No
12	<ul style="list-style-type: none"> <li>Application scope not clear and missing employee turnover</li> </ul>	KPI adjustment	No	Issue paper on definition of stakeholder groups in social (including workforce) has been written. Addition of employee turnover is being discussed.	To be discussed	Yes
13	<ul style="list-style-type: none"> <li>Not relevant to consolidate data as social policies are national competences</li> <li>Role of social partners in countries as France will be undermined</li> </ul>	Comparability issues due to differences in national definitions	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Publication of aggregate information is normal practice in sustainability reporting. Country-by-country reporting would address this concern but preparers have concerns with this level of granularity.	No action	No
14	<ul style="list-style-type: none"> <li>Average expense for training is not relevant as it varies considerably between countries</li> <li>In each DR it should be stated that the required information should only concern main impacts</li> </ul>	Relevance or removal of DR	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Being considered under a streamlining exercise	To be considered	No



15	<ul style="list-style-type: none"> <li>High volume of granular information could lead to information overload and is questionable from a cost/benefit point of view. Therefore, the focus should be on the summary of the content of the policies. Only a link to the relevant policies should be required for compliance.</li> </ul>	Questionable cost-benefit ratio	No	S1-1 only requires disclosure of policies on material impacts. It is possible to provide a link together with a short summary.	No action	No
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**Q74: Please, rate to what extent do you think S1-2 – Processes for engaging with own workers and workers’ representatives about impacts – A-I**  
General Comments : EU alignment – Merge – GRI – Digital Tagging – Table format – ISSB

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Social dialogue needs to be aligned with EU-legislation and international standards</li> <li>Para 24 should be re-drafted in a way that it does not anticipate regulation that is not effective yet. Cannot see reference and 10implementation of CSRD is pre-requisite for implementation of ESRS?</li> </ul>	Alignment with EU-legislation (excl. CSRD, SFDR, CSDDD)	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	A paper on due diligence will be discussed to promote full alignment of this DR with international due diligence norms. Language will be clarified.	To be discussed	Yes
2	<ul style="list-style-type: none"> <li>Confusing to mix shall and may in AG, see AG 32-43 compared to AG 47. AG 32-43</li> </ul>	Reduce complexity	<ul style="list-style-type: none"> <li>Yes S1-SC3 (S)</li> </ul>	Language will be considered and adjusted.	To be adjusted	No



	<p>are also too granular</p> <ul style="list-style-type: none"> <li>Lack of maturity on due 11leviate, therefore, DR should be 11leviated to exclude DD. It also needs to be aligned with CSDDD</li> <li>AG 43 need to be simplified</li> </ul>		<ul style="list-style-type: none"> <li>No</li> <li>Yes</li> </ul> <p>S1-SC3 (S)</p>			
3	<ul style="list-style-type: none"> <li>Para 23 is very similar to ESRS SBM 2 and S1-24, and duplication should be scrutinised</li> </ul>	Consistency with other standards	No	Will be considered in light of simplification of ESRS 2. As this focuses on engagement on material impacts, this DR is very different than S1-24	To be considered	No
4	<ul style="list-style-type: none"> <li>Further guidance needed on measure for outcome</li> </ul>	Guidance for reporting	No	This DR is principles-based and thus it is not intended to provide specific guidance on measures	No action	No
5	<ul style="list-style-type: none"> <li>Reasonable cost/benefit</li> <li>Cost/benefit is questionable for new reporters</li> </ul>	Cost/benefit	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	A cost-benefit analysis is being analysed and a number of exercises are underway to meet these concerns (e.g. phasing-in, streamlining)	To be considered	No

**Q75: Please, rate to what extent do you think S1-3 – Channels for own workers and workers' representatives to raise concerns – A-I**  
General Comments: CSDR – ISSB – Table format – Digital Tagging – Merge – EU Alignment - GRI



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>• 29 (a) - (c) are too granular – general description would be sufficient</li>   <li>• 26 © could led to reporting of sensitive information</li>   <li>• AG 44-50 are out of proportion and mixes recommendations with requirements which undermines the materiality assessment</li>   <li>• Several para in S1-S4 does not align wording with G1-G2, including corresponding AG which adds complexity</li>   <li>• Para 30 should be deleted; it puts unreasonable reporting burden on</li> </ul>	Reduce complexity	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> <li>• Yes</li> </ul> S1-SC4a (S)  <ul style="list-style-type: none"> <li>• No</li> <li>• No</li> </ul>	This DR should be fully aligned with international due diligence standards and a paper is being written to support a discussion on this. A harmonization and simplification exercise are underway.	To be discussed	Yes



	<p>the company</p> <ul style="list-style-type: none"> <li>• Para 26 (b) and 29 (a) – (c) are to granular – general description sufficient</li> </ul>					
2	<ul style="list-style-type: none"> <li>• AG 50 should be consistent with AG 49 and 51 - drafted with "may" instead of "shall"</li> </ul>	Consistency within standards	No	To be harmonized	To be considered	No
3	<ul style="list-style-type: none"> <li>• Definition of concerns and needs to be narrowed</li> <li>• DR should include whether the channels are open to all workers (i.e. contingent as well as employees)</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>• No</li> <li>• Yes</li> </ul> <p>S1-SC5 (S)</p>	Will clarify definitions and scope in DR and AG.	To be considered	No
4	<ul style="list-style-type: none"> <li>• AG 48 effectiveness is not relevant to report on because companies will not report objective on it</li> <li>• Should be taken into account that workers' representatives are not present in all companies</li> </ul>	KPI adjustment	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> </ul>	<p>Effectiveness is a key part of international due diligence standards.</p> <p>Workers' reps are present in approximately ¾ of large companies, but in their absence workers can be directly consulted per EU legislation (takeover bids directive, cross-border conversions, mergers and divisions directive)</p>	No action	No



5	<ul style="list-style-type: none"> <li>Double reporting for temporary (non-employees?), as non-employee and employee</li> </ul>	Rephrasing required	No	Employees on temporary (non-permanent) employment contracts are distinct from “temporary agency workers”, so there is no double-counting	No action	No
6	<ul style="list-style-type: none"> <li>Para 30 needs additional guidelines in AG as it difficult for undertakings to know how to collect the information on their awareness and trust</li> <li>Qualitative information on the alert system collecting complaints and processing of information as well as reporting could improve relevance of DR</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Inclusion of examples and enhancement to AG will be considered.	To be considered	No
7	<ul style="list-style-type: none"> <li>Para 26 (c) could lead to reporting sensitive information</li> </ul>	Confidentiality concerns	No	Clarification will be added to indicate that it is not expected to gather/publish information in contradiction to privacy legislation.	To be considered	No

**Q76: Please, rate to what extent do you think S1-4 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities – A-I**

General Comments: ISSB – Table Format – Digital Tagging – Digital Guidance – Merge – EU alignment – GRI



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>▪ Obliging companies to set targets undermines the freedom of conducting a business</li> <li>▪ AG 55 and 57 can be deleted as they do not provide any value</li> </ul>	Relevance or removal of DR	<ul style="list-style-type: none"> <li>• Yes, TEG S1-T6</li> <li>• No</li> </ul>	Targets to address material impacts are key to international due diligence standards	No action	No
2	<ul style="list-style-type: none"> <li>▪ Para 36 and 37 are too granular and require information about HR strategies which might be confidential, and para 36 does not provide value, it should instead be summarized</li> </ul>	Confidentiality concerns & KPI adjustments	<ul style="list-style-type: none"> <li>• No</li> </ul>	This only applies to material matters and publication of data contravening confidentiality is not required.	No action	No
3	<ul style="list-style-type: none"> <li>▪ More guidance on what is negative and positive impacts needed</li> <li>▪ AG 53 is not clear, include action guideline rather than reporting guidelines</li> <li>▪ No legal basis for companies to consider employee housing policies</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> <li>• No</li> </ul>	Application guidance to be enhanced. Housing to be examined at sectoral level	To be considered	No
4	<ul style="list-style-type: none"> <li>▪ Missing performance achieved against targets as set out in GRI 3-3 (e) which is mentioned in the BfC</li> </ul>	Consistency within standards	No	This DR is principles-based and thus it is not intended to provide specific guidance on measures	No	No
5	<ul style="list-style-type: none"> <li>▪ Long term targets should be required through deep links and if changes are made to these targets in the mgmt. report</li> </ul>	KPI adjustment	No	This DR is principles-based and thus it is not intended	No	No



				to provide specific guidance on measures		
6	<ul style="list-style-type: none"> <li>Reference does not seem to be right as Q70 is related to E, Q73 which provides feedback only related to S1-1 and include reference to Q47 for other feedback but that is empty. Q73 states that cost-benefit analysis is needed</li> </ul>	???	No	Will be adjusted.	To be adjusted	No
7	<ul style="list-style-type: none"> <li>Lack objective and unclear whether preparers have to integrate those defined by EU, in particular the European social rights base</li> <li>DR oblige preparers to set targets which is contrary to the freedom of enterprise and ANC suggests several redrafts (weakening the DR).</li> <li>"Material" missing in 29 (a)</li> </ul>	Rephrasing required	<ul style="list-style-type: none"> <li>No</li> <li>Yes, TEG</li> </ul> S1-T6 <ul style="list-style-type: none"> <li>No</li> <li></li> </ul>	This DR is based on international due diligence standards (UNGP + OECD) as required by CSRD.	No	No
8	<ul style="list-style-type: none"> <li>Para 37 could be merged with S1-2</li> </ul>	Merge DRs	<ul style="list-style-type: none"> <li>Yes, TEG</li> </ul> S1-T6	To be considered	To be considered	No
9	<ul style="list-style-type: none"> <li>Some requirements need to be streamlined and para 36 is not value-adding and should be summarised by "disclose any targets to the full scope of subtopics in S1"</li> </ul>	Reduce complexity	<ul style="list-style-type: none"> <li>Yes, TEG</li> </ul> S1-T6 <ul style="list-style-type: none"> <li>No</li> </ul>	To be considered	To be considered	No





	<ul style="list-style-type: none"> <li>DR repetitive of S1-6 and requirements are not clear</li> </ul>					
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**Q77: Please, rate to what extent do you think S1-5 - Taking action on material impacts on own workforce and effectiveness of those actions – A-I**  
General Comments: ISSB – Table Format – Digital Tagging – Digital Guidance – Merge – EU Alignment – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Para 39 (b) and (c) require undertaking to disclose full HR strategy which might be sensitive / impacting competitiveness negative</li> </ul>	Confidentiality concerns	No	Will clarify that disclosure of information in contradiction to privacy and confidentiality law is not required.	To be adjusted	No
2	<ul style="list-style-type: none"> <li>AG is out of proportion, AG 70-71 are questionable whether they are within the companies responsibility only</li> <li>Para 43 and 44 are covered by ESRS 1 para 104 (no DR in ESRS 1) and should be removed, and questioned value added by separating initiatives from actions</li> <li>Para 42 (a), (b), (c) are too detailed and definition of approaches compared to actions or action plans is not clear and should be removed</li> </ul>	Relevance or removal of DR	<ul style="list-style-type: none"> <li>No</li> <li>Yes, TEG S1-T7</li> <li>Yes, TEG S1-T7</li> <li>No</li> <li>No</li> </ul>	This DR is based on international due diligence guidelines and the requirements of the CSRD.	No action	No action



	<ul style="list-style-type: none"> <li>Para 40 should be deleted because a company should not have to deliver positive impacts for its workforce</li> <li>AG requires to granular information, suggestion for AG 66 provided (see bold green text in comment) and AG 70 should be deleted as it is redundant of AG 68</li> </ul>		<ul style="list-style-type: none"> <li>Yes, GRI</li> </ul> <p>S1-GRI6</p>			
3	<ul style="list-style-type: none"> <li>AG should not include additional disclosures, e.g. e.g. AG 70, 74, 75, 76 and 77. These should either be moved up to DR as mandatory or optional and if the latter be phased in, and some AG imposing additional requirements are more sector specific than sector agnostic</li> </ul>	Consistency within standards & Phasing-in / prioritization	<ul style="list-style-type: none"> <li>Yes, GRI</li> </ul> <p>S1-GRI6</p>	This DR is based on international due diligence guidelines and the requirements of the CSRD.		
4	<ul style="list-style-type: none"> <li>E-F-G: Reference does not seem to be right as Q70 is related to E, Q73 which provides feedback only related to S1-1 and include reference to Q47 for other feedback but that is empty. Q73 states that cost-benefit analysis is needed</li> </ul> <p># General remark: S1-5 and S1-6 should be</p> <ul style="list-style-type: none"> <li>DR should use more neutral wording, e.g. AG 70-71 does not exclusively rely on the undertakings responsibility, and DR should be less strict by including "may" /</li> </ul>	Rephrasing required	<ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>No</li> <li>No</li> </ul>	Will be considered	To be considered	No



	<p>"whether" in para 39, 40 , AG 66, to be consistent with para 44</p> <ul style="list-style-type: none"> <li>Re-drafting of AG 74-77 provided</li> <li>DR should be drafted more neutral, suggestion for para 39, 40 and 44 provided</li> </ul>					
5	<ul style="list-style-type: none"> <li>More application guidelines needed on materiality for social topics, as all can be material from a moral point of view</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Application guidance will be added as appropriate/feasible	To be considered	No
6	<ul style="list-style-type: none"> <li>AG 70 is redundant with AG 68 or need more guidance</li> </ul>	Distinction to other Standards (incl. CCS) & Guidance for reporting		Application guidance will be added as appropriate/feasible	To be considered	No
7	<ul style="list-style-type: none"> <li>Para 42 (a), (b), (c) are too detailed and definition of approaches compared to actions or action plans is not clear and should be removed</li> <li>Completeness (any additional) is burdensome without necessarily providing value</li> <li>Reporting should only be made on material impacts</li> <li>AG requires to granular information, suggestion for AG 66 provided and AG 70 should be deleted as it is redundant of AG 68</li> </ul>	Reduce complexity	<ul style="list-style-type: none"> <li>Yes, TEG</li> </ul> <p>S1-T7</p> <ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>Yes, GRI</li> </ul> <p>S1-GRI6</p>	This DR is in alignment with international due diligence guidelines. Reporting is only required on material impacts	To be considered	No



8	<ul style="list-style-type: none"> <li>DR is difficult to adapt as laws on working conditions differs between regions and the degree of granularity will be difficult in first year</li> </ul>	Adapt country-by-country basis	No	This DR is in alignment with international due diligence guidelines, as required by CSRD.	No action	No
9	<ul style="list-style-type: none"> <li>DR poses difficulties as laws differ between countries and EFRAG should not anticipate future legislation (CSDDD)</li> <li>Reporting should be limited to targets if topic is material for the preparer</li> </ul>	Revising general structure and concepts within the standard	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	CSDDD is not being anticipated. Reporting is only required for material topics	No action	No

**Q78: Please, rate to what extent do you think S1-6 - Approaches to mitigating material risks and pursuing material opportunities related to own workforce – A-I**

General Comments: Merge – ISSB – Table Format – Digital Tagging – EU Alignment – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Missing performance of ongoing actions and how it affects future approaches</li> </ul>	KPI adjustment	No	This DR is in alignment with international due diligence guidelines, as required by CSRD.	No action	No
2	<ul style="list-style-type: none"> <li>Completeness of reporting risks and opportunities are difficult to verify</li> </ul>	Ensuring assurability	Yes, TEG S1-T9	This DR is in alignment with international due diligence guidelines, as required by CSRD.	No action	No



3	<ul style="list-style-type: none"> <li>Should be merged with S1-5</li> <li>Para 47 and 48 should be deleted as it is covered by 45</li> </ul>	Merge DRs	<ul style="list-style-type: none"> <li>Yes, TEG S1-T9</li> <li>No</li> </ul>	These are separate DRs with different logics (impact versus financial materiality).	No action	No
4	<p>Further guidance needed on distinction between different approaches used in S1-5 and S1-6 requested</p> <ul style="list-style-type: none"> <li>AG 84 is unclear and not justified</li> <li>AG 86 does not provide further guidance - need to be enhanced</li> <li>AG should not include additional reporting requirements; it should only provide guidance</li> <li>More guidance needed on pursuance of material</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>Yes, TEG S1-T9</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> </ul>	Additional application guidance will be developed.	To be considered	No



	opportunities					
5	<ul style="list-style-type: none"> <li>AG 84 not relevant and suggestion for rephrasing provided</li> <li>Should be made clearer that S1-6 only concern material risks, for AG 83 material should be added before risk</li> </ul>	Rephrasing required	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Rephrasing will be considered and 'material' will be added as appropriate.	To be adjusted	No
6	<ul style="list-style-type: none"> <li>DR require forward-looking information on company's strategy which might be sensitive / impacting competitiveness negative</li> </ul>	Confidentiality concerns	No	It will be stated more clearly that the ESRS do not require publication of information which violates privacy or confidentiality law/jurisprudence.	To be considered	No
7	<ul style="list-style-type: none"> <li>Reporting should be limited to reporting on material topics</li> </ul>	Revising general structure and concepts within the standard	No	This DR limits reporting to material topics.	No action	No

**Q79: Please, rate to what extent do you think S1-7 – Characteristics of the undertaking's employees – A-I**  
General Comments: GRI – EU Alignment – Digital Tagging – CSDR – ISSB – Digitalization



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>• Further clarification concerning the definition of the main concepts used if needed (e.g. employees vs FTEs)</li> <li>• Specific guidance needed for determining staff using offshoring / outsourcing</li> <li>• Basis for calculating FTEs should be clarified further, incl. Thresholds</li> <li>• Methodology of headcount should be unified due to comparability, a "comply or explain"-option should be added for seasonal sectors</li> </ul>	Definition of workforce / FTE	<ul style="list-style-type: none"> <li>• Yes, TEG S1-T9</li> <li>• No</li> <li>• Yes, GRI &amp; TEG S1-GRI7 &amp; S1-T9</li> <li>• No</li> </ul>	Issue paper is prepared and will be discussed.	To be discussed	Yes



2	<ul style="list-style-type: none"> <li>Improvement of style necessary (e.g. inflationary use of "significantly" w/o defining what "significant means)</li> <li>AG97 in its current draft is not tolerable, as it provides too many loopholes that needs to be closed (e. g. by integrating a "comply or explain"-approach)</li> <li>Definitions need to be revisited</li> <li>Lacking added value due to missing comparability because of various definitions across different countries</li> <li>Various data specification criteria are missing (e. g. seniority levels)</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>Yes, TEG</li> </ul> <p>S1-T9</p> <ul style="list-style-type: none"> <li>No</li> <li>Yes</li> </ul> <p>S1-GRI7</p>	Phrasing of the DR and AG will be clarified. Issue paper on affected stakeholder groups is prepared and will be discussed.	To be discussed	Yes
3	<ul style="list-style-type: none"> <li>Threshold needs to be revisited: 50 is considered too broad</li> </ul>	Threshold of employees	<ul style="list-style-type: none"> <li>Yes, TEG</li> </ul> <p>S1-T9</p>	A number of respondents have asked for full country-by-country reporting; the DP on headcount has a different function for users than the breakdowns by employment. Different thresholdes were used to strike a	To be considered	No





	<ul style="list-style-type: none"> <li>Thresholds need to be revisited: reasoning behind adapting two thresholds and calculation of 10% are confusing</li> </ul>		<ul style="list-style-type: none"> <li>Yes, GRI &amp; TEG S1-GRI7 &amp; S1-T9</li> </ul>	balance between users and preparers. Description of calculation of 10% will be clarified.		
4	<ul style="list-style-type: none"> <li>Relevant KPIs are missing, KPIs on means are overemphasized, KPIs on outcomes are lacking</li> <li>Significant KPIs are missing or unclear (e. g. employee turnover, proportion of women in management)</li> </ul>	KPI adjustment	<ul style="list-style-type: none"> <li>Yes, GRI S1-GRI7</li> <li>Yes, GRI S1-GRI7</li> </ul>	A proposal to add employee turnover and proportion of women in management will be discussed.	To be discussed	No
5	<ul style="list-style-type: none"> <li>AG97 should be refined conceptually, as important guidance is missing</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>Yes, GRI S1-GRI8</li> </ul>	Will be refined	To be considered	No
6	<ul style="list-style-type: none"> <li>Risk of leaking confidential information</li> </ul>	Confidentiality concerns	No	ESRS will clarify that confidentiality and privacy laws are to be respected	To be considered	No
7	<ul style="list-style-type: none"> <li>Definitions of central concepts need to be revisited as there are too many differences between the countries</li> </ul>	Consistency with other standards	No	This DR is based on a GRI DR widely used by preparers	No action	No

**Q80: Please, rate to what extent do you think S1-8 - Characteristics of non-employee workers in the undertaking's own workforce – A-I**



General Comments: ISSB – Digitalization – Digital Tagging – GRI – Country-by-Country – EU Alignment

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Split this DR between ESRS 2 for qualitative parts and S1 for quantitative parts</li> </ul>	Distinction to other Standards (incl. CCS)	<ul style="list-style-type: none"> <li>Yes, GRI S1-GRI9</li> </ul>	The proposal is to move the whole DR to ESRS 2, which would align more with GRI's approach.	To be discussed	No
2	<ul style="list-style-type: none"> <li>Further clarification concerning the definition of the main concepts used is needed (e.g. employees vs FTEs)</li> <li>Basis for calculating FTEs should be clarified further as well as why FTE is used instead of headcount</li> <li>Differentiation between employees and non-employees</li> <li>Against inclusion of self-employed and independent workers in definition</li> <li>Difficulties in disclosing details on non-employees for legal</li> </ul>	Definition of workforce / FTE	<ul style="list-style-type: none"> <li>Yes, GRI &amp; TEG S1-GRI9 S1-T10</li> <li>No</li> <li>Yes, GRI &amp; TEG S1-GRI9 S1-T10</li> <li>No</li> <li>Yes S1-T10</li> </ul>	AG will be modified to provide this guidance Inclusion of "non-employee workers" key to identifying impacts in own workforce Disclosure in violation of privacy law not required.	To be considered	No



	reasons					
3	Improve clarity of definition of own workforce	Definition of workforce / FTE	Yes, GRI & TEG S1-GRI9 S1-T10	An issue paper is being prepared which will provide further guidance on the ESRS workforce definition.	To be discussed	Yes
4	Rephrasing thresholds and definitions of non-employees	Threshold of employees	Yes, GRI & TEG S1-GRI9 S1-T10	An issue paper on this topic will be discussed.	To be discussed	Yes
5	<ul style="list-style-type: none"> <li>More guidance on the DR's underlying risks</li> <li>More guidance on conditions for approximations</li> </ul>	Guidance for reporting	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Risks and approximations not anticipated in this DR	No action	No
6	<ul style="list-style-type: none"> <li>Missing reference to diversity</li> </ul>	Alignment with international frameworks (UNGC / OECD, ...)	<ul style="list-style-type: none"> <li>No</li> </ul>	Will be updated with final version of CSRD	To be aligned	No
7	<ul style="list-style-type: none"> <li>Required data is too specific and touches on sensitive business issues</li> </ul>	Confidentially concerns	<ul style="list-style-type: none"> <li>No</li> </ul>	Publishing information in violation of privacy and confidentiality laws not required	No action	No
8	<ul style="list-style-type: none"> <li>level of maturity of companies may not suffice to answer the depth of the question</li> </ul>	Data accessibility	<ul style="list-style-type: none"> <li>No</li> </ul>	This is basic data on workforce which companies can be expected to have access to	No action	No



**Q81: Please, rate to what extent do you think S1-9 - Training and skills development indicators – A-I**

General Comments: EU Alignment – ISSB – Digitalization – Digital Guidance – GRI – Country-by-Country

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Disclosure of details on training expenses sensitive information with limited added value</li> </ul>	Confidentiality concerns	No	The essentiality of this data point for users will be considered	To be considered	No
2	<ul style="list-style-type: none"> <li>KPIs implemented should be revisited</li> <li>Reporting of expenses on (internal) training should be revisited, as internal expenses are difficult to track for smaller companies w/o LMS</li> <li>KPI of reporting training hours should be revisited to include contextual information</li> <li>KPIs should be reconsidered, as there are too many KPIs on means and too few on outcomes</li> <li>Internal and external training should be reported</li> <li>KPI on training costs should be reconsidered: some information is not auditable, lack of comparability</li> </ul>	KPI adjustment	<ul style="list-style-type: none"> <li>Yes, TEG &amp; GRI</li> </ul> S1-T12 S1-G10 <ul style="list-style-type: none"> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> <li>No</li> </ul>	Including internal and external costs will be considered	To be considered	No



	<p>between countries, too many typed of training that cannot be verified</p> <ul style="list-style-type: none"> <li>▪ In general, KPIs on training and skill development are not prioritized at the moment</li> <li>▪ Revisit KPIs as KPIs are missing</li> <li>▪ KPI of reporting training hours should be revisited to include contextual information</li> </ul>					
3	<ul style="list-style-type: none"> <li>▪ Information should be published only based on FTEs to ensure comparability</li> </ul>	Methodology adjustment / specification	No	This restricts flexibility for preparers.	No action	No
4	<ul style="list-style-type: none"> <li>▪ Guidance on how to calculate expenses on internal training should be provided</li> </ul>	Guidance for reporting	No	DP on calculating expenses will be considered	To be considered	No
5	<ul style="list-style-type: none"> <li>▪ Revisit the scope of some disclosures</li> <li>▪ \$57 should be revisited and the scope limited to b), the precision of the para should be increased</li> <li>▪ Scope of the DR should be reconsidered, as there are no specific boundaries right now</li> </ul>	Distinction to other Standards (incl. CCS)	<ul style="list-style-type: none"> <li>• Yes, TEG &amp; GRI</li> </ul> S1-T12 S1-G10	Scope of this DR will be considered	To be considered	No
			<ul style="list-style-type: none"> <li>• Yes, TEG &amp; GRI</li> </ul> S1-T12 S1-G10			
			<ul style="list-style-type: none"> <li>• No</li> </ul>			



6	<ul style="list-style-type: none"> <li>Reconsider some definitions: workforce, internal training, general harmonization</li> <li>Definition and scope behind the KPI "training hours" should be reconsidered and include training dedicated to the "just transition"</li> <li>Definition of training should be clearer, more data dimensions than just male-female should be added</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>Yes, TEG &amp; GRI</li> </ul> <p>S1-T12 S1-G10</p> <ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Issue papers on a number of these issues will be discussed.	To be discussed	Yes
7	<ul style="list-style-type: none"> <li>The DRs should be harmonized better with national laws to simplify compliance</li> </ul>	Consistency with other standards	Yes, S1-T11	Most DRs are based on established GRI DRs and designed to be applicable internationally	No action	No
8	<ul style="list-style-type: none"> <li>DR should be reconsidered concerning the role of social partners in the future</li> </ul>	Alignment with EU-legislation (excl. CSRD, SFDR, CSDDD)	No	The DRs are designed to report on basic social dialogue structures and practices	No action	No
9	<ul style="list-style-type: none"> <li>Data breakdown should be extended and include a breakdown by gender</li> </ul>	Disaggregation of disclosure requirement	<ul style="list-style-type: none"> <li>Yes, TEG &amp; GRI</li> </ul> <p>S1-T11 S1-T12 S1-G10</p>	Gender breakdown of assessment will be considered	To be considered	No

**Q82: Please, rate to what extent do you think S1-10 - Coverage of the health and safety management system – A-I**  
General Comments: ISSB – Digitalization – Digital Guidance – EU Alignment – GRI – Digital Tagging – Country-by-Country



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>▪ Note: role of workers' association in HSM in some countries</li> <li>▪ Focus on preventing harms, not promoting benefits</li> </ul>	Adapt country-by-country basis	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> </ul>	This DR is based on an established GRI DR	No action	No
2	<ul style="list-style-type: none"> <li>▪ Include changes in management system in the annual report and refer to the document, rather than describe the same system each year; apply this also to determination of materiality and due processes</li> <li>▪ Coverage of HSM is equal to scope of policy - required additional information needs to be added in the policy or action DRs</li> <li>▪ Requirement 60a adds administrative burden</li> <li>▪ Include wellness at work, mental health, addictions and employee training on said issues</li> </ul>	Distinction to other Standards (incl. CCS)	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> <li>• No</li> <li>• No</li> </ul>	Full alignment with GRI will be considered	To be considered	No

**Q83: Please, rate to what extent do you think S1-11 - Performance of the health and safety management system – A-I**  
General Comments: Digitalization – ISSB – Country-by-Country – SFDR – EU Alignment – GRI – Social Taxonomy



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	Para 63 (d) requires information unavailable to companies	Data accessibility	No	63 (d) is a SFDR (2019/2088) requirement (PAI indicator #3 in table 3 of Annex 1)	No action	No
2	DR should differentiate between work accidents and work-related illness	Definition adjustment	No	Will align fully with GRI	To be considered	No
3	Disclosures can differ due to different national definitions	Comparability issues due to differences in national definitions	No	This DR is based on an established GRI DR used internationally	No action	No
4	<ul style="list-style-type: none"> <li>• Para 63 (b) absolute not relevant should focus on rate</li> <li>• Para 63 (d) lost days not relevant should use a measure such as the number of hours lost per 1 000 000 hours, and lost days for fatalities less logical and value-adding</li> <li>• Sick days per FTE as a more useful KPI than qualitative surveys</li> <li>• Sceptical about the number and rate of recordable work-related injury, and the number of days lost to work-related injuries</li> <li>• Include reasons for undertaking's numbers to differ from average number</li> </ul>	KPI adjustment	No	63 (d) is a SFDR (2019/2088) requirement (PAI indicator #3 in table 3 of Annex 1)	No action	No





5	KPI of general turnover missing	KPI adjustment	Yes	This has been noted in previous feedback and adding KPI for turnover will be considered	To be considered	No
6	Inclusion of mental health and wellness and duration of work stoppages, and differentiation between types of accidents should be considered	KPI adjustment	No	Will be aligned with GRI DR	To be aligned	No
7	Recordable work-related injuries not clearly defined, and the calculation guideline is not provided	Methodology adjustment / specification	Yes, TEG S1-14	Will be aligned with GRI DR	To be aligned	No
8	Include breakdown between employees and non-employees	Disaggregation of disclosure requirement	Yes, GRI S1-GRI11	Will be aligned with GRI DR	To be aligned	No
9	DR may cause confidentiality issues as it conflicts to GDPR	Alignment with GDPR/confidentiality issues	No	Disclosure of information in violation of privacy law not expected	No action	No
10	Work-related diseases are often sector specific, to be reported specifically under sectorial standards	Distinction to other Standards (incl. CCS)	Yes, GRI S1-GRI11	Sector-specific impacts will be considered when sector-specific standards are being developed	No action	No



11	Data points relevant for SFRD to be prioritised (not full DR)	Phasing-in / prioritization	Yes, TEG S1-T14	Prioritization to be considered	To be considered	No
12	<ul style="list-style-type: none"> <li>Wait for the definition of work related by European institutions before defining the term in AGs</li> <li>Lack of harmonization in EU legislation and not EFRAG's prerogatives to adopt definition on HSM</li> </ul>	Alignment with EU-legislation (excl. CSRD, SFDR, CSDDD)	<ul style="list-style-type: none"> <li>No</li> <li>Yes, GRI &amp; TEG S1-GRI 11 S1-GRI12 S1-T14</li> </ul>	Health and safety information required by CSRD and DR based on established GRI DR	No action	No
13	Clarifying the definition of the terms used (e.g. occupational diseases)	Guidance for reporting	<ul style="list-style-type: none"> <li>Yes, GRI &amp; TEG S1-GRI 11 S1-GRI12 S1-T14</li> </ul>	To be fully aligned with GRI	To be adjusted	No

**Q84: Please, rate to what extent do you think S1-12 - Working hours – A-I**

General Comments: ISSB – EU Aligement - GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	DR is out of proportion	Relevance or removal of DR	No	Recommendation to consider in context of sectoral standards	To be discussed	No



2	<ul style="list-style-type: none"> <li>Confusion with optional DR</li> <li>Optional DRs should be deprioritised and undertakings might not report on optional DR</li> </ul>	Phasing-in / prioritization	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Recommendation to consider in context of sectoral standards	To be discussed	No
3	Data availability options as overtime might not be reported for salaried workers and costly to implement system supporting it	Data accessibility	No	Recommendation to consider in context of sectoral standards	To be discussed	No
4	Lack of definition of working hours, e.g. when working from home	Definition adjustment	No	Recommendation to consider in context of sectoral standards	To be discussed	No
5	DR should be changed to the number of incidents relating to overwork as defined by national law or international agreement and fines or regulatory actions from breaches to working time regulation	KPI adjustment	Yes, TEG S1-T16	Recommendation to consider in context of sectoral standards	To be discussed	No
6	<ul style="list-style-type: none"> <li>Not relevant as already regulated in some jurisdiction (e.g. France)</li> <li>Relevance of information and time reporting behaviour this will lead to is questioned</li> <li>Not relevant from investor perspective due to different reporting between countries</li> </ul>	Relevance or removal of DR	Yes, TEG <ul style="list-style-type: none"> <li>S1-T16</li> <li>No</li> <li>No</li> </ul>	Recommendation to consider in context of sectoral standards	To be discussed	No
7	DR should be expanded to include e.g. split shifts, night work, seasonal concentration of work-time, short-notice of scheduling	Disaggregation of disclosure requirement	Yes, GRI & TEG S1-GRI13 S1-T15	Recommendation to consider in context of sectoral standards	To be discussed	No

**Q85: Please, rate to what extent do you think S1-13 - Work-life balance indicators – A-I**  
General Comments: CSDR – SFDR – EU Alignment – GRI



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	Work-life balance indicators should not be limited to family-related leaves, but should also include other eligible factors	Revising general structure and concepts	Yes, GRI & TEG S1-GRI14 S1-T17	Will consider expansion to other topics in light of balance between users' needs and preparers' concerns	To be considered	No
2	GRI heading "Parental Leave" should be used in its place for consistency's sake	Alignment with GRI	Yes, GRI S1-GRI14	Will consider expansion of work-life balance indicators	To be considered	No
To3	<ul style="list-style-type: none"> <li>• KPI for employee turnover is missing</li> <li>• Information required is too detailed</li> <li>• More specific indicators could be added to several subjects</li> <li>• Should include explanation of policies for optional remote workdays in the case of difficult family situations</li> </ul>	KPI adjustment	<ul style="list-style-type: none"> <li>• No</li> <li>• No</li> <li>• Yes, GRI S1-GRI 14</li> <li>• No</li> </ul>	Will consider addition of employee turnover Other additional DPs challenging in light of preparers' concerns	To be considered	No
4	Work-life balance disclosure requirements should not be limited to family-related leaves	Definition adjustment	Yes, GRI & TEG S1-GRI14 S1-T17	Will consider addition of employee turnover Other additional DPs challenging in light of preparers' concerns	To be considered	No
5	Given that work-life balance varies by industry, then this DR would be better suited to a sector standard	Distinction to other Standards (incl. CCS)	No	Considered a sector-agnostic disclosure (confirmed by public consultation=	No action	No



6	Consistency check to the Directive on work-life balance for parents and carers (33)	Alignment with EU legislation & international frameworks	No	Other additional DPs to be considered but challenging in light of preparers' concerns	To be considered	No
7	Information required by the §69 c) may be difficult to collect	Data accessibility	Yes, GRI S1-GRI15	Will consider	To be considered	No
8	DR and AG are not coherent on careers' leave from work.	Consistency within standard	No	Will harmonize	To be adjusted	No

**Q86: Please, rate to what extent do you think S1-14 - Fair remuneration – A-I**

General Comments: ISSB – Digitalization – Digital Tagging – SFDR – EU Alignment – Country-by-Country

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>CSRD does not include wages or benchmarks to detect fair/ decent/ adequate/minimum/ living wage, and thresholds for setting minimum wages such as in AG 141 are not covered Art. 153 (1) (b) TFEU ("working conditions") but fall under the competence-based exception of Art. 153 (5) TFEU ("pay").</li> <li>"Adequate wage" (CSRD) or "equal pay" (proposal 2021/0050) should be used instead of "fair wage"</li> </ul>	Alignment with CSRD	No	S1 was developed based on a thorough review of the CSRD, including the social matters explicitly mentioned and legislation and initiatives referenced, and is based on these. S1-14 refers specifically to the 'fair wage', which is contained in the European Pillar of Social Rights; the term 'living wage' is used only to reference its common use as a synonym for 'fair wage'.	To be discussed	No



				Granularity to be considered in the context of discussions on user need and granularity and simplification.		
2	Benchmark for comparison of the lowest wage should be agreed annually by EU per UN-country	KPI adjustment	Yes, TEG S1-TEG18	Ideally an official wage indicator would be generated per country	No action	No
3	Difficult for MNEs to calculate the fair wage per country (para 72) as payroll data is not part of ERP, local payroll laws are different or outsourced	Data accessibility	Yes S1-G12(C)	Considering restructuring the DR to ask if lowest wage is below the fair wage but not % of workers below fair wage, also phase in for non-employee workers	To be considered	No
4	<ul style="list-style-type: none"> <li>Wage shall provide an adequate compensation for work performed and not be confused with the role of minimum income</li> <li>Different definition of stakeholders (e.g., trade unions vs mgmt.) could lead to debates</li> </ul>	Definition adjustment	<ul style="list-style-type: none"> <li>No</li> <li>No</li> </ul>	Fair wage a human right, also official EU definition (Minimum Wage Directive)	No action	No
5	DR should be sector specific as the definition of a "fair remuneration" remains unclear and can differ between countries and sectors	Include sector-specific standards	Yes, TEG S1-TEG18	Definition is clear for EU/EEA, company free to choose methodology for non-EEA	No action	No
6	DR is not relevant in some jurisdictions (e.g., France) which already regulate fair remuneration	Relevance or removal of DR	Yes, TEG S1-TEG18	Undertakings can simply report that they pay a fair wage in that case	No action	No
8	Difficult for undertakings to obtain the data requested in AG 143 on non-employee workers for data protection reasons	Confidentiality concerns	No	Undertakings should be in a position to determine if they are paying self-employed a fair wage and ask	No action	No



				temporary agencies if they are paying their workers a fair wage		
9	<ul style="list-style-type: none"> <li>DR is questionable since this DR is very simplified</li> <li>Data breakdown should be extended and include a breakdown by gender</li> </ul>	Disaggregation of disclosure requirement	No	The point is to disclose if the lowest wage is below the fair wage	No action	No
10	Wording is not used consistent, both "wage" and "remuneration" are used and the latter is not in the defined terms	Consistency within standards	Yes, GRI S1-GRI16	Will be changed to wage	To be adjusted	No
11	Methodology in AG 142-143 is too complex, especially for non-employee workers, due to this it should be considered to be phased in or limited to undertakings with global footprint	Phasing-in / prioritization	No	Will consider phasing in	To be adjusted	No
12	Need to perform per country leading to questionable cost benefit	Questionable cost-benefit ratio	Yes, TEG S1-TEG18	If an undertaking pays at least the fair wage everywhere it can simply report that	No action	No
13	Methodologies harmonization by sector as it will be difficult for investors to report on	Methodology adjustment / specification	Yes, TEG S1-TEG18	EU legislation defines a clear norm for EU/EEA, can use a data source with the same methodology for the rest	No action	No

**Q87: Please, rate to what extent do you think S1-15 - Social security eligibility coverage – A-I**

General Comments: Digitalization – Digital Guidance – SFDR – EU Alignment – Digital Tagging – ISSB – GRI



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>National social security systems' unoperability and comparability.</li> </ul>	Comparability issues due to differences in national definitions	No	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No
2	<ul style="list-style-type: none"> <li>For part E: S1-15 : International Social Security's synopsis requirement.</li> </ul>	Confidentiality concerns	No	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No
3	<ul style="list-style-type: none"> <li>Disaggregating data is important to support closing the gender gap.</li> <li>AG 144 suggests rephrasing</li> </ul>	Methodology adjustment / specification	Yes, GRI S1-GRI17	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No
4	<ul style="list-style-type: none"> <li>Data collection complexity, related to the DR requirement.</li> </ul>	Definition adjustment & Reduce complexity	Yes, GRI S1-GRI17	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No
5	<ul style="list-style-type: none"> <li>Paragraph 78 has redundancy with paragraph 77.</li> </ul>	Distinction to other Standards (incl. CCS)	No	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No





6	<ul style="list-style-type: none"> <li>The ISSB / SASB standards focus on financial materiality and therefore have a different starting point than the CSRD/ESRS.I. It will be essential to ensure an aligned use of terminology so that tagging of key words will be enabled and used in the digital reporting taxonomy.</li> </ul>	Alignment with EU-legislation Consistency with ISSB	No	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No
7	<ul style="list-style-type: none"> <li>E. Questionable if the required information is fully in the scope of influence of the reporting undertaking and if the undertaking is able to get access to the required information.</li> </ul>	Data accessibility	No	Am considering combining with S1-20 with focus on minimum level of social security	To be considered	No

**Q88: Please, rate to what extent do you think S1-16 - Pay gap between women and men – A-I**  
General Comments: EU Alignment – ISSB – Digitalization – Key words – Digital Guidance – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>DR misleading due to potential to conceal equal pay for equal work</li> <li>Suggestion that total remuneration per male and female FTE is more accurate KPI</li> <li>Adding % of women in higher positions</li> </ul>	KPI adjustment	Yes, GRI S1-GRI18	This is aligned with SFDR requirement. Disaggregation to be considered	To be considered	No
2	<ul style="list-style-type: none"> <li>Overlapping reporting with transparency directive, should ensure alignment</li> </ul>	Alignment with EU-legislation (excl. CSRD, SFDR, CSDDD)	No	This is aligned with SFDR requirement.	To be considered	No



	<ul style="list-style-type: none"> <li>• Ill-reflected presentation due to external reasons, therefore no relevance for DR</li> <li>• Align reporting with Pay Transparency Directive article 8 a-g</li> </ul>			Disaggregation to be considered		
3	<ul style="list-style-type: none"> <li>• Suggestion to split DR between full and part-time employees and different job functions</li> <li>• More granular data should be used in calculation of DR, e.g. by employee/workers category and country which will support closing the gender pay gap.</li> <li>• Disaggregation of disclosure requirement</li> </ul>	Disaggregation of disclosure requirement	No	This is aligned with SFDR requirement. Disaggregation to be considered	To be considered	No
4	<ul style="list-style-type: none"> <li>▪ Breakdown by category of employees</li> </ul>	Digitization requirements	No	This is aligned with SFDR requirement. Disaggregation to be considered	To be considered	No
5	<ul style="list-style-type: none"> <li>▪ AG 146 (i.e. type of work &amp; country) should be considered in calculation (AG 146 says shall not may so mandatory)</li> <li>▪ Include mention of tool for intra-company pay gap analysis and/or methodology for analysis</li> </ul>	Methodology adjustment / specification	No	This is aligned with SFDR requirement. Disaggregation to be considered	To be considered	No

**Q89: Please, rate to what extent do you think S1-17 – Annual total compensation ratio – A-I**



General Comments: CSDR – ISSB – Digitalization – Digital Guidance – EU Alignment – Digital Tagging – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>S1-17 (b) too complicated - suggest simple percentage instead</li> <li>Calculation of executive compensation is complex</li> </ul>	Reduce complexity	No	This is an SFDR requirement and aligned with GRI DR	No action	No
2	<ul style="list-style-type: none"> <li>Breakdown by jurisdiction</li> <li>More granular reporting (e.g. fix vs variable remuneration)</li> </ul>	Disaggregation of disclosure requirement	No	This is an SFDR requirement and aligned with GRI DR	No action	No
3	<ul style="list-style-type: none"> <li>Merge and link to S1-14 (Fair remuneration)</li> </ul>	Merge DRs	No	This is an SFDR requirement and aligned with GRI DR	No action	No
4	<ul style="list-style-type: none"> <li>Compensation policies not defined within EU and strong sectorial differences (see AG)</li> </ul>	Comparability issues due to differences in national definitions	Yes – TEG S1-T21	This is an SFDR requirement and aligned with GRI DR	No action	No
5	<ul style="list-style-type: none"> <li>Prioritize part of DR which is aligned with SFDR</li> </ul>	Phasing-in / prioritization	No	This is an SFDR requirement and aligned with GRI DR	No action	No
6	<ul style="list-style-type: none"> <li>Calculation of executive compensation is complex</li> <li>More details on method for calculations</li> <li>Clarify that remuneration of BoD and MD are also included in the</li> </ul>	Methodology adjustment / specification	No	This is an SFDR requirement and aligned with GRI DR	No action	No



	<p>calculation (highest paid should be excluded)</p> <ul style="list-style-type: none"> <li>Choice of scope in financial document but not in ESRS</li> <li>Methodology should be harmonised</li> </ul>					
7	<ul style="list-style-type: none"> <li>Unclear why workers are excluded (non-employees) and recommend to align with other DR in S1</li> <li>Para 82 and 83 are not aligned as the first does not consider over time evolution</li> </ul>	Consistency within standards	No	This is an SFDR requirement and aligned with GRI DR	No action	No
8	<ul style="list-style-type: none"> <li>Missing definition of how to determine highest paid is missing in DR and AG</li> </ul>	Definition adjustment	No	This is an SFDR requirement and aligned with GRI DR	No action	No
9	<ul style="list-style-type: none"> <li>For G1-6 include DR (could be phased-in as optional) on how ESG criteria is included in remuneration</li> </ul>	Consistency with other standards	No	This is an SFDR requirement and aligned with GRI DR	No action	No
10	<ul style="list-style-type: none"> <li>Require reporting for past three years</li> <li>Policy in place should be included in DR</li> </ul>	KPI adjustment	No	This is an SFDR requirement and aligned with GRI DR	No action	No
11	<ul style="list-style-type: none"> <li>Choice of scope in financial document but not in ESRS</li> </ul>	Relevance or removal of DR	No	This is an SFDR requirement and aligned with GRI DR	No action	No



**Q90: Please, rate to what extent do you think S1-18 – Discrimination incidents related to equal opportunities – A-I**

General Comments: ISSB – Digitalization – GRI – SFDR – EU Alignment – Digital Tagging

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Reporting scope should be limited to significant cases</li> <li>Para 88b – reporting level should be clearer (e.g., site, subsidiary, corporate)</li> </ul>	Definition adjustment	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
2	<ul style="list-style-type: none"> <li>Description of complaint or grievance mechanism should be provided through deep links unless there has been significant changes</li> <li>Wording of AG 150 should be more neutral</li> </ul>	Rephrasing required	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
3	Difficult to provide assurance in terms of completeness	Difficulties in auditing & verifying the disclosures	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
4	<ul style="list-style-type: none"> <li>Reporting total number of incidents could be problematic, as cases can be under investigation or subject to court action and reported incidents does not equate to cases where actions are taken</li> <li>KPI for substantiated vs unsubstantiated cases should be added</li> </ul>	KPI adjustment	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No



	<ul style="list-style-type: none"> <li>• DR is too extensive and should be limited to significant or proven cases</li> <li>• Qualitative DR more relevant as the number of incidents does not reflect any performance of the discrimination policy</li> <li>• More relevant to require undertaking to report on its information system to track incidents than provide information on incidents that are resolved</li> <li>• Complicated KPI with transparency issues for corporates</li> </ul>					
5	GDPR issues, it is often prohibited to ask employees for this type of information	Alignment with GDPR	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
6	Compliance difficult depending on different definitions in national laws, e.g., not allowed to retain certain data such as sexual harassment in India	Comparability issues due to differences in national definitions	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
7	Clarify contextual information that a financial market participants should review related to SFDR indicator (i.e. incidents of discrimination)	Guidance for reporting	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
8	Para 87 should be in App. B – more of description than requirement	Relocate specific paragraph(s) to the Appendix	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
9	Para 88c should be simplified - only treatment of confirmed case	Reduce complexity	No	Merging with S1-21 and clarification of DR	To be considered	No



				and AG under consideration		
10	Para 89 is not relevant and difficult to collect as many complaints are managed at local level	Relevance or removal of DR	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
11	<ul style="list-style-type: none"> <li>Conflicting information in para 88b and AG 150</li> <li>The disclosure requirements are repetitive with DR S1-4 4 and DR S1 -21</li> </ul>	Consistency within standards	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
12	Certain data is sensitive and should be limited for public disclosure	Confidentiality concerns	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No
13	Deprioritize granular reporting and keep reporting obligations on a general level	Phasing-in / prioritization	No	Merging with S1-21 and clarification of DR and AG under consideration	To be considered	No

**Q91: Please, rate to what extent do you think S1-19 - Employment of persons with disabilities – A-I**

General Comments: Country-by-Country – ISSB- Digitalization – SFDR – EU Alignment – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Reporting scope should be reconsidered: various definitions</li> </ul>	Distinction to other Standards (incl. CCS)	Yes, TEG S1-T23	Enhancement of DR to cover more diversity	To be discussed	No



	<p>across national law, privacy and legal issues obtaining this kind of information</p> <ul style="list-style-type: none"> <li>▪ Reporting requirements should be reconsidered and focus on policies to remove barriers instead of publishing data breakdowns with less added value</li> <li>▪ Reporting requirements should be reconsidered and focus on policies on how to fulfill legal objectives.</li> </ul>			issues under consideration		
2	<ul style="list-style-type: none"> <li>▪ KPI should be reconsidered as a whole: added value of information questionable without contextual information and a country-by-country analysis</li> <li>▪ Reporting on KPI with data privacy risks</li> <li>▪ Include section on inclusive profile of the workforce</li> </ul>	KPI adjustment	Yes, TEG S1-T23	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
3	<ul style="list-style-type: none"> <li>▪ KPI should be reconsidered as a whole: added value of information questionable without contextual information and a country-by-country analysis</li> </ul>	Adapt country-by-country basis	Yes, TEG S1-T23	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No





4	<ul style="list-style-type: none"> <li>Reporting requirements should be reconsidered, as there might be data protection issues concerning the KPIs</li> </ul>	Confidentiality concerns	Yes, TEG S1-T23	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
5	<ul style="list-style-type: none"> <li>Reporting scope should target information about policies implemented to remove barriers for persons with disabilities</li> </ul>	Materiality of content / DR	No	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
6	<ul style="list-style-type: none"> <li>Specify calculation methodology in AG51</li> </ul>	Methodology adjustment / specification	No	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
7	<ul style="list-style-type: none"> <li>Remove requirement of gender breakdown, as it is irrelevant in this case</li> </ul>	Methodology adjustment / specification	No	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
8	<ul style="list-style-type: none"> <li>Improve definition of key concepts for better comparability</li> <li>Coordinate in order to obtain a common definition of persons with disabilities</li> </ul>	Definition adjustment	No	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No
9	<ul style="list-style-type: none"> <li>Reporting requirements should be reconsidered and focus on policies to remove barriers instead of publishing data breakdowns with less added value</li> </ul>	Comparability issues due to differences in national definitions	No	Enhancement of DR to cover more diversity issues under consideration	To be discussed	No



	<ul style="list-style-type: none"> <li>Coordinate in order to obtain a common definition of persons with disabilities</li> </ul>					
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**Q92: Please, rate to what extent do you think S1-20 - Differences in the provision of benefits to employees with different employment contract types – A-I**

General Comments: CSDR – ISSB – Digitalization – SFDR – EU Alignment – GRI – Digital Tagging

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	Comparability can be difficult due to differences in EU/national legislative and/or collective bargaining frameworks	Comparability issues due to differences in national definitions	Yes, TEG S1-T24	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
2	Scope of information is too broad, granular information required may lead to information overload	Reduce complexity	Yes, TEG S1-T24	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
3	Significant employment should be defined as it is subject to interpretation and could reduce comparability	Definition adjustment	No	This is defined in AG 153 (at least 50 employees)	No action	No
4	DR neglect employees' ability to negotiate on their own, e.g., reduce working ours	Rephrasing required	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No



5	An alternative concept would be to require entities to report on differences of treatment of full- and part-time employees	KPI adjustment	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
6	Complexity in collecting data	Data accessibility	Yes, TEG S1-T24	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
7	Difficult to provide assurance	Difficulties in auditing & verifying the disclosures	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
8	Merge with S1-1 to focus policy rather than performance KPI	Merge DRs	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
9	Move para 96 to AG – scope requirement rather than DR	Relocate specific paragraph(s) to AG	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
10	Redefine reporting threshold, currently too low	Threshold of employees	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
11	To be relevant narrative entity specific information is required which increase the administrative burden and difficulties to compare	Relevance or removal of DR	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No



12	Should not be prioritized	Phasing-in / prioritization	No	Am considering combining with S1-15 with focus on minimum level of social security	To be considered	No
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**Q93: Please, rate to what extent do you think S1-21 - Grievances and complaints related to other work-related rights – A-I**

General Comments: CSDR – ISSB – Digitalization – Digital guidance – SFDR – EU Alignment – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>▪ General metrics used should be reconsidered, as they lack relevance and contextual information needed for interpretation</li> <li>▪ Should be reconsider as the AR is too dependent on sectors and countries</li> </ul>	KPI adjustment	Yes, GRI S1-GRI23	Merging with S1-18 and streamlining under consideration	To be considered	No
2	<ul style="list-style-type: none"> <li>▪ Disclosure requirements of Para 100 need to be limited to significant cases</li> <li>▪ Reporting scope should be reconsidered: not only report on number of complaint via OECD NCPs, but also any other external party</li> <li>▪ De-prioritize topic and keep reporting requirements on a more general level</li> </ul>	Distinction to other Standards (incl. CCS)	No	Merging with S1-18 and streamlining under consideration	To be considered	No



	<ul style="list-style-type: none"> <li>Reconsider the limitations of reporting requirements and adapt a more process-oriented approach</li> </ul>					
3	<ul style="list-style-type: none"> <li>Reconsideration in context with other reporting requirements necessary, as there are disparities with S1-18 and S1-21 100b</li> <li>Adapt a comparable requirement in ESRS S2</li> <li>Reduce required data granularity</li> </ul>	Consistency with other standards	No	Merging with S1-18 and streamlining under consideration	To be considered	No
4	<ul style="list-style-type: none"> <li>Including National Contact Points of the OECD is questionable at best</li> <li>Alternative concept should be adapted: description of whistleblowing procedures, incl. relevant KPIs, etc.</li> <li>Reconsider the limitations of reporting requirements and adapt a more process-oriented approach</li> </ul>	Revising general structure and concepts within the standard	No	Merging with S1-18 and streamlining under consideration	To be considered	No
5	<ul style="list-style-type: none"> <li>Most comments refer to comments and preliminary notes on other questions</li> <li>CLN addition: E-F-G: Reference does not seem to be right as Q70 is related to E, Q73 which provides feedback only related to S1-1 and include reference to Q47 for other feedback but that is empty. Q73 states that cost-benefit analysis is needed</li> </ul>	N/A	No	Merging with S1-18 and streamlining under consideration	To be considered	No



6	<ul style="list-style-type: none"> <li>Specify definitions of key concepts (e. g. other work-related rights)</li> </ul>	Definition adjustment	No	Merging with S1-18 and streamlining under consideration	To be considered	No
7	<ul style="list-style-type: none"> <li>Merge DR with ESRS G2-2a, c and d or include cross-references</li> </ul>	Merge DRs	No	Merging with S1-18 and streamlining under consideration	To be considered	No
8	<ul style="list-style-type: none"> <li>Resolve redundancies with S1-3 Para 28 and S1-18 Para 88a</li> </ul>	Consistency within standards	No	Merging with S1-18 and streamlining under consideration	To be considered	No
9	<ul style="list-style-type: none"> <li>Limit reporting to a level where no sensitive information will be made public</li> </ul>	Confidentiality concerns	No	Merging with S1-18 and streamlining under consideration	To be considered	No

**Q94: Please, rate to what extent do you think S1-22 - Collective bargaining coverage– A-I**

General Comments: Country-by-Country – ISSB – Digitalization – Key words – Digital Guidance – EU Alignment – GRI

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Not clear how companies applying collective bargaining agreements to organise their labour relations but not are legally bound to them are in scope for DR</li> </ul>	Guidance for reporting	No	This is a well-established mature DR in wide use internationally	No action	No



2	<ul style="list-style-type: none"> <li>▪ Preferential treatment of collective bargaining can contradict constitutionally guaranteed negative freedom of associations in some countries</li> <li>▪ Difficult to interpret relevance of low or high rate without knowing country-split and specific scope of agreements in place as in some countries employment terms and working conditions (e.g. vacation, parental leave, social benefits) is regulated by law to higher degree than other</li> </ul>	Comparability issues due to differences in national definitions	No	This is a well-established mature DR in wide use internationally	No action	No
3	<ul style="list-style-type: none"> <li>▪ Threshold for significant employees too low (i.e. at least 50)</li> <li>▪ Threshold for significant employees too low (i.e. at least 50). Suggest to have a proportionality for reporting threshold instead</li> </ul>	Threshold of employees	No	Country by country reporting is key to understanding collective bargaining. 50 is proposed to strike a balance with preparers' concerns	No action	No
4	<ul style="list-style-type: none"> <li>▪ Difficult to interpret relevance of low or high rate without knowing country-split and specific scope of agreements in place as in some countries employment terms and working conditions (e.g. vacation, parental leave, social benefits) is regulated by law to higher degree than other</li> <li>▪ Undertakings should also report on countries (above threshold) where</li> </ul>	Adapt country-by-country basis	No	Intent is to identify in which countries there is an issue with collective bargaining	No action	No



	collective bargain agreements are not mandatory					
5	<ul style="list-style-type: none"> <li>Difficult to determine "influenced" in 103 (c) and thereby provide assurance on</li> </ul>	Methodology adjustment / specification	No	This is a well-established mature DR in wide use internationally	No action	No
6	<ul style="list-style-type: none"> <li>Difficult to determine "influenced" in 103 (c) and thereby provide assurance on</li> </ul>	Ensuring assurability	No	This is a well-established mature DR in wide use internationally	No action	No
7	<ul style="list-style-type: none"> <li>Possible duplication with S1-2 §25 d which require explanation of any framework agreements or other agreements with workers' representatives, and ratio could be added to S1-2</li> </ul>	Merge DRs	No	This is a well-established mature DR in wide use internationally	No action	No
8	<ul style="list-style-type: none"> <li>Reporting obligation should be on group level, unclear how companies are covered by DR which makes comparability between countries difficult and costly to gather data</li> </ul>	Rephrasing required	No	This is a well-established mature DR in wide use internationally	No action	No
9	<ul style="list-style-type: none"> <li>Reason for non-coverage should be added</li> </ul>	KPI adjustment	No	This is a well-established mature DR in wide use internationally	No action	No

**Q95: Please, rate to what extent do you think S1-23 - Work stoppages– A-I**  
General Comments: CSDR – ISSB – Digitalization – Digital Tagging – SFDR – EU Alignment – GRI





n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	Heterogenous national jurisdiction leads to risk of not obtaining data for para 107 (b) legally	Comparability issues due to differences in national definitions	No	Phasing in and simplification of this DR under consideration	To be considered	No
2	<ul style="list-style-type: none"> <li>Should be included in sector standards, as importance varies among sectors</li> <li>Extend scope to include franchised / licensed operations</li> </ul>	Distinction to other Standards (incl. CCS)	No	Phasing in and simplification of this DR under consideration	To be considered	No
3	<ul style="list-style-type: none"> <li>Contextual information required in order to interpret absolute numbers</li> <li>Reconsider reporting scope: explanations for stoppages could differ significantly (workers, unions, corporation)</li> </ul>	KPI adjustment	No	Phasing in and simplification of this DR under consideration	To be considered	No
4	Reporting requirements should be simplified: current draft is too granular	Reduce complexity	No	Phasing in and simplification of this DR under consideration	To be considered	No
5	<ul style="list-style-type: none"> <li>Para 107 (b) is excessive, very low threshold</li> <li>Para 107 (b) is too extensive given threshold which should be redefined: set a proportional threshold, as "major" can be interpreted differently depending on the entity's size</li> <li>100 persons threshold should be removed, i.e., all strikes should be reported</li> </ul>	Threshold of employees	No	Phasing in and simplification of this DR under consideration	To be considered	No



	<ul style="list-style-type: none"> <li>The 100 employee thresholds should be harmonized instead of reporting stoppages as a percentage in days and minutes</li> </ul>					
6	<ul style="list-style-type: none"> <li>Reconsider the definition scope: exclude non-employees</li> <li>Redefine methodology: work stoppages should be reported proportionally or by production site</li> <li>Reconsider methodology concerning required units</li> </ul>	Methodology adjustment / specification	No	Phasing in and simplification of this DR under consideration	To be considered	No
7	Reconsider definitions of key concepts (e. g. stoppages, blockages)	Definition adjustment	No	Phasing in and simplification of this DR under consideration	To be considered	No

**Q96: Please, rate to what extent do you think S1-24 - Social dialogue – A-I**

General Comments: ISSB – Digitalization – Key words – EU Alignment – GRI – Country-by-Country

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Reconsider reporting scope: due to heterogenous national legislation, collecting such data is illegal in some countries</li> </ul>	Comparability issues due to differences in national definitions & Confidentiality concerns	No	Eurofound has gathered this data at the national level for decades,	No action	No



				no issue with data gathering observed		
2	<ul style="list-style-type: none"> <li>Reconsider reporting scope: granularity could lead to difficulties for companies with large number of subsidiaries</li> </ul>	Reduce complexity	No	Under consideration	To be considered	No
3	<ul style="list-style-type: none"> <li>Reconsider reporting focus: extend to aspects that go beyond local legislative requirements and regulatory actions</li> <li>Integrate KPIs to measure quality of social dialogue, e.g. employee engagement and turnover rate</li> <li>Include disclosure on if a company ignores national regulations worker board level representation in violation of the law.</li> </ul>	KPI adjustment	No	Under consideration	To be considered	No
4	<ul style="list-style-type: none"> <li>Reference does not seem to be right as Q70 is related to E, Q73 which provides feedback only related to S1-1 and include reference to Q47 for other feedback but that is empty. Q73 states that cost-benefit analysis is needed</li> </ul>	Questionable cost-benefit ratio	No	Under consideration	To be considered	No
5	<ul style="list-style-type: none"> <li>Harmonization of para 110c with GR 1-9, e.g. by adding a section for “own workers”</li> </ul>	Alignment with GRI	No	Under consideration	To be considered	No
6	<ul style="list-style-type: none"> <li>110 e (ii) could be merged into S1-2 as that DR deals with process for engaging with workers</li> </ul>	Merge DRs	No	Under consideration	To be considered	No



7	<ul style="list-style-type: none"> <li>Draft Para 110 in a more neutral way / with less assumptions that undertaking applies the regulation on the topic</li> </ul>	Rephrasing required	No	Under consideration	To be considered	No
8	<ul style="list-style-type: none"> <li>Remove reporting thresholds</li> </ul>	Threshold of employees	No	Under consideration	To be considered	No
9	<ul style="list-style-type: none"> <li>Para 110d should be specified and extended concerning co-determination rights</li> </ul>	Definition adjustment	No	Under consideration	To be considered	No
10	<ul style="list-style-type: none"> <li>Disclosure requests are redundant with DR S1-1 and DR S1-22</li> </ul>	Consistency with other standards	No	These DRs address separate issues	No action	No
11	<ul style="list-style-type: none"> <li>Para 110 should be removed</li> </ul>	Relevance or removal of DR	No	Key to disclosure	No action	No

**Q97: Please, rate to what extent do you think S1-25 - Identified cases of severe human rights issues and incidents – A-I**

General Comments: EU Alignment – ISSB – Digital Tagging -

n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Reconsider definitions of key concepts in respect to local jurisdiction and inconsistencies</li> </ul>	Definition adjustment	Yes, GRI S1-GRI27	This is an SFRD requirement	No action	No



	<ul style="list-style-type: none"> <li>Review and specify definitions of major concepts in App. A to homogenize terminology between text and AG</li> <li>Specify difference between S1-25 and S1-21 and S1-18 - otherwise S1-25 is already included in S1-21 and can be merged</li> </ul>					
2	<ul style="list-style-type: none"> <li>Harmonize requirements with SFDR requirements, also concerning the required data granularity</li> <li>Prioritize DR for SFDR purposes</li> <li>Provide clarity on information in context to SFDR indicators</li> </ul>	Alignment with SFDR	No	This is an SFRD requirement	No action	No
3	<ul style="list-style-type: none"> <li>Reconsider financial materiality for determining reporting threshold</li> </ul>	Threshold of employees	No	This is an SFRD requirement	No action	No
4	<ul style="list-style-type: none"> <li>Reconsider Para 113c concerning its auditability</li> </ul>	Ensuring assurability	No	This is an SFRD requirement	No action	No
5	<ul style="list-style-type: none"> <li>Implement own disclosure section for breaches on UNGC/OECD / all pillars of UNGC (OECD breaches must be covered)</li> </ul>	Distinction to other Standards (incl. CCS)	No	This is an SFRD requirement	No action	No



	<ul style="list-style-type: none"> <li>Implement reporting requirement to differentiate between ongoing and new breaches incl. remedy actions and changes implemented</li> <li>Implement disclosure requirement covering breaches spanning across various reporting periods</li> </ul>					
6	<ul style="list-style-type: none"> <li>Make indicator mandatory</li> <li>Add requirement to report on grievance mechanism policies / cross-reference to DR S1-21</li> <li>Reconsider data scope and/or complexity, as worldwide data might be difficult to obtain</li> </ul>	KPI adjustment	No	This is an SFRD requirement	No action	No
7	<ul style="list-style-type: none"> <li>Resolve redundancy with DR S1-21</li> <li>Resolve redundance with ESRS 2 IRO2</li> <li>Resolve redundancies between Para 114a and Para 89a</li> </ul>	Merge DRs	Yes, GRI S1-GRI27	This is an SFRD requirement	No action	No

**Q98: Please, rate to what extent do you think S1-26 - Privacy at work – A-I**  
 General Comments: ISSB – Digitalization – SFDR – EU Alignment – GRI



n.	Comment	Type	Already in TEG survey/GRI alignment	EFRAG Secretariat comments	EFRAG Secretariat conclusion (*)	Issue paper needed?
1	<ul style="list-style-type: none"> <li>Reconsider underlying concept, as data requirements increase risk of leaks and cybersecurity weaknesses</li> </ul> Reporting purpose should be clarified: depending on the take, the requirements are either located in the wrong section or data requirements are too high	Revising general structure and concepts within the standard	No	Streamlining of this DR under consideration	To be considered	No
2	Data for para 118 (c) scarcely existent	Data accessibility	No	Streamlining of this DR under consideration	To be considered	No
3	Refine reporting requirements, as only changes of information security systems should be included	KPI adjustment	No	Streamlining of this DR under consideration	To be considered	No
4	Requirements of Para 118 (b) should be harmonized with GDPR requirements	Alignment with GDPR	No	Streamlining of this DR under consideration	To be considered	No
5	<ul style="list-style-type: none"> <li>DR draft should be more neutral and accurate in style</li> </ul> Harmonize DR and AG with European legislation (e. g. on privacy rights) instead of developing additional norms	Rephrasing required	No	Streamlining of this DR under consideration	To be considered	No