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Re: EFRAG's Comment Letter on the GRI's Proposed Amendments to four topical Standards on Workers' rights and protections

On behalf of EFRAG, I am writing to comment on the GRI's amendments to the four topics reflected in the Exposure Drafts on the topical standards (GRI LRBR: Labor Rights in Business Relationships; GRI FACB: Freedom of Association and Collective Bargaining; GRI CL: Child Labor; GRI FL: Forced Labor) issued by the GRI in December 2025 (the EDs).

First and foremost, we would like to acknowledge the substantial and high-quality work undertaken in enhancing the GRI Labor Standards. Every step towards better sustainability reporting at the global level has our full support, as already illustrated by the joint interoperability mapping issued in 2023 by the GRI and EFRAG and by our current efforts to enhance further interoperability.

This letter is intended to contribute to the GRI's due process, in consideration of the applicability of GRI standards to preparers that comply with ESRS, as a source of entity-specific disclosures. EFRAG's response is provided immediately following this cover letter, with general summarised comments across the four standards as well as detailed comments and responses to the EDs set out thereafter.

EFRAG notes that the consultation on the GRI standards overlapped with the timing of the finalisation of EFRAG's task to deliver technical advice on the simplification of ESRS enacted in 2023. EFRAG could start its work on the GRI standards only in January, carried out its due process in a limited timeframe and conducted limited outreach with European stakeholders through two workshops. EFRAG has also drawn on its experience in the context of the ESRS implementation support and more recently in the ESRS simplification. In this regard, we also extend our personal thanks to the GRI team for making themselves available to present the EDs to the EFRAG SRB and SR TEG in public sessions.

We would also like to thank GRI for its understanding and for allowing the submission of this comment letter past the public consultation deadline.

If you would like to discuss our comments further, please do not hesitate to contact Gemma Sanchez Danes [Gemma.SanchezDanes@EFRAG.ORG].

Yours sincerely,

Kerstin Lopatta

Chair of the EFRAG SRB

Issue Paper

EFRAG comments on GRI updates to four topical Standards on Workers' rights and protections

High level summary of the response

General insights regarding ESRS and GRI interoperability

1. EFRAG acknowledges the substantial work undertaken in enhancing the GRI Labour Standards. Every step towards better sustainability reporting at the global level has our full support, as already illustrated by the joint interoperability index issued in December 2023 by GRI and EFRAG based on the ESRS as adopted in 2023, as well as by our current efforts to enhance further interoperability.
2. We note that ESRS, as adopted in 2023, were elaborated with due consideration of the GRI disclosures existing at the time, and a high level of interoperability was achieved between the two sets of standards. Consequently, undertakings reporting under ESRS' mandatory regime can be considered as reporting 'with reference' to the GRI, as the interoperability index is a mapping tool that demonstrates such relationship. GRI topical standards are not directly applicable to undertakings in the scope of mandatory ESRS application, however they can be a source for entity-specific information under ESRS.¹
3. The draft revised ESRS share the same ambition of GRI interoperability and 'with reference' reporting as mentioned above, although we acknowledge that the joint interoperability index should be updated to reflect the changes made to ESRS once the Delegated Act has been finalised. That index should also be the communication tool that explains the differences between ESRS, which are mandatory standards, and GRI, which are voluntary standards. This includes the omissions regime under GRI or the objectives sought by the topical disclosures, as no Basis for Conclusions document accompanies the GRI exposure drafts.
4. The interoperability objective between ESRS and GRI is to seek the alignment of definitions and disclosures when the same topics are covered by both sets of standards. This is a request from the ESRS preparers that acknowledge that differences in definitions are particularly challenging (for example, workers who are not employees or workers in business relationships). And it is important to highlight that the interoperability analysis presented in this letter has been based on the draft revised ESRS. Hence, we have taken into account the insight and feedback from the first application of ESRS in Europe and the 2025 public consultations undertaken.
5. EFRAG welcomes the overall objective of the GRI's labour project to enhance the labour standards in line with a human rights-based approach and due diligence, as this is a shared foundation between the two sets and key to preserve interoperability. At the same time, it is important to consider whether the current GRI approach optimally supports the revision's objective.
6. In this context, we note that reducing complexity and ambiguity in the application of GRI Standards is critical to ensure the enhancement objectives. This should include a clear path forward from the GRI which considers necessary due process, feasibility of reporting and alignment of standards architecture with the GRI Universal Standards.

¹ <https://www.efrag.org/system/files/sites/webpublishing/Meeting%20Documents/2305101050307353/04-01%20Cover%20note%20GRI%20Interoperability%20Index%20SR%20TEG%20Meeting%205%20December%202023.pdf>

Key messages on interoperability between GRI and ESRS on the labour standards

7. Overall, we note that both GRI and ESRS standards take into account the due diligence steps that inform impact materiality reporting. The foundations for social reporting between the two sets of standards converge. However, the articulation of the disclosure differs between the two standards: in ESRS, this is ESRS 2 together with ESRS S1 and ESRS S2, whilst in GRI this is a combination of GRI 2, GRI 3, topical standards and LRBR for business relationships; such fragmentation in GRI could hinder the disclosures of due diligence.
8. We note that the four revised standards now include quantitative metrics and expand on narrative disclosures on child labour, forced labour, freedom of association, collective bargaining and labour risks in business relationships. The metrics have been developed with three levels of granularity: employees, workers who are not employees and workers in business relationships.
9. As already noted in the joint EFRAG GRI interoperability index, the definitions of workers who are not employees in the GRI and non-employees in ESRS do not align. The same differences apply to GRI workers in business relationships and the ESRS workers in the value chain. The GRI uses the concept of control of work by the reporting undertaking to differentiate between workers who are not employees but whose work is controlled by the undertaking versus those whose work is controlled by a third party (i.e. workers in business relationships), whereas ESRS have a narrower definition that is based on the contractual relation between the reporting undertaking and the person. In other words, non-employees refer to self-employed people and people provided by undertakings primarily engaged in 'employment activities' (NACE CODE O78). The lack of alignment on these key definitions poses a significant concern for ESRS reporters in terms of the substance of the people or workers to be disclosed in the metric and also the form of the disclosure (i.e. there are no standardised metrics in ESRS S2, only a handful of metrics for non-employees in ESRS S1). Clarity on this alignment would ease reporting for preparers reporting under both ESRS and GRI Standards, helping them to see the correspondence between both sets of standards should alignment not be possible.
10. Regarding workers in the value chain, it is unclear how the notion of 'business relationship' in the GRI EDs and in the revised ESRS is articulated. The revised ESRS' definition of 'business relationship' provides that these 'are not limited to direct contractual relationships'. The GRI definition provides that 'business relationship' include relationships 'with entities in its value chain including those beyond the first tier'. The LRBR scope further provides that it covers workers working for entities in the value chain 'including those beyond the first tier, who perform work for the organization'. It is unclear how 'beyond the first tier' is defined and how it interacts with the notion of 'business relationships that are not limited to direct contractual relationships' used in the revised ESRS. The same suggestion as in paragraph above applies as this is a difference that is of concern for preparers.
11. A point that we would like to explore further relates to the newly introduced LRBR standard. It is somewhat unclear how this standard fits within the GRI system of Universal Standards and topical standards (for example, child labour, forced labour). This standard covers labour rights for workers in business relationships; this is a different group of workers to the one referred to in ESRS S2 *Workers in the value chain*, as explained in the paragraph above. And it also seems to have a different scope to ESRS S2's social and human rights factors described in draft ESRS 1, Appendix 1; this is due to the GRI's proposed introduction of new terminology to differentiate labour rights from working conditions whilst such distinction is not present at ESRS level. Therefore, this difference drives diverging reporting between ESRS S1 and ESRS S2 on the one hand and the GRI on the other. Further alignment could be sought.
12. From the workshops performed, we received feedback shared by European preparers and other stakeholders. A key point relates to the lack of alignment between key definitions such as workers who are not employees and workers in business relationships or incidents. Another recurring theme relates to the potential duplication in disclosures under the GRI Universal Standards, LRBR and the topical standards of datapoints such as incidents, grievance mechanisms or exposures to high-risk areas. A suggestion that could be explored is whether some of the new disclosures in the topical standards could serve as guidance for the GRI Universal Standards and support

undertakings in their sustainability journey. Other points related to feasibility concern obtaining data beyond the first tier or the level of granularity sought in a number of disclosures.

Transversal points across the four standards

Architecture and interaction amongst GRI Standards

Interaction between GRI Universal Standards, LRBR and topical standards (i.e. CL, FL, FACB)

13. Potential overlaps of information requirements have been identified when assessing the interaction between the GRI Universal Standards and the four standards subject to review. This is the case in particular for process-based type of disclosures. Such overlaps could be identified in narrative disclosures and quantitative metrics as detailed below.
14. Regarding narrative disclosures, we have observed potential duplications between the disclosures for policies, actions, engagement with stakeholders and grievance mechanisms with the GRI US (for example, GRI 3-3, GRI 2-25 and GRI 2-29) and also with LRBR. The potential overlaps beg the question as to whether these are new requirements to be set for the social layer or new topical guidance to implement the GRI US disclosures.
15. This observation equally applies to a small number of metrics in relation to collective bargaining agreements (GRI 2-30 and FACB 3) or the list of trade associations (GRI 2-28 and FACB 7) where potential overlaps could be seen, specifically for the listing of trade associations. The suggestion in paragraph 14 above equally applies to metrics.

Articulation between LRBR and other proposed GRI standards

16. The proposed LRBR standard does take a different structure and scope compared to the rest of topical standards (i.e. CL, FL and FACB). In summary, it appears to be a transversal standard to be applied when business relationships are engaged (with the exception of those business relationships whose employees are not classified as workers who are not employees) and a labour topic is assessed as material. Practical questions arise in relation to how to assess when fulfilling this standard: is it performed by type of business relationship or by topic? Such transversal nature (or cross-cutting standard using ESRS terminology) could lead to duplication in disclosures between the requirements in LRBR and the other topical standards (for example, incidents or grievance mechanisms, which are required in all standards). In addition, clarification on how, for example, the incidents or grievance mechanism reporting should be performed between LRBR, FL/CL and, in some cases, GRI Universal Standards would be welcome.
17. Another question is whether preparers can be offered any flexibility when providing disclosures on the management system or the labour risk assessment. The management system is covered by GRI 3-3 (management of material topics) and the risk assessment forms part of the impact materiality assessment (GRI 3-1).
18. Relatedly, whilst we welcome the individual depth of the four labour-related topical standards, we also highlight the need to avoid unnecessary fragmentation or siloing of these interrelated topics. Human rights, including labour rights, are inherently interlinked and many preparers are managing these topics jointly through integrated approaches and interventions. Opportunities to allow preparers to reflect such interrelations between the topics/their management could be explored.

Interaction with the materiality assessment

19. We note that recurring disclosures regarding the 'description of the process to identify activities at higher risk of forced/child labour' (FL 3, FL 4, CL 3 and CL 4) and 'for each region, report the types of activities at a higher risk of forced labour/child labour' have been introduced in CL, FL for employees and LRBR. These disclosures provide information that would be more suitable as an input to the materiality assessment or disclosure related such process rather than in a topical standard that is only to be fulfilled when the topic has been assessed as material. We understand that these disclosures may aim at obtaining gross exposures and are process-driven. It would be helpful to clarify what role the materiality assessment of topics plays when fulfilling such disclosures.

20. Similarly, we note that the same logic applies to LRBR-2 Labour rights risk assessment; this type of disclosure could be better located within the GRI 3 Universal standards (i.e. regions and business relationships at a higher risk of incidents related to labour rights and working conditions). As a suggestion, we note that in the case of ESRS, similar datapoints (such as heightened risk geographies for child labour and forced labour) are located within the materiality assessment disclosures itself (ESRS 2 IRO-1) rather than in topical standards.

Terminology

21. We note that full alignment in definitions and concepts is critical for ESRS preparers that may report under GRI or use GRI disclosures as entity-specific disclosures. We have described below the key conceptual differences where further alignment should be sought to enhance interoperability and reduce burden for preparers.
22. **Workers who are not employees:** GRI anchors the definition of these workers on the 'control of work' concept, irrespective of contractual form.² In contrast, the ESRS definition of 'non-employee' is narrower and is not under the 'control of work' test. It is indeed limited to people with contracts with the reporting undertaking to supply labour ('self-employed people') or people provided by undertakings primarily engaged in 'employment activities' (NACE CODE O78) as per draft ESRS S1, paragraph 6. Whilst GRI comprises these two categories and also the workers whose work is controlled by the reporting undertaking. Therefore, this difference in definition drives diverging reporting between ESRS S1 and ESRS S2 and the GRI. Further alignment could be sought.
23. **Labor rights and working conditions:**³ We note that the GRI has recently introduced a differentiation between labour rights and working conditions in the revised topical standards. While both sets of standards emphasise social and human rights in the workplace and are anchored on the ILO Fundamental Principles of Rights at Work, we question the value of creating two subsets of rights at work. In the EU regulation, most of the working conditions are recognised as labour rights; such distinction would therefore not be applicable. The split of ESRS S1 and ESRS S2 sub-topics is driven by the text of the CSRD and further structured in Draft ESRS 1, Appendix A. Such distinction between labour rights and working conditions is extrapolated to some of the disclosures, such as LRBR 3, where datapoints prioritise labour rights rather than working conditions. This could create a difference with ESRS S2.
24. **Incidents:** We note that the universe of incidents covered in GRI exposure drafts is larger than the ESRS universe of human rights incidents, as the ESRS thresholds are not mirrored (for example, the definition of the human rights universe, the severity of the impacts they relate to or the fact that the incidents are to be substantiated). Preparers and users recommended standardising the definition of 'substantiated': there is a risk of data fragmentation if 'substantiated' in ESRS is interpreted only as 'legally proven,'" while GRI counts 'non-compliance found in audits"'. Aligning these definitions would enhance interoperability and allow EU preparers to use GRI metrics in these standards for entity-specific disclosures. This point was key for the preparers consulted.
25. As a result, the human rights incidents covered in ESRS could potentially be considered as included within the larger universe of incidents covered by the GRI, as long as such incidents cover the same subject matters/human rights as the GRI current exposure drafts. For LRBR in particular, this is subject to the caveat that the GRI's understanding of the scope of incidents (i.e. incidents on

² GRI Topic Standards Project for Labor Control of Work Standard , Interpretation to GRI 2 Exposure Draft: https://www.globalreporting.org/media/hcxigp3i/gri-topic-standards-for-labor_control-of-work-standard-interpretation-to-gri-2-exposure-draft.pdf

³ LRBR, para. 174: '**Labor rights** are a subset of human rights specifically related to work and the treatment of workers. They safeguard workers by ensuring the right to decent work, freedom of association and collective bargaining, freedom from discrimination, a safe and healthy working environment, and protection against child and forced labour. **Working conditions** refer to the practical aspects of a person's work – the actual environment and terms of work. For example, hours of work, remuneration and benefits'.

workers' rights and well-being as per guidance under LRBR 1) can be considered as covered in the scope of ESRS's human rights incidents. This equivalence should be confirmed pending further clarity on the scope of well-being. A suggestion could be that the GRI aligns terminology and speaks of 'human rights incidents and incidents on well-being' in LRBR to signal that 'human rights' is the point of interoperability.

26. **Child labour:** GRI defines 'child' and provides guidance in the CL Appendix for child labour, whereas ESRS defines 'child labor' with a description that is aligned with the GRI. We recommend an alignment and explicit reference to 'child labor' in the glossary rather than defining it in the Appendix of a topical standard.

Additional comments per GRI exposure draft

GRI Labor Rights in Business Relationships (LRBR)

27. Interoperability between GRI LRBR and ESRS is generally positive on foundational elements (UNGPs alignment, value chain scope, stakeholder engagement, leverage and grievance/remedy aspects) with varying levels of alignment. This is due to the different scope between workers in the value and workers in business relationships as explained above and influenced by LRBR's distinct role within the broader GRI topical standards system. LRBR functions as an overarching explicit topical standard dedicated to labour rights impacts, specifically in business relationships (value chain), complementing other social topics where disclosures on business relationships may be more implicit or integrated into general management approaches (e.g. under existing GRI standards for child labour, forced labour or freedom of association).
28. This introduces a potential new layer of explicit requirements across social topics for business relationships, emphasising due diligence, risk assessments, incident tracking and remediation in business relationships – enhancing granularity. Preparers emphasised the need for practical guidance, examples and model tools, not additional disclosures which tend to overwhelm preparers and cause confusion. We note that LRBR 3 (incidents) shows greater divergence, with the GRI's wider scope, detailed metrics (by type, affected workers, business relationships actions/terminations) and broader definitions, potentially exceeding the ESRS value chain human rights incidents, which could create operational gaps but enrich overall social impact transparency when applied modularly across related GRI social topics.
29. Our understanding is that the scope of incidents in LRBR appears not entirely consistent across LRBR, at least in terms of the wording used. Guidance under LRBR 1 provides that the incidents refer to 'a legal action or complaint registered arising from an event that has a negative impact on workers' rights and well-being'. LRBR 3, which refers to this definition provided in guidance on LRBR 1, also provides that the scope of incidents be 'incidents related to violations of labour rights and affecting workers in business relationships'. It is thus unclear whether the scope of incidents between LRBR 1 and LRBR 3 is exactly the same (i.e. workers' rights and well-being versus violations of labour rights). We understand from the guidance under LRBR 3 that it should be the case, but we question whether workers' well-being is covered as part of disclosure under LRBR 3.
30. Preparers reported that the incident reporting expectations are unrealistically detailed, given data limitations and confidentiality concerns in global supply chains. Direct engagement with workers in suppliers' facilities is often not feasible, and data expected is not easily shared among business relationships. During the public consultation, preparers and consultants proposed to consider replacing certain labour-related disclosure requirements with accompanying guidance. Providing concrete, standardised guidance would help reduce complexity, enhance comparability across reporters and support more credible and proportionate risk assessment.
31. In addition, connected to the need to clarify the architecture and interactions between current GRI exposure drafts (see the 'architecture and interaction amongst standards' section above), it is unclear to us how the disclosures on incidents in business relationships in other topical standards are to be reported when they relate to the same incident; for example, how the incidents of forced labour included in the FL 6 are articulated under 'incidents related to violations of labour rights

and affecting workers in business relationships' in LRBR 3. Indeed, forced labour is a manifestation of adverse impacts on workers' rights. It raises the question whether such incidents should be disclosed under both FL 6 and LRBR 3, which would result in duplicating most of the disclosures. As a result, clarity would be welcome regarding the articulation of both LRBR 3 and FL 6. Finally, it is unclear why LRBR includes a glossary and yet the definition of 'incidents' is not included in this glossary but instead in the guidance under LRBR 1.

32. We note that some inconsistencies appear to exist in the articulation of disclosure related to the reporting entities processes and actions as opposed to the those of the business relationships, some of which seem to hinder full alignment with the UNGPs/OECD GL and come with the risk of shifting responsibilities upwards. For example, in LRBR 1 b) the disclosure focuses on the preparing entity's engagement of workers of third parties and does not cover whether/how the reporting undertaking ensures that the third party has such engagement with its own workers. In LRBR 1 g) the duality of due diligence efforts is better reflected.

GRI Freedom of Association and Collective Bargaining (FACB)

33. In general, we recognise that the GRI's ED maintains the interoperability of Freedom of Association and Collective Bargaining with ESRS, providing the structural reporting requirements for EU-regulated entities and GRI FACB, offering more granular, topic-specific metrics. However, there is a significant difference in scope as social dialogue does not seem to be covered by GRI. In particular, Draft ESRS S1-7 contains a number of datapoints on social dialogue coverage that are not included in the FACB standard, this could raise an alignment question.
34. There is alignment on reporting collective bargaining coverage with a difference in the granularity required. Both require the percentage of employees covered, though they differ in geographic granularity (GRI focuses on regions, while ESRS use a country-specific breakdown for EEA countries and a breakdown by region for non-EEA countries). During the consultation session, users proposed that 'country' be specified at least for EEA countries, as employment thresholds at the national level are key triggers for labour rights. This would increase interoperability for EU entities and increase comparability for users, especially as 'region' is not defined in the GRI glossary.
35. The additional granularity and metrics included in GRI FACB, including breakdowns for an undertaking's own operations and business relationships, enable entities to disclose entity-specific information. For instance, undertakings can target policies toward high-risk areas, such as a particular factory or country. Elements like detailed metrics (e.g. number, type and region) and narrative datapoints on actions addressing remediation and prevention of future incidents provide areas of compatibility for dual reporters under GRI Standards and ESRS. This allows entities to report data tailored to their specific operational contexts and identified impacts.
36. Following discussions with the preparers, the following feasibility points have been raised.
 - a. FACB 1. The interpretation of the concept of good faith is subjective. Doubts were cast on the datapoint related to labour relations consultants in terms of the decision-usefulness of asking this information when it is not a requirement or shows higher maturity for the undertakings that are working with the consultants.
 - b. FACB 3. Preparers raised issues with the granularity sought in this disclosure and the decision-usefulness of the data whilst other users welcome the breakdowns.
 - c. FACB 4. As we understand it, it is not a general practice to sign individual agreements with the expectation of freedom of association with business relationships but rather to operate under a framework agreement or supplier codes of conduct.
 - d. FACB 7. Questions arose as to what the objective was sought by the metric. From an impact perspective, information about the undertakings' respect for freedom of association or lawful collective bargaining could be more relevant. It could be explored if such a metric be considered in a sector-specific context.

- e. **FACB 8.** Feedback from stakeholders suggested avoiding the introduction of an additional labour-related disclosure on trade associations, which makes it difficult to classify trade association activities meaningfully. Such arrangements are more common in social dialogue in Europe and are therefore not relevant in FACB. Adding another dimension is complex and not decision-useful in the labour relations context.
37. To further improve interoperability and comparability for EU entities and users, we recommend that the GRI consider allowing greater flexibility in terms of geographic granularity for collective bargaining coverage disclosures, such as permitting a country-level breakdown (rather than requiring regional aggregation). This supports jurisdictional comparability and aligns with user preferences expressed during the consultations, namely that priority should be given to country-level reporting, as labour rights and working conditions are highly country-specific. In addition, we suggest that the GRI explore the inclusion of social dialogue disclosures.

GRI Child Labor (CL) and Forced Labour (FL)

38. The key points that relate to CL and FL have been included as transversal points and will not be expanded in this section.
39. We would like to emphasise that conceptual alignment is noted between GRI Standards and ESRS in terms of the concept of child labour and forced labour. Differences arise in terms of the depth of the disclosures as in ESRS. There are no specific metrics for child labour or forced labour in draft ESRS S1 and ESRS 2 as incidents cover a wider universe of human rights violations (please refer to the transversal section for the feedback on the definition of incidents).
40. Whilst the structure and content of CL and FL mirror each other, we note the attempt from the GRI to include a quantitative metric on children removed from child labour. Further analysis could be conducted as to whether this is an impact metric that would be relevant and lead to appropriate action or practice in this area.
41. Preparers suggested that an alternative to requiring metrics on children to be removed (or a number of business relationships to be terminated) could be more of a narrative approach, noting that certain actions from undertakings could leave children in a worse situation.
42. Grievance mechanisms or engagement from undertakings tend to take place once, covering a number of social and human rights factors. To that extent, the question is whether it is appropriate to replicate such disclosures across the topical standards.

APPENDIX 1 – Comparative analysis of metrics

Not to be included in the public response

Metrics – Interoperability – ESRS to GRI			
GRI Topic	ESRS Revised	GRI Draft	Comments
<p>Child Labor (CL) and Forced Labor (FL)</p>	<p><i>S1-16 - Incidents of discrimination and other human rights incidents</i></p> <p>AR 40 for para. 42(a)(b) (Remedy or actions related to incidents disclosed) - (New) The way the undertaking has addressed or is addressing incidents referred to in paragraph 42(a)(b) may be cross-referenced to information disclosed in accordance with ESRS S1-3.</p> <p>42. (103(a)(c) and 104(a)(b) amended) The undertaking shall disclose:</p> <p>(a) subject to relevant privacy regulations, the number of incidents of discrimination at work on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination, including harassment, identified in the reporting period;</p> <p>(b) subject to relevant privacy regulations, the number of human rights incidents connected to its own workforce identified in the reporting period, excluding those that relate to discrimination, which are reported according to paragraph 42(a)</p>	<p><i>Child Labor</i></p> <p>CL 5 - Incidents in the organization’s activities</p> <p>5 (d) - for each region, describe actions taken or planned for each type of child labor incident, including:</p> <ul style="list-style-type: none"> i. providing for or cooperating in remediation; ii. preventing future incidents; iii. addressing the root causes; <hr style="border-top: 1px dashed #000;"/> <p><i>Forced Labor</i></p> <p>FL 5 - Incidents in the organization’s activities</p> <p>5 (d) - for each region, describe actions taken or planned for each type of child labor incident, including:</p>	<p>GRI requires more granular disclosures based on regional and incident-type mapping, and root cause.</p>

		<ul style="list-style-type: none"> i. providing for or cooperating in remediation; ii. preventing future incidents; iii. addressing the root causes; 	
<p>Freedom of Association & Collective Bargaining (FACB)</p>	<p>S1-7 – <i>Collective bargaining coverage and social dialogue</i></p> <p>23. (60 amended) The undertaking shall disclose the following information in relation to collective bargaining: (a) the percentage of its total employees covered by collective bargaining agreements; (b) in the European Economic Area (EEA), whether it has one or more collective bargaining agreements and, if so, the overall percentage of its employees covered by such agreement(s) for each country in which it has significant employment, which are the EEA countries disclosed in paragraph 19(a) above; and (c) outside the EEA, the percentage of its employees covered by collective bargaining agreements by region.</p> <p>AR 14 for para. 23(a) (Calculation collective bargaining coverage)</p> <p>AR 14. [FIRST PART] (AR 66 amended) The percentage of employees covered by collective bargaining agreements shall be calculated using the following formula, based on employee headcount:</p> $\frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$ <p>AR 14. [SECOND PART] (AR 67 amended) Employees in the undertaking’s own workforce covered by collective bargaining agreements are those individuals to whom the undertaking is obliged to apply the agreement. This means that if none of the employees are covered by a collective bargaining agreement, the percentage reported is zero. Any employee in the undertaking’s own workforce covered by more than one collective bargaining agreement shall only be counted once.</p>	<p>FACB 3 - <i>Collective bargaining agreements coverage</i></p> <p>3 (a). report the number and percentage of employees covered by collective bargaining agreements by:</p> <ul style="list-style-type: none"> i. gender and region; ii. employee category and region; iii. employee type and region; 	<p>GRI requires more granularity by requiring disclosures on the breakdown of gender, employee category and type (per region).</p>

<p>Freedom of Association & Collective Bargaining (FACB)</p>	<p>S1-7 – Collective bargaining coverage and social dialogue</p> <p>24. (63 amended) The undertaking shall disclose the following information in relation to social dialogue for EEA countries: (a) the percentage of employees covered by workers’ representatives, reported at the country level for each EEA country in which the undertaking has significant employment, as calculated in accordance with paragraph 23(b) above;</p> <p>AR 15 for paras. 23 and 24 (Presentation table – collective bargaining coverage) - (AR 70 amended) The undertaking shall present the information in a narrative format or using the table below. Table 1. Reporting template for collective bargaining coverage and social dialogue</p> <p>AR 16 for para. 24(a) (Calculation social dialogue coverage) (AR 69 amended) For calculating the information required by paragraph 24(a), the undertaking shall identify in which EEA countries it has significant employment. For each of these countries, it shall report the percentage of employees which are employed in establishments in which employees are represented by workers’ representatives. ‘Establishment’ is defined as any place of operations where the undertaking carries out a non-transitory economic activity with human means and goods. Examples include a factory, a branch of a retail chain or an undertaking’s headquarters. For countries in which there is only one establishment, the percentage reported shall be either 100 or 0.</p> $\frac{\text{Number of employees working in establishments with workers' representatives}}{\text{Number of employee}} \times 100$	<p><i>N/A - Social Dialogue not included in GRI - FACB Topic</i></p>	<p>Social Dialogue is included in ESRS only, and not included in GRI – FACB topic</p>
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<p>Labor Rights in Business Relationships (LRBR)</p>	<p>S2-3 – Actions and resources related to workers in the value chain</p> <p>18. (36 amended) For the sub-topics assessed as material for this Standard, subject to the relevant privacy regulation, the undertaking shall disclose human rights incidents connected to workers in the value chain identified in the reporting period.</p> <p>AR 8 for para. 18 (Human rights incidents)</p> <p>(New) The undertaking is not expected to disclose a list of each human rights incident, and may aggregate the information provided, such as by relevant types of incidents and/or workers in the value chain affected.</p> <p>AR 9 for para. 18 (Cross-referencing)</p> <p>(New) If the undertaking considers that changes in human rights incidents are relevant for understanding the effectiveness and availability of channels to raise concerns or needs, including grievance mechanisms, it may cross-reference paragraph 18 and paragraph 14. (New) The way the undertaking has addressed or is addressing human rights incidents may be cross-referenced to information disclosed in accordance with paragraph 17.</p>	<p>LRBR 3 – Incidents related to violations of labor rights</p> <p>3 (d). d. for each region, report the total number of business relationships where incidents related to violations of labor rights and working conditions have been identified, and report:</p> <p>i. the total number and percentage of business relationships where actions were taken to address the incidents;</p> <p>ii. the total number and percentage of business relationships terminated due to the incidents, with reasons why;</p>	<p>GRI requires additional granularity related to incidents and has a different definition of incidents. LRBR 3(d) requires the total number and % (by region) of incidents, actions taken to address the incidents, and business relationships terminated.</p>
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