



LOG OF AMENDMENTS

ESRS S1

OWN WORKFORCE



JULY 2025

 EFRAG

Log of Amendments by Standard - ESRS S1 *Own workforce*

Annex to the Basis for Conclusions – Illustration of the Amendments

Disclaimer: The Log of Amendments by Standard accompanies but is not part of the ESRS Amendments Exposure Drafts. It complements and should be read in conjunction with Chapter 7 of the Basis for Conclusions (BFC), where a summarised description of the main changes to individual Standards can be found. It does not reflect the position of the European Union or the European Commission DG Financial Stability, Financial Services and Capital Markets Union (DG FISMA).

Introduction

1. **This document complements and should be read in conjunction with Chapter 7 of the Basis for Conclusions (BFC) where a summarised description of the main changes to individual Standards can be found.**
2. This document illustrates the Amendments at paragraph level in Amended ESRS S1 *Own workforce*.
3. The starting point is the text of the 2023 Delegated Act, with each paragraph listed and numbered in Column 1.
4. A markup of amendments is provided in Column 2 including text added or removed. Text added has been underlined in Column 2. Text deleted is marked as strikethrough (~~strikethrough~~) in Column 2. Where text is unchanged this is also included (no change to text) including where there is no change to the DR.
5. The last column includes an explanation of changes made to the DR (or Chapter for ESRS S1) using the following terminology: Amended, Unchanged, Merged, New or Deleted and moved to NMIG (where text has been deleted from mandatory content, but it is presented as illustration in NMIG).
6. The last column also includes additional explanations and rationale for changes useful to gain an understanding of why text or DRs have been amended.

Objective		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	Comment/Rationale
	<p>1. When reporting in accordance with the ESRS, the sustainability statement shall cover information in relation to [Draft] Amended ESRS S1 Own workforce when this topic relates to material impacts, risks and opportunities. The disclosure on the material impacts, risks and opportunities is expected to cover policies, actions and targets (if in place), dependencies when relevant, metrics and financial effects.</p>	<p>Amended</p> <p>Consolidation of former [1] (a) to (d)</p>
<p>1. The objective of this Standard is to specify disclosure requirements which will enable users of the sustainability statement to understand the undertaking's material impacts on its own workforce, as well as related material risks and opportunities, including:</p>	<p>2. 1. The objective of this Standard is to specify Disclosure Requirements ('DRs') in relation to the items of information mentioned in paragraph 1 that are not covered in [Draft] Amended ESRS 2. It is also to which will enable users of the sustainability statement to an understanding the undertaking's material impacts on its own workforce, as well as related material risks and opportunities, including: of the extent to which the undertaking aligns or complies with international and European human rights instruments and conventions, including the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and ILO fundamental conventions, the UN Convention on Persons with Disabilities, the European Convention of Human Rights, the revised European Social Charter, the Charter of Fundamental Rights of the European Union ('EU'), the EU policy priorities as set out by the European Pillar of Social Rights, and EU legislation, including the EU labour law acquis.</p>	<p>Merged</p> <p>Merger of part of former [1] and [7] below in the objective as part of the EFRAG decision on simplified wording.</p>
<p>(a) how the undertaking affects its own workforce, in terms of material positive and negative actual or potential impacts;</p>	<p>(a) how the undertaking affects its own workforce, in terms of material positive and negative actual or potential impacts;</p>	<p>Moved</p> <p>Moved to new [1]</p> <p>Consolidation of former [1] (a) to (d)</p>

(b) any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential negative impacts, and to address risks and opportunities;	(b) any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential negative impacts, and to address risks and opportunities;	Moved Moved to new [1] Consolidation of former [1] (a) to (d)
(c) the nature, type and extent of the undertaking's material risks and opportunities related to its impacts and dependencies on its own workforce, and how the undertaking manages them; and	(c) the nature, type and extent of the undertaking's material risks and opportunities related to its impacts and dependencies on its own workforce, and how the undertaking manages them; and	Moved Moved to new [1] Consolidation of former [1] (a) to (d)
(d) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on its own workforce.	(d) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on its own workforce.	Moved Moved to new [1] Consolidation of former [1] (a) to (d)
	<u>3. When only one of the sub-topics covered by this Standard is material, the undertaking shall report only on that sub-topic. This does not apply to DRs S1-5, S1-6 and S1-16, which shall be applied whenever an undertaking concludes that own workforce is a material topic.</u>	New Clarification regarding double materiality introduced.
2. In order to meet the objective, this Standard also requires an explanation of the general approach the undertaking takes to identify and manage any material actual and potential impacts on its own workforce in relation to the following social, including human rights, factors or matters:	4. 2. In order to meet the objective, This Standard also requires an explanation of the general approach the undertaking takes to identify and manage its material actual and potential impacts on its own workforce in relation to the following social, including human rights, factors or matters: sets out DRs related to own workforce and, in particular, with respect to the following sub-topics:	Amended Wording aligned with changes in ESRS 1 Appendix A
(a) working conditions, including: i. secure employment;	(a) working conditions (adequate wages, work-life balance, working time, secure employment, social protection), including: i. secure employment;	Amended

<ul style="list-style-type: none"> ii. working time; iii. adequate wages; iv. social dialogue; v. freedom of association, the existence of works councils and the information, consultation and participation rights of workers; vi. collective bargaining, including the rate of the undertaking's workforce covered by collective agreements; vii. work-life balance; and viii. health and safety. 	<ul style="list-style-type: none"> ii. working time; iii. adequate wages; iv. social dialogue; v. freedom of association, the existence of works councils and the information, consultation and participation rights of workers; vi. collective bargaining, including the rate of the undertaking's workforce covered by collective agreements; vii. work-life balance; and viii. health and safety. 	Wording aligned with changes in ESRS 1 Appendix A.
<p>(b) equal treatment and opportunities for all, including:</p> <ul style="list-style-type: none"> i. gender equality and equal pay for work of equal value; ii. training and skills development; iii. employment and inclusion of persons with disabilities; iv. measures against violence and harassment in the workplace; and v. diversity. 	<p>(b) <u>social dialogue, freedom of association, works councils, participation rights of workers and collective bargaining</u> equal treatment and opportunities for all, including:</p> <ul style="list-style-type: none"> i. gender equality and equal pay for work of equal value; ii. training and skills development; iii. employment and inclusion of persons with disabilities; iv. measures against violence and harassment in the workplace; and v. diversity. 	<p>Amended</p> <p>Wording aligned with changes in ESRS 1 Appendix A.</p>
<p>(c) other work-related rights, including those that relate to:</p> <ul style="list-style-type: none"> i. child labour; ii. forced labour; iii. adequate housing; and iv. privacy. 	<p>(c) <u>health and safety</u> other work-related rights, including those that relate to:</p> <ul style="list-style-type: none"> i. child labour; ii. forced labour; iii. adequate housing; and iv. privacy. 	<p>Amended</p> <p>Wording aligned with changes in ESRS 1 Appendix A.</p>
	<p>(d) <u>training and skills development</u></p>	<p>Amended</p>

		Wording aligned with changes in ESRS 1 Appendix A.
	<u>(e) diversity and equal treatment (gender equality, equal pay for equal work, employment and inclusion of people with disabilities, non-discrimination, anti-harassment); and</u>	Amended Wording aligned with changes in ESRS 1 Appendix A.
	<u>(f) other labour related human rights (child labour, forced labour, privacy and adequate housing).</u>	Amended Wording aligned with changes in ESRS 1 Appendix A.
	<u>5. The undertaking shall apply the provisions of [Draft] Amended ESRS 2, paragraphs 30 to 33, and GDR- P, GDR-A, GDR-T and GDR-M. In particular:</u>	Amended General principle of ESRS 2 emphasised.
	<u>(a) If the undertaking has not adopted policies, actions or targets with regard to a topic related to material impacts, risks and opportunities, it shall disclose this fact; and</u>	Amended General principle of ESRS 2 emphasised.
	<u>(b) The undertaking may present the description of its material impacts, risks and opportunities, in accordance with [Draft] Amended ESRS 2 IRO 2, alongside information about the policies, actions, targets and metrics through which it addresses them, to avoid duplication and support a coherent narrative.</u>	Amended General principle of ESRS 2 emphasised.
	<u>6. In this Standard, each DR is introduced by a disclosure objective, with the exception of policies, actions and targets, for which the provisions in [Draft] Amended ESRS 2 GDR- P, GDR-A and GDR-T provide the necessary framing for the relevant disclosures.</u>	New Simplification in the architecture whereby objectives are not included in topical

		Policies, Actions and Targets DRs.
3. This Standard also requires an explanation of how such impacts, as well as the undertaking's dependencies on its own workforce, can create material risks or opportunities for the undertaking. For example, on the matter of equal opportunities, discrimination in hiring and promotion against women can reduce the undertaking's access to qualified labour and harm its reputation. Conversely, policies to increase the representation of women in the workforce and in upper levels of management can have positive effects, such as increasing the pool of qualified labour and improving the undertaking's reputation.	3. This Standard also requires an explanation of how such impacts, as well as the undertaking's dependencies on its own workforce, can create material risks or opportunities for the undertaking. For example, on the matter of equal opportunities, discrimination in hiring and promotion against women can reduce the undertaking's access to qualified labour and harm its reputation. Conversely, policies to increase the representation of women in the workforce and in upper levels of management can have positive effects, such as increasing the pool of qualified labour and improving the undertaking's reputation.	Deleted
4. This Standard covers an undertaking's own workforce, which is understood to include both people who are in an employment relationship with the undertaking ("employees") and non-employees who are either people with contracts with the undertaking to supply labour ("self employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78). See Application Requirement 3 for examples of who falls under own workforce. The information required to be disclosed with regard to non-employees shall not affect their status pursuant to applicable labour law.	7. 4. This Standard covers an undertaking's own workforce, which is understood to include <u>An undertaking's own workforce includes both (i) people who are in an employment relationship with the undertaking (employees) and non-employees who are either (ii) people who, for the purposes of ESRS reporting, are called non-employees in the undertaking's own workforce. The latter comprise people with contracts with the undertaking to supply labour (self-employed people) or people provided by undertakings primarily engaged in 'employment activities' (NACE Code N78). See Application Requirement 3 for examples of who falls under own workforce. The information required to be disclosed with regard to non-employees shall not affect their status pursuant to applicable labour law. Information about the persons referred to as non-employees in the undertaking's own workforce in accordance with this Standard shall not affect their status under applicable labour law. This Standard does not cover workers in the undertaking's upstream or downstream value chain. These workers are covered in [Draft] Amended ESRS S2 Workers in the value chain.</u>	Amended Editorial amendment.
	<u>8. The definitions of self-employed or people provided by undertaking primarily engaged in 'employment activities' to be used are those from national legislation. Examples of non-employees in the undertaking's own workforce that could fall within the scope of own workforce have been included below.</u>	Moved Moved from former [AR 3] into the

	<p><u>(a) Self-employed persons (also referred to as contractors) in the undertaking's own workforce, which include:</u></p> <p><u>i. self-employed persons hired by the undertaking to perform work that would otherwise be carried out by an employee or in a public area (e.g. on the street); and</u></p> <p><u>ii. self-employed persons hired by the undertaking to deliver the work/service directly at the workplace of a client of the undertaking</u></p>	objective given the feedback from outreach that requested more examples and further clarity.
	<p><u>(b) People employed by a third party engaged in 'employment activities', which could include people who perform the same work that employees carry out, such as those who fill in for employees who are temporarily absent or who may be dispatched temporarily from another EU Member State ('MS') to work for the undertaking ('posted workers').</u></p>	
	<p>9. Value chain workers (i.e. workers that are not part of the undertaking's own workforce) who fall under the scope of [Draft] Amended ESRS S2 could include:</p>	<p>Moved</p> <p>Moved from former ESRS S2 [AR 3] to clarify the types of workers.</p>
	<p><u>(a) workers for a supplier contracted by the reporting undertaking who work on the supplier's premises using the supplier's work methods or workers for a 'downstream' entity which purchases goods or services from the undertaking; and</u></p>	
	<p><u>(b) workers of an equipment supplier to the reporting undertaking who, at one or more of the undertaking's workplaces, perform regular maintenance on the supplier's equipment (for example, photocopier) as stipulated in the contract between the equipment supplier and the undertaking.</u></p>	
<p>5. This Standard does not cover workers in the undertaking's upstream or downstream value chain; these categories of workers are covered in ESRS S2 Workers in the value chain.</p>	<p>5. This Standard does not cover workers in the undertaking's upstream or downstream value chain; these categories of workers are covered in ESRS S2 Workers in the value chain.</p>	<p>Deleted</p>
<p>6. The Standard requires undertakings to describe their own workforce, including key characteristics of the employees and non-employees that are part of it. This description provides users with an understanding of the structure of the undertaking's own workforce and helps to contextualise information provided through other disclosures.</p>	<p>6. The Standard requires undertakings to describe their own workforce, including key characteristics of the employees and non-employees that are part of it. This description provides users with an understanding of the structure of the undertaking's own workforce and helps to contextualise information provided through other disclosures.</p>	<p>Deleted</p>
<p>7. The objective of the Standard is also to enable users to understand the extent to which the undertaking aligns or complies with international and European human rights instruments and conventions, including the International Bill of</p>	<p>7. The objective of the Standard is also to enable users to understand the extent to which the undertaking aligns or complies with international and European human rights instruments and conventions, including the International Bill of Human Rights, the UN Guiding</p>	<p>Moved</p> <p>This was moved to new [2] in the</p>

Human Rights, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and ILO fundamental conventions, the UN Convention on Persons with Disabilities, the European Convention of Human Rights, the revised European Social Charter, the Charter of Fundamental Rights of the European Union, the EU policy priorities as set out by the European Pillar of Social Rights, and Union legislation, including the EU labour law acquis.	Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and ILO fundamental conventions, the UN Convention on Persons with Disabilities, the European Convention of Human Rights, the revised European Social Charter, the Charter of Fundamental Rights of the European Union, the EU policy priorities as set out by the European Pillar of Social Rights, and Union legislation, including the EU labour law acquis.	objective as part of the EFRAG decision on simplified wording.
Interactions with other topical ESRS		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	Comment/Rationale
8. This Standard shall be read in conjunction with ESRS 1 General principles and ESRS 2 General requirements.	8. This Standard shall be read in conjunction with ESRS 1 General principles and ESRS 2 General requirements.	Deleted Based on EFRAG decision to simplify.
9. This Standard shall be read in conjunction with ESRS S2 Workers in the value chain, ESRS S3 Affected communities and ESRS S4 Consumers and end-users.	9. This Standard shall be read in conjunction with ESRS S2 Workers in the value chain, ESRS S3 Affected communities and ESRS S4 Consumers and end-users.	Deleted Based on EFRAG decision to simplify.
10. The reporting under this Standard shall be consistent, coherent and where relevant clearly linked with reporting on the undertaking's own workforce under ESRS S2, in order to ensure effective reporting.	10. The reporting under this Standard shall be consistent, coherent and, where relevant, clearly linked with reporting on the undertaking's own workforce <u>value chain workers</u> under [Draft] Amended ESRS S2 <u>Workers in the value chain</u> , in order to ensure effective reporting.	Unchanged Minor editorial changes.
Disclosure Requirements – ESRS 2 General Disclosures		
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	Comment/Rationale
11. The requirements of this section should be read in conjunction with the disclosures required by ESRS 2 on Strategy (SBM). The resulting disclosures shall be presented alongside the disclosures required by ESRS 2, except for ESRS 2 SBM-3, for which the undertaking has an option to present the disclosures alongside the topical disclosure.	11. The requirements of this section should be read in conjunction with the disclosures required by ESRS 2 on Strategy (SBM). The resulting disclosures shall be presented alongside the disclosures required by ESRS 2, except for ESRS 2 SBM-3, for which the undertaking has an option to present the disclosures alongside the topical disclosure.	Moved Revised architecture whereby no ESRS 2 specifications for SBM in the topical

		standards based on input from information gathering.
Strategy		
Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders	Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
12. When responding to ESRS 2 SBM-2, the undertaking shall disclose how the interests, views, and rights of people in its own workforce, including respect for their human rights, inform its strategy and business model. The undertaking's own workforce is a key group of affected stakeholders .	12. When responding to ESRS 2 SBM-2, the undertaking shall disclose how the interests, views, and rights of people in its own workforce, including respect for their human rights, inform its strategy and business model. The undertaking's own workforce is a key group of affected stakeholders .	Deleted Revised architecture whereby no ESRS 2 specifications for SBM in the topical standards based on input from information gathering.
Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
13. When responding to ESRS 2 SBM-3 paragraph 48, the undertaking shall disclose:	13. When responding to ESRS 2 SBM-3 paragraph 48, the undertaking shall disclose:	Deleted Simplification of the double materiality assessment at ESRS 2 and topical level based on EFRAG decision.
(a) whether and how actual and potential impacts on its own workforce as identified in ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities: (i) originate from or are connected to the undertaking's strategy and business models , and (ii) inform	(a) whether and how actual and potential impacts on its own workforce as identified in ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities: (i) originate from or are connected to the undertaking's strategy and business models , and (ii)	Deleted Simplification of the double materiality

and contribute to adapting the undertaking's strategy and business model; and	inform and contribute to adapting the undertaking's strategy and business model; and	assessment at ESRS 2 and topical level based on EFRAG decision.
(b) the relationship between its material risks and opportunities arising from impacts and dependencies on own workforce and its strategy and business model.	(b) the relationship between its material risks and opportunities arising from impacts and dependencies on own workforce and its strategy and business model.	
14. When fulfilling the requirements of paragraph 48, the undertaking shall disclose whether all people in its own workforce who could be materially impacted by the undertaking are included in the scope of its disclosure under ESRS 2. These material impacts shall include impacts that are connected with the undertaking's own operations and its value chain, including through its products or services, as well as through its business relationships. In addition, the undertaking shall provide the following information:	14. When fulfilling the requirements of paragraph 48, the undertaking shall disclose whether all people in its own workforce who could be materially impacted by the undertaking are included in the scope of its disclosure under ESRS 2. These material impacts shall include impacts that are connected with the undertaking's own operations and its value chain, including through its products or services, as well as through its business relationships. In addition, the undertaking shall provide the following information:	
(a) a brief description of the types of employees and non-employees in its own workforce subject to material impacts by its operations, and specify whether they are employees, self-employed people, or people provided by third party undertakings primarily engaged in employment activities;	(a) a brief description of the types of employees and non-employees in its own workforce subject to material impacts by its operations, and specify whether they are employees, self-employed people, or people provided by third party undertakings primarily engaged in employment activities;	
(b) in the case of material negative impacts, whether they are either (i) widespread or systemic in contexts where the undertaking operates (for example, child labour or forced labour or compulsory labour in specific countries or regions outside the EU), or (ii) related to individual incidents (for example, an industrial accident or an oil spill);	(b) in the case of material negative impacts, whether they are either (i) widespread or systemic in contexts where the undertaking operates (for example, child labour or forced labour or compulsory labour in specific countries or regions outside the EU), or (ii) related to individual incidents (for example, an industrial accident or an oil spill);	
(c) in the case of material positive impacts, a brief description of the activities that result in the positive impacts, the types of employees and non-employees in its own workforce that are positively affected or could be positively affected; the	(c) in the case of material positive impacts, a brief description of the activities that result in the positive impacts, the types of employees and non-employees in its own workforce that are positively affected or	

undertaking may also disclose whether the positive impacts occur in specific countries or regions;	could be positively affected; the undertaking may also disclose whether the positive impacts occur in specific countries or regions;	
(d) any material risks and opportunities for the undertaking arising from impacts and dependencies on its own workforce;	(d) any material risks and opportunities for the undertaking arising from impacts and dependencies on its own workforce;	
(e) any material impacts on its own workforce that may arise from transition plans for reducing negative impacts on the environment and achieving greener and climate- neutral operations, including information on the impacts on own workforce caused by the undertaking's plans and actions to reduce carbon emissions in line with international agreements. Impacts, risks and opportunities include restructuring and employment loss as well as opportunities arising from job creation and reskilling or upskilling;	(e) any material impacts on its own workforce that may arise from transition plans for reducing negative impacts on the environment and achieving greener and climate- neutral operations, including information on the impacts on own workforce caused by the undertaking's plans and actions to reduce carbon emissions in line with international agreements. Impacts, risks and opportunities include restructuring and employment loss as well as opportunities arising from job creation and reskilling or upskilling;	
(f) operations at significant risk of incidents of forced labour or compulsory labour (94) either in terms of: i. type of operation (such as manufacturing plant); or ii. countries or geographic areas with operations considered at risk;	(f) operations at significant risk of incidents of forced labour or compulsory labour (94) either in terms of: i. type of operation (such as manufacturing plant); or ii. countries or geographic areas with operations considered at risk;	Moved Moved to ESRS 2 SBM-3 This is a SFDR PAI.
(g) operations at significant risk of incidents of child labour (95) either in terms of: i. type of operation (such as manufacturing plant); or ii. countries or geographic areas with operations considered at risk.	(g) operations at significant risk of incidents of child labour (95) either in terms of: i. type of operation (such as manufacturing plant); or ii. countries or geographic areas with operations considered at risk.	Moved Moved to ESRS 2 SBM-3 This is a SFDR PAI.
15. In describing the main types of people in its own workforce who are or could be negatively affected, based on the materiality assessment set out in ESRS 2 IRO 1, the undertaking shall disclose whether and how it has developed an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.	15. In describing the main types of people in its own workforce who are or could be negatively affected, based on the materiality assessment set out in ESRS 2 IRO 1, the undertaking shall disclose whether and how it has developed an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.	Deleted A reduction based on the objective revisions based on EFRAG decision.

16. The undertaking shall disclose which, if any, of its material risks and opportunities arising from impacts and dependencies on people in its own workforce relate to specific groups of people (for example, particular age groups, or people working in a particular factory or country) rather than to all of its own workforce (for example, a general pay cut, or training offered to all people in its own workforce).	16. The undertaking shall disclose which, if any, of its material risks and opportunities arising from impacts and dependencies on people in its own workforce relate to specific groups of people (for example, particular age groups, or people working in a particular factory or country) rather than to all of its own workforce (for example, a general pay cut, or training offered to all people in its own workforce).	Deleted A reduction based on the objective revisions based on EFRAG decision.
Impacts, risks and opportunities management		
Disclosure Requirement S1-1 – Policies related to own workforce	Disclosure Requirement S1-1 – Policies related to own workforce	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
17. The undertaking shall describe its policies adopted to manage its material impacts on its own workforce, as well as associated material risks and opportunities.	17. The undertaking shall describe its policies adopted to manage its material impacts on its own workforce, as well as associated material risks and opportunities.	Moved Moved to new [11] as part of editorial and simplification edits.
18. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of material impacts on the undertaking's own workforce specifically, as well as policies that cover material impacts, risks and opportunities related to its own workforce.	18. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of material impacts on the undertaking's own workforce specifically, as well as policies that cover material impacts, risks and opportunities related to its own workforce.	Deleted Deleted in accordance with the decision by EFRAG to eliminate 'Objectives' paragraphs from topical PAT disclosures requirements. This decision is part of the effort of eliminating overlaps between

		ESRS 2 and topical standards.
19. The disclosure required by paragraph 17 shall contain the information on the undertaking's policies to manage its material impacts, risks and opportunities related to its own workforce in accordance with ESRS 2 MDR-P Policies adopted to manage material sustainability matters. In addition, the undertaking shall specify if such policies cover specific groups within its own workforce or all of its own workforce.	11. 19. The disclosure required by paragraph 17 shall contain the information on the undertaking's policies to manage its material impacts, risks and opportunities related to its own workforce in accordance with ESRS 2 MDR-P Policies adopted to manage material sustainability matters. In addition, the undertaking shall specify if such policies cover specific groups within its own workforce or all of its own workforce. <u>The undertaking shall describe its policies for managing the material impacts, risks and opportunities related to its own workforce in accordance with [Draft] Amended ESRS 2 GDR-P. It shall state whether these policies cover specific groups within its own workforce (for example, employees working in a particular factory or geography or self-employed) or all of its own workforce.</u>	Amended Editorial changes for clarification and overall edit as part of the architectural decisions made by EFRAG.
20. The undertaking shall describe its human rights policy commitments (89) that are relevant to its own workforce, including those processes and mechanisms to monitor compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises (90). In its disclosure it shall focus on those matters that are material in relation to, as well as its general approach to:	20. The undertaking shall describe its human rights policy commitments (89) that are relevant to its own workforce, including those processes and mechanisms to monitor compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises (90). In its disclosure it shall focus on those matters that are material in relation to, as well as its general approach to:	Moved Moved to ESRS 2 (GDR-P), Merged with #11 Table 1, where disclosures regarding human rights policy commitments are pooled for all four social stakeholder groups based on input from information gathering. This point supports alignment with SFDR and Benchmark regulation.
(a) respect for the human rights, including labour rights, of people in its own workforce;	(a) respect for the human rights, including labour rights, of people in its own workforce;	Deleted

		This datapoint was deleted as it refers to former [20] which was moved to ESRS 2.
(b) engagement with people in its own workforce; and	(b) engagement with people in its own workforce; and	Deleted Deleted because it overlaps with disclosures under new S1-3 concerning actions.
(c) measures to provide and/or enable remedy for human rights impacts.	(c) measures to provide and/or enable remedy for human rights impacts.	Deleted This datapoint was deleted as it refers to former [20] which was moved to ESRS 2.
21. The undertaking shall disclose whether and how its policies with regard to its own workforce are aligned with relevant internationally recognised instruments, including the UN Guiding Principles on Business and Human Rights (91).	21. The undertaking shall disclose whether and how its policies with regard to its own workforce are aligned with relevant internationally recognised instruments, including the UN Guiding Principles on Business and Human Rights (91).	Moved Moved to ESRS 2 (GDR-P) where disclosures regarding human rights policy commitments are pooled for all four social stakeholder groups based on input from information gathering.

		This point supports alignment with EU Benchmark legislation.
22. The undertaking shall state whether its policies in relation to its own workforce explicitly address trafficking in human beings (92), forced labour or compulsory labour and child labour	12. 22. The undertaking shall state whether its policies in relation to its own workforce explicitly address trafficking in human beings, forced labour or compulsory labour and child labour <u>issues</u> ¹ .	Unchanged Minor editorial change SFDR PAI
23. The undertaking shall state whether it has a workplace accident prevention policy or management system	13. 23. The undertaking shall state whether it has a workplace accident prevention policy or management system <u>for safeguarding the health and safety of its own workforce at work and preventing occupational risks</u> ² .	Amended Editorial changes only. This datapoint supports alignment with EU SFDR Indicator 1 Table #3 of Annex 1.
24. The undertaking shall disclose:	24. The undertaking shall disclose:	Deleted from mandatory content and moved to NMIG Moved to [NMIG 1]
(a) whether it has specific policies aimed at the elimination of discrimination, including harassment, promoting equal opportunities and other ways to advance diversity and inclusion;	(a) whether it has specific policies aimed at the elimination of discrimination, including harassment, promoting equal opportunities and other ways to advance diversity and inclusion;	
(b) whether the following grounds for discrimination are specifically covered in the policy: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law;	(b) whether the following grounds for discrimination are specifically covered in the policy: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law;	
(c) whether the undertaking has specific policy commitments related to inclusion or positive action for people from groups at	(c) whether the undertaking has specific policy commitments related to inclusion or positive action for people from groups at particular risk of	

particular risk of vulnerability in its own workforce and, if so, what these commitments are; and	vulnerability in its own workforce and, if so, what these commitments are; and	Based on EFRAG decision to enhance clarity and simplify content.
(d) whether and how these policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion in general.	(d) whether and how these policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion in general.	
<i>Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts</i>	<i>Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts Engagement with own workforce and workers’ representatives, existence of channels for own workers to raise concerns or needs and approaches to remedy</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
		Amended Overall approach: Consolidation of two DRs under a single DR in light of the connection between the three points on engagement, channels to raise concerns and remedy. Deletion of a number of datapoints and clear delimitation of the scope of existing datapoints as per input from public input survey. General approach to remedy moved after “channels to raise

		concerns” for better alignment with the sequencing of UNGPs or OECD MNE.
25. The undertaking shall disclose its general processes for engaging with people in its own workforce and workers' representatives about actual and potential impacts on its own workforce.	25. The undertaking shall disclose its general processes for engaging with people in its own workforce and workers' representatives about actual and potential impacts on its own workforce.	Deleted The paragraph was removed as part of the overall architectural decisions made by EFRAG to streamline the text.
26. The objective of this Disclosure Requirement is to enable an understanding of how the undertaking engages, as part of its ongoing due diligence process, with people in its own workforce and workers' representatives about material, actual and potential, positive and/or negative impacts that do or are likely to affect them, and whether and how perspectives of its own workforces are taken into account in the decision-making processes of the undertaking	14. 26. The objective of this Disclosure Requirement DR is to enable an understanding of how the undertaking's general approach to engagement with its own workforce, the availability of channels, including grievance mechanisms, and remedy. engages, as part of its ongoing due diligence process, with people in its own workforce and workers' representatives about material, actual and potential, positive and/or negative impacts that do or are likely to affect them, and whether and how perspectives of its own workforces are taken into account in the decision-making processes of the undertaking	Amended The wording was summarized and amended to align with the decision to merge Set 1 ESRS S1-2 and S1-3 based on input from information gathering and agreed by EFRAG.
27. The undertaking shall disclose whether and how the perspectives of its own workforce inform its decisions or activities aimed at managing the actual and potential impacts on its own workforce. This shall include, where relevant, an explanation of:	15. 27. The undertaking shall disclose how it engages directly with its own workforce or workers' representatives whether and how the perspectives of its own workforce inform its decisions or activities aimed at managing the actual and potential impacts on its own workforce during the reporting year. This shall include, where relevant, an explanation of:	Amended Amended and clarified timeframe (i.e. reporting year)

(a) whether engagement occurs directly with the undertaking's own workforce or workers' representatives;	(a) whether engagement occurs directly with the undertaking's own workforce or workers' representatives;	Merged Merged with former [27] and clarified timeframe (i.e. reporting year).
(b) the stage(s) at which engagement occurs, the type of engagement and frequency of the engagement;	(b) the stage(s) at which engagement occurs, the type of engagement and frequency of the engagement;	Deleted from mandatory content and moved to NMIG Moved to [NMIG 4] (frequency) Moved to [AR 2] (type of engagement)
(c) the function and the most senior role within the undertaking that has operational responsibility for ensuring that this engagement happens and that the results inform the undertaking's approach;	(c) the function and the most senior role within the undertaking that has operational responsibility for ensuring that this engagement happens and that the results inform the undertaking's approach;	Deleted The sub para was deleted in line with input from information gathering. To account for this, a reference in [NMIG 5] includes guidance on whether the results of the engagements are being integrated into the undertaking's decision-making processes and also refers to the training of staff to undertake engagement.

(d) where applicable, a Global Framework Agreement or other agreements that the undertaking has with workers' representatives related to the respect of human rights of its own workforce, including an explanation of how the agreement enables the undertaking to gain insight into the perspectives of its own workforce; and	(b) (d) where applicable, a the Global Framework Agreements ('GFA') or other agreements <u>outcomes</u> that the undertaking has <u>reached</u> with workers' representatives related to the respect of human rights of its own workforce, including an explanation of how the agreement enables the undertaking to gain insight into the perspectives of its own workforce; and	Amended Editorial and simplification changes were made to improve clarity in line with EFRAG decision.
(e) where applicable, how the undertaking assesses the effectiveness of its engagement with its own workforce, including, where relevant, any agreements or outcomes that result.	(e) where applicable, how the undertaking assesses the effectiveness of its engagement with its own workforce, including, where relevant, any agreements or outcomes that result.	Merged Merged with new S1-3 Effectiveness for engagement/remedy is covered in the effectiveness of actions to be disclosed as part of new S1-3 [19] (b) based on input received during information gathering.
28. Where applicable, the undertaking shall disclose the steps it takes to gain insight into the perspectives of people in its own workforce who may be particularly vulnerable to impacts and/or marginalised (for example, women, migrants, people with disabilities).	15 (a) 28. Where applicable, the undertaking shall disclose the steps it takes to how it gains insight into the perspectives of people in its own workforce who may be particularly vulnerable to impacts and/or are marginalised (for example, women, migrants, people with disabilities); and	Amended Editorial changes were made to enhance clarity.
29. If the undertaking cannot disclose the above required information because it has not adopted a general process to engage with its own workforce, it shall disclose this to be the case. It may disclose a timeframe in which it aims to have such a process in place.	29. If the undertaking cannot disclose the above required information because it has not adopted a general process to engage with its own workforce, it shall disclose this to be the case. It may disclose a timeframe in which it aims to have such a process in place.	Deleted Burden reduction by deleting this negative statement datapoint based on feedback from information gathering.

<i>Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns</i>	<i>Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
		Amended Overall approach: Consolidation of two DRs under a single DR in light of the connection between the three points on engagement, channels to raise concerns and remedy. Deletion of a number of datapoints and clear delimitation of the scope of existing datapoints as per input from public input survey. General approach to remedy moved after “channels to raise concerns” for better alignment with the sequencing of UNGPs or OECD MNE.
30. The undertaking shall describe the processes it has in place to provide for or cooperate in the remediation of negative impacts on people in its own workforce that the undertaking is connected with, as well as channels available to its own workforce to raise concerns and have them addressed.	30. The undertaking shall describe the processes it has in place to provide for or cooperate in the remediation of negative impacts on people in its own workforce that the undertaking is connected with, as well as channels available to its own workforce to raise concerns and have them addressed.	Deleted The paragraph was removed as part of

		the overall architectural decisions made by EFRAG to streamline the text.
31. The objective of this Disclosure Requirement is to enable an understanding of the formal means by which the undertaking's own workforce can make their concerns and needs known directly to the undertaking and/or through which the undertaking supports the availability of such channels (for example, grievance mechanisms) in the workplace, and how follow up is carried out with the people concerned regarding the issues raised and the effectiveness of these channels.	31. The objective of this Disclosure Requirement is to enable an understanding of the formal means by which the undertaking's own workforce can make their concerns and needs known directly to the undertaking and/or through which the undertaking supports the availability of such channels (for example, grievance mechanisms) in the workplace, and how follow up is carried out with the people concerned regarding the issues raised and the effectiveness of these channels.	Moved Moved to S1-2. Revised paragraph based on agreement by EFRAG and input from information gathering to merge former ESRS S1-2 and S1-3.
32. The undertaking shall describe the processes in place to cover the matters defined within paragraph 2 of the Objective section by disclosing the following information:	32. The undertaking shall describe the processes in place to cover the matters defined within paragraph 2 of the Objective section by disclosing the following information:	Deleted Based on EFRAG decision to simplify content.
(a) its general approach to and processes for providing or contributing to remedy where it has caused or contributed to a material negative impact on people in its own workforce, including whether and how the undertaking assesses that the remedy provided is effective;	17. (a) The undertaking shall describe its general approach to and processes for providing or contributing to remedy where it has caused or contributed to a material negative impact on people in its own workforce, including whether and how the undertaking assesses that the remedy provided is effective;	Amended As part of the merging S1-2 and S1-3 effectiveness for engagement/remedy is moved to S1-3 [19] (b).
(b) any specific channels it has in place for its own workforce to raise their concerns or needs directly with the undertaking and have them addressed, including whether these are established by the undertaking itself and/or through participation in third-party mechanisms;	16. (b) The undertaking shall describe the any specific channels it has in place for its own workforce to raise bring their concerns or needs directly with to their attention the undertaking and have them addressed. In particular, it shall state whether it has grievance mechanism³. It shall also explain how it assesses the effectiveness of these channels, including whether these are established by the undertaking itself and/or through participation in third-party mechanisms;	Amended Reference to third party mechanisms moved to [AR 3] and [NMIG 9].

(c) whether or not the undertaking has a grievance/complaints handling mechanism related to employee matters (94); and	(c) whether or not the undertaking has a grievance/complaints handling mechanism related to employee matters (94); and	Moved Moved to new [16] on channels to raise concerns, including grievance mechanisms.
(d) the processes through which the undertaking supports the availability of such channels in the workplace of its own workforce; and	(d) the processes through which the undertaking supports the availability of such channels in the workplace of its own workforce; and	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8]. Reference to availability is part of the “effectiveness criteria”.
(e) how it tracks and monitors issues raised and addressed, and, how it ensures the effectiveness of the channels, including through the involvement of stakeholders who are intended users.	(e) how it tracks and monitors issues raised and addressed, and, how it ensures the effectiveness of the channels, including through the involvement of stakeholders who are intended users.	Moved Moved to new [16] Criteria for effectiveness are detailed in [NMIG 8].
33. The undertaking shall disclose whether and how it assesses that people in its own workforce are aware of, and trust, these structures or processes as a way to raise their concerns or needs and have them addressed. In addition, the undertaking shall disclose whether it has policies in place regarding the protection of individuals that use them, including workers’ representatives, against retaliation. If such information has been disclosed in accordance with ESRS G1-1, the undertaking may refer to that information.	33. The undertaking shall disclose whether and how it assesses that people in its own workforce are aware of, and trust, these structures or processes as a way to raise their concerns or needs and have them addressed. In addition, the undertaking shall disclose whether it has policies in place regarding the protection of individuals that use them, including workers’ representatives, against retaliation. If such information has been disclosed in accordance with ESRS G1-1, the undertaking may refer to that information.	Moved Partly moved to [AR 4] for policies in place for protecting individuals, and remaining explanation moved to [NMIG 8].

34. If the undertaking cannot disclose the above required information because it has not adopted a channel for raising concerns and/or does not support the availability of such a channel in the workplace for its own workforce, it shall disclose this to be the case. It may disclose a timeframe in which it aims to have such a channel in place.	34. If the undertaking cannot disclose the above required information because it has not adopted a channel for raising concerns and/or does not support the availability of such a channel in the workplace for its own workforce, it shall disclose this to be the case. It may disclose a timeframe in which it aims to have such a channel in place.	Deleted Burden reduction by deleting this negative statement datapoint based on feedback from information gathering.
<i>Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions</i>	<i>Disclosure Requirement S1-3 S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions <u>Actions and resources related to Own workforce</u></i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
35. The undertaking shall disclose how it takes action to address material negative and positive impacts, and to manage material risks and pursue material opportunities related to its own workforce, and the effectiveness of those actions.	35. The undertaking shall disclose how it takes action to address material negative and positive impacts, and to manage material risks and pursue material opportunities related to its own workforce, and the effectiveness of those actions.	Deleted The paragraph was removed as part of the overall architectural decisions made by EFRAG to streamline the text.
36. The objective of this Disclosure Requirement is twofold. Firstly, it is to enable an understanding of any actions and initiatives through which the undertaking seeks to:	36. The objective of this Disclosure Requirement is twofold. Firstly, it is to enable an understanding of any actions and initiatives through which the undertaking seeks to:	Deleted Deleted in accordance with the decision to eliminate 'Objectives' paragraphs from PAT disclosures requirements. This
(a) to prevent, mitigate and remediate negative material impacts on its own workforce; and/or	(a) to prevent, mitigate and remediate negative material impacts on its own workforce; and/or	
(b) to achieve positive material impacts for its own workforce	(b) to achieve positive material impacts for its own workforce	

Secondly, it is to enable an understanding of the ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to its own workforce.	Secondly, it is to enable an understanding of the ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to its own workforce.	decision is part of the effort of eliminating overlaps between ESRS 2 and topical standards.
37. The undertaking shall provide a summarised description of the action plans and resources to manage its material impacts, risks, and opportunities related to its own workforce in accordance with ESRS 2 MDR-A Actions and resources in relation to material sustainability matters.	18. 37. The undertaking shall <u>describe the key</u> provide a summarised description of the actions plans and resources to manage its material impacts, risks, and opportunities related to its own workforce in accordance with [Draft] Amended ESRS 2 MDR-A Actions and resources in relation to material sustainability matters.	Amended Editorial change
38. In relation to the material impacts related to its own workforce, the undertaking shall describe:	19. 38. In relation to the material impacts related to its own workforce, the undertaking shall describe:	Unchanged
(a) actions taken, planned or underway to prevent or mitigate material negative impacts on its own workforce;	(a) <u>key</u> actions taken, planned or underway to prevent or, mitigate <u>and remediate</u> material negative impacts on its own workforce, <u>including the approach in situations where tensions arise between such actions and other business pressures ; and</u>	Merged Merger of former [38] (a) and former [41] that were connected.
(b) whether and how it has taken action to provide or enable remedy in relation to an actual material impact;	(b) whether and how it has taken action to provide or enable remedy in relation to an actual material impact;	Merged Concept of remedy included in new [19] (a) above.
(c) any additional actions or initiatives it has in place with the primary purpose of delivering positive impacts for its own workforce; and	(c) any additional actions or initiatives it has in place with the primary purpose of delivering positive impacts for its own workforce; and	Deleted from mandatory content and moved to NMIG Moved to [NMIG 15] in line with EFRAG decision and information gathering.

(d) how it tracks and assesses the effectiveness of these actions and initiatives in delivering outcomes for its own workforce.	(b) (d) how it tracks and assesses the effectiveness of these actions and initiatives in delivering outcomes for its own workforce. <u>This disclosure can be omitted if the undertaking discloses how it tracks effectiveness of its actions in accordance with [Draft] Amended ESRS 2 GDR-T or GDR-M. In that case, a reference to that disclosure is sufficient.</u>	Amended Amended to make it clear that companies need not disclose the same information twice and to improve articulation between topical PAT disclosures and ESRS 2.
39. In relation to paragraph 36, the undertaking shall describe the processes through which it identifies what action is needed and appropriate in response to a particular actual or potential negative impact on its own workforce.	39. In relation to paragraph 36, the undertaking shall describe the processes through which it identifies what action is needed and appropriate in response to a particular actual or potential negative impact on its own workforce.	Moved Moved to [AR 6] including editorial changes made to simplify wording and enhanced understanding.
40. In relation to material risks and opportunities, the undertaking shall describe:	40. In relation to material risks and opportunities, the undertaking shall describe:	Deleted Simplification of topical datapoints linked to [GDR-A] in line with EFRAG decision.
(a) what action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on its own workforce and how it tracks effectiveness in practice; and	(a) what action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on its own workforce and how it tracks effectiveness in practice; and	Deleted Simplification of topical datapoints linked to [GDR-A] in line with EFRAG decision.
(b) what action is planned or underway to pursue material opportunities for the undertaking in relation to its own workforce.	(b) what action is planned or underway to pursue material opportunities for the undertaking in relation to its own workforce.	Deleted Simplification of topical datapoints

		linked to [GDR-A] in line with EFRAG decision.
41. The undertaking shall disclose whether and how it ensures that its own practices do not cause or contribute to material negative impacts on own workforce, including, where relevant, its practices in relation to procurement, sales and data use. This may include disclosing what approach is taken when tensions arise between the prevention or mitigation of material negative impacts and other business pressures.	41. The undertaking shall disclose whether and how it ensures that its own practices do not cause or contribute to material negative impacts on own workforce, including, where relevant, its practices in relation to procurement, sales and data use. This may include disclosing what approach is taken when tensions arise between the prevention or mitigation of material negative impacts and other business pressures.	Deleted Simplification of topical datapoints linked to [GDR-A] in line with EFRAG decision.
42. When disclosing the information required under paragraph 40, the undertaking shall consider ESRS 2 MDR-T Tracking effectiveness of policies and actions through targets if it evaluates the effectiveness of an action by setting a target.	42. When disclosing the information required under paragraph 40, the undertaking shall consider ESRS 2 MDR-T Tracking effectiveness of policies and actions through targets if it evaluates the effectiveness of an action by setting a target.	Deleted This is covered by ESRS 2 [GDR-A].
43. The undertaking shall disclose what resources are allocated to the management of its material impacts, with information that allows users to gain an understanding of how the material impacts are managed.	43. The undertaking shall disclose what resources are allocated to the management of its material impacts, with information that allows users to gain an understanding of how the material impacts are managed.	Deleted This is covered by ESRS 2 [GDR-A].
Metrics and Targets		
<i>Disclosure Requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities</i>	<i>Disclosure Requirement S1-4 S1-5– Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities own workforce</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
44. The undertaking shall disclose the time-bound and outcome-oriented targets it may have set related to:	44. The undertaking shall disclose the time-bound and outcome-oriented targets it may have set related to:	Deleted

(a) reducing negative impacts on its own workforce; and/or	(a) reducing negative impacts on its own workforce; and/or	Deleted to eliminate overlap with [GDR-T].
(b) advancing positive impacts on its own workforce; and/or	(b) advancing positive impacts on its own workforce; and/or	
(c) managing material risks and opportunities related to its own workforce.	(c) managing material risks and opportunities related to its own workforce.	
45. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure its progress in addressing its material negative impacts and/or advancing positive impacts on its own workforce, and/or in managing material risks and opportunities related to its own workforce.	45. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure its progress in addressing its material negative impacts and/or advancing positive impacts on its own workforce, and/or in managing material risks and opportunities related to its own workforce.	Deleted Deleted in accordance with the decision to eliminate 'Objectives' paragraphs from PAT disclosures requirements. This decision is part of the effort of eliminating overlaps between ESRS 2 and topical standards.
46. The summarised description of the targets set to manage its material impacts, risks and opportunities related to the undertaking's own workforce shall contain the information requirements defined in ESRS 2 MDR-T.	20. 46. The summarised description of the <u>The undertaking shall disclose the qualitative and/or quantitative targets set to manage related to its material impacts, risks and opportunities related to the undertaking's own workforce shall contain the information requirements defined in ESRS 2 MDR-T. in accordance with [Draft] Amended ESRS 2 GDR-T.</u>	Amended Amended for more precision about what is expected from companies and when it is expected.
47. The undertaking shall disclose the process for setting the targets, including whether and how the undertaking engaged directly with its own workforce or workers' representatives in:	21. 47. When disclosing in accordance with [Draft] Amended ESRS 2 GDR-T, the undertaking shall disclose the process for setting the targets, including whether and how the undertaking it engaged directly with its own workforce or workers' representatives in; <u>for the purpose of target setting and /or tracking performance against those targets.</u>	Amended Amended and consolidated for the various aspects of target setting that can involve affected stakeholders.

(a) setting any such targets;	(a) setting any such targets;	Merged Merger of former [47] (a) and (b).
(b) tracking the undertaking's performance against them; and	(b) tracking the undertaking's performance against them; and	Merged Merger of former [47] (a) and (b).
(c) identifying any lessons or improvements as a result of the undertaking's performance	(c) identifying any lessons or improvements as a result of the undertaking's performance	Deleted This is a specification in [AR 8].
Disclosure Requirement S1-6 – Characteristics of the undertaking's employees	Disclosure Requirement S1-5 S1-6 – Characteristics of the undertaking's employees	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
48. The undertaking shall describe key characteristics of employees in its own workforce.	48. The undertaking shall describe key characteristics of employees in its own workforce.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
49. The objective of this Disclosure Requirement is to provide insight into the undertaking's approach to employment, including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids an understanding of the information reported in other disclosures, and to serve as the basis for calculation for quantitative metrics to be disclosed under other disclosure requirements in this Standard.	22. 49. The objective of this Disclosure Requirement DR is to provide insight into the undertaking's approach to employment <u>practices, including security of employment for its own workforce</u> , including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids an understanding of the information reported in other disclosures, and to. <u>It also serves as the basis for calculation calculating for certain quantitative metrics to be disclosed under other disclosure requirements in this Standard.</u> <u>required by other DRs in this Standard and provides contextual information for those.</u>	Amended Editorial changes and added emphasis that this DR is related to the sub-topic working conditions, which include secure employment.

50. In addition to the information required by paragraph 40(a)iii of ESRS 2 General Disclosures, the undertaking shall disclose:	23. 50. In addition to the information required by paragraph 40(a)iii of ESRS 2 General Disclosures, the undertaking shall disclose:	Amended Editorial change
a) the total number of employees by head count, and breakdowns by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees;	a) the total number of employees by head count and breakdowns by gender and by country for <u>the</u> countries in which the undertaking has 50 or more employees <u>and that are the ten largest countries in terms of employee numbers; representing at least 10% of its total number of employees;</u>	Amended Introduction of a revised threshold for significant employment based on an EFRAG decision, which is applicable to both new S1-5 and S1-7. This threshold could serve to provide more meaningful information, the former threshold might only account for a minority of employees, in particular for companies whose workforce is distributed over many countries.
(b) the total number by head count or full time equivalent (FTE) of: i. permanent employees, and breakdown by gender; ii. temporary employees, and breakdown by gender; and iii. non-guaranteed hours employees, and breakdown by gender.	(b) the total number by head count or full time equivalent (FTE) of: i. permanent employees and breakdown by gender; ii. temporary employees and breakdown by gender; and iii. non-guaranteed hours employees, and breakdown by gender.	Amended Deletion of gender breakdown for non-guaranteed hours employees to reduce granularity.
(c) the total number of employees who have left the undertaking during the reporting period and the rate of employee turnover in the reporting period.	(c) the total number of employees who have left the undertaking during the reporting period and the rate of employee turnover in the reporting period; <u>and</u>	Amended Deletion of the datapoint of the total

		number of employees who have left the undertaking to reduce granularity.,
d) a description of the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. in head count or full-time equivalent (FTE) (including an explanation of how FTE is defined); and ii. at the end of the reporting period, as an average across the reporting period, or using another methodology.	d) a description of the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. in head count or full time equivalent (FTE) (including an explanation of how FTE is defined); and ii. at the end of the reporting period, as an average across the reporting period, or using another methodology.	Moved Moved to [AR 10] as contextual information that could be provided.
e) where applicable, a provision of contextual information necessary to understand the data (for example, to understand fluctuations in number of employees during the reporting period); and	e) where applicable, a provision of contextual information necessary to understand the data (for example, to understand fluctuations in number of employees during the reporting period); and	Deleted Specific datapoint on contextual information deleted in an effort to simplify and reduce the granularity based on input from information gathering.
f) a cross-reference of the information reported under (a) above to the most representative number in the financial statements.	(d) f) a cross-reference of the information reported under (a) above to the most representative number in the financial statements. <u>a qualitative explanation in case of inconsistency between information reported under point (a) above and the most representative number in the financial statements.</u>	Amended Reduced scope of the datapoint to focus on cases of inconsistencies.
51. For the information specified in point (b) of paragraph 50, the undertaking may in addition disclose the breakdown by region.	51. For the information specified in point (b) of paragraph 50, the undertaking may in addition disclose the breakdown by region.	Deleted
52. The undertaking may disclose by head count or full time equivalent (FTE) the following information:	52. The undertaking may disclose by head count or full time equivalent (FTE) the following information:	Deleted voluntary datapoint with further granularity.

(a) full-time employees, and breakdowns by gender and by region; and	(a) full-time employees, and breakdowns by gender and by region; and	
(b) part-time employees, and breakdowns by gender and by region.	(b) part-time employees, and breakdowns by gender and by region.	
Disclosure Requirement S1-7 – Characteristics of non-employees in the undertaking's own workforce	Disclosure Requirement S1-6 S1-7 – Characteristics of non-employees in the undertaking's own workforce	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
53. The undertaking shall describe key characteristics of non-employees in its own workforce.	53. The undertaking shall describe key characteristics of non-employees in its own workforce.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs
54. The objective of this Disclosure Requirement is to provide insight into the undertaking's approach to employment, including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids the understanding of the information reported in other disclosures, and to serve as the basis for calculation for quantitative metrics to be disclosed under other disclosure requirements in this Standard. It also allows an understanding of how much the undertaking relies on non-employees as part of its workforce.	24 54. The objective of this Disclosure Requirement DR is to provide insight into the undertaking's approach to employment, including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids the understanding of the information reported in other disclosures, and to serve as the basis for calculation for quantitative metrics to be disclosed under other disclosure requirements in this Standard. It also allows an understanding of how much the undertaking relies on non-employees as part of its <u>own</u> workforce.	Amended Editorial amendments
55. The disclosure required by paragraph 53 shall include:	55. The disclosure required by paragraph 53 shall include:	Deleted Editorial change
(a) a disclosure of the total number of non-employees in the undertaking's own workforce, i.e., either people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78).	25. (a) a disclosure of The undertaking shall disclose the total number of non-employees in the undertaking's own workforce, i.e., either people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78).	Amended Simplification, the definition of non-employees, which is already included in the glossary has been deleted to streamline

		information in line with information gathering input.
(b) an explanation of the methodologies and assumptions used to compile the data, including whether the number of non-employees is reported: i. in headcount or full-time equivalent (FTE) (including a definition of how FTE is defined); and ii. at the end of the reporting period, as an average across the reporting period, or using another methodology	(b) an explanation of the methodologies and assumptions used to compile the data, including whether the number of non-employees is reported: i. in headcount or full-time equivalent (FTE) (including a definition of how FTE is defined); and ii. at the end of the reporting period, as an average across the reporting period, or using another methodology	Deleted Based on the feedback received in the information gathering, new S1-6 was simplified significantly, to reduce its granularity and scope.
c) where applicable, a provision of contextual information necessary to understand the data (for example, significant fluctuations in the number of non-employees in the undertaking's own workforce during the reporting period and between the current and the previous reporting period).	c) where applicable, a provision of contextual information necessary to understand the data (for example, significant fluctuations in the number of non-employees in the undertaking's own workforce during the reporting period and between the current and the previous reporting period).	Deleted Based on the feedback received in the information gathering, new S1-6 was simplified significantly, to reduce its granularity and scope.
56. For the information specified in point (a) of paragraph 55, the undertaking may disclose the most common types of non-employees (for example, self-employed people, people provided by undertakings primarily engaged in employment activities, and other types relevant to the undertaking), their relationship with the undertaking, and the type of work that they perform.	56. For the information specified in point (a) of paragraph 55, the undertaking may disclose the most common types of non-employees (for example, self-employed people, people provided by undertakings primarily engaged in employment activities, and other types relevant to the undertaking), their relationship with the undertaking, and the type of work that they perform.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 25] as an example of potentially relevant additional contextual information
57. Where data is not available, the undertaking shall estimate the number and state that it has done so. When the undertaking performs estimates, it shall describe the basis of preparation of this estimation.	57. Where data is not available, the undertaking shall estimate the number and state that it has done so. When the undertaking performs estimates, it shall describe the basis of preparation of this estimation.	Deleted Based on the feedback received in the information gathering,

		new S1-6 was simplified significantly, to reduce its granularity and scope.
Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue	Disclosure Requirement <u>S1-7</u> S1-8 – Collective bargaining coverage and social dialogue	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
58. The undertaking shall disclose information on the extent to which the working conditions and terms of employment of its employees are determined or influenced by collective bargaining agreements and on the extent to which its employees are represented in social dialogue in the European Economic Area (EEA) at the establishment and European level.	58. The undertaking shall disclose information on the extent to which the working conditions and terms of employment of its employees are determined or influenced by collective bargaining agreements and on the extent to which its employees are represented in social dialogue in the European Economic Area (EEA) at the establishment and European level.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
59. The objective of this Disclosure Requirement is to enable an understanding of the coverage of collective bargaining agreements and social dialogue for the undertaking's own employees.	26 59. The objective of this DR Disclosure Requirement is to enable an understanding of the coverage of collective bargaining agreements and social dialogue for the undertaking's own employees.	Unchanged
60. The undertaking shall disclose:	27 60. The undertaking shall disclose:	Unchanged
(a) the percentage of its total employees covered by collective bargaining agreements;	(a) the percentage of its total employees covered by collective bargaining agreements;	Unchanged
(b) in the 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, defined as at least 50 employees by head count representing at least 10% of its total number of employees; and	(b) in the <u>European Economic Area ('EEA')</u> , 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, defined as <u>at least 50 or more employees by head count representing at least 10% of its total number of employees and that are the 10 largest countries in terms of employee numbers for the undertaking, as calculated in paragraph 24 above;</u> and	Amended Introduction of a revised threshold for significant employment based on an EFRAG decision, which is applicable to both new S1-5 and S1-7. This threshold could serve to provide more meaningful

		information, the former threshold might only account for a minority of employees, in particular for companies whose workforce is distributed over many countries.
c) outside the EEA, the percentage of its own employees covered by collective bargaining agreements by region.	(c) outside the EEA, the percentage of its own employees covered by collective bargaining agreements by region.	Unchanged
61. For employees not covered by collective bargaining agreements, the undertaking may disclose whether it determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other undertakings.	61. For employees not covered by collective bargaining agreements, the undertaking may disclose whether it determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other undertakings.	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
62. The undertaking may disclose the extent to which the working conditions and terms of employment of non-employees in its own workforce are determined or influenced by collective bargaining agreements, including an estimate of the coverage rate	62. The undertaking may disclose the extent to which the working conditions and terms of employment of non-employees in its own workforce are determined or influenced by collective bargaining agreements, including an estimate of the coverage rate	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
63. The undertaking shall disclose the following information in relation to social dialogue:	28 63. The undertaking shall disclose the following information in relation to social dialogue <u>for EEA countries</u> :	Unchanged
a) the global percentage of employees covered by workers' representatives, reported at the country level for each EEA country in which the undertaking has significant employment; and	a) the global percentage of employees covered by workers' representatives, reported at the country level for each EEA country in which the undertaking	Amended

	has significant employment <u>as calculated in accordance with paragraph 27 (b) above</u> ; and	Revised significant employment threshold.
b) the existence of any agreement with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.	b) <u>where applicable</u> , the existence of any agreement with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.	Amended Editorial amendment.
Disclosure Requirement S1-9 – Diversity metrics	Disclosure Requirement <u>S1-8</u> S1-9 – Diversity metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
64. The undertaking shall disclose the gender distribution at top management and the age distribution amongst its employees.	64. The undertaking shall disclose the gender distribution at top management and the age distribution amongst its employees.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
65. The objective of this Disclosure Requirement is to enable an understanding of gender diversity at top management level and the age distribution of its employees	29 65. The objective of this Disclosure Requirement DR is to enable an understanding of gender diversity at top management level and the age distribution of its employees	Amended To reflect the deletion of the datapoint on age distribution.
66. The undertaking shall disclose:	66. The undertaking shall disclose:	Amended Simplified, refer to [30].
(a) the gender distribution in number and percentage at top management level; and	30. (a) The undertaking shall disclose the gender distribution in number (headcount) and percentage at top management level; and	Amended Simplified.
(b) the distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old.	(b) the distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 27].

Disclosure Requirement S1-10 – Adequate wages	Disclosure Requirement S1-9 S1-10 – Adequate wages	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
67. The undertaking shall disclose whether or not its employees are paid an adequate wage, and if they are not all paid an adequate wage, the countries and percentage of employees concerned.	67. The undertaking shall disclose whether or not its employees are paid an adequate wage, and if they are not all paid an adequate wage, the countries and percentage of employees concerned.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
68. The objective of this Disclosure Requirement is to enable an understanding of whether or not all the undertaking's employees are paid an adequate wage, in line with applicable benchmarks.	31. 68. The objective of this Disclosure Requirement DR is to enable an understanding of whether or not all the undertaking's employees are paid an adequate wage, in line with applicable benchmarks.	Amended Editorial change to simplify the objective
69. The undertaking shall disclose whether all its employees are paid an adequate wage, in line with applicable benchmarks. If so, stating this will be sufficient to fulfil this disclosure requirement and no further information is needed.	32 69. The undertaking shall disclose whether or not all its employees are paid an adequate wage, in line with applicable benchmarks. <u>If so, stating this will be sufficient to fulfil this disclosure requirement and no further information is needed. If employees are not paid an adequate wage, it shall disclose the countries and the percentage of employees concerned.</u>	Merged Merger of former [69] and [70] were simplified and consolidated. The reference that a statement will suffice if all employees are paid an adequate wage has been included in [AR 20].
70. If not all its employees are paid an adequate wage in line with applicable benchmarks, the undertaking shall disclose the countries where employees earn below the applicable adequate wage benchmark and the percentage of employees that earn below the applicable adequate wage benchmark for each of these countries.	70. If not all its employees are paid an adequate wage in line with applicable benchmarks, the undertaking shall disclose the countries where employees earn below the applicable adequate wage benchmark and the percentage of employees that earn below the applicable adequate wage benchmark for each of these countries.	Merged Merger of former [69] and [70] were simplified and consolidated in new

		[32]. The reference that a statement will suffice if all employees are paid an adequate wage has been included in [AR 20].
71. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	71. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	Deleted Deleted in line with EFRAG decision to review and delete the voluntary datapoints
Disclosure Requirement S1-11 – Social protection	Disclosure Requirement <u>S1-10</u> S1-11 – Social protection	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
72. The undertaking shall disclose whether its employees are covered by social protection against loss of income due to major life events, and, if not, the countries where this is not the case.	72. The undertaking shall disclose whether its employees are covered by social protection against loss of income due to major life events, and, if not, the countries where this is not the case.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
73. The objective of this Disclosure Requirement is to enable an understanding of whether the undertaking's employees are covered by social protection against loss of income due to major life events, and, if not, the countries where this is not the case.	33 73. The objective of this Disclosure Requirement DR is to enable an understanding of whether the undertaking's employees are covered by social protection against loss of income due to major life events and, if not, the countries where this is not the case.	Unchanged
74. The undertaking shall disclose whether all its employees are covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:	74. The undertaking shall disclose whether all its employees are covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events: <u>34</u> 74. In situations where an undertaking's employees lack social protection, through public programs or through benefits offered by the	Merged Merger of former [74] and [75] were simplified and consolidated.

	<u>undertaking, and with regard to one or more of the four major life events listed below, the undertaking shall disclose the countries where employees lack those protections for the following major life events:</u>	
(a) sickness;	(a) sickness;	Unchanged
(b) unemployment starting from when the own worker is working for the undertaking;	(b) unemployment starting from when the own worker is working for the undertaking;	Unchanged
(c) employment injury and acquired disability;	(c) employment injury and acquired disability; and	Unchanged
(d) parental leave; and	(d) parental leave; and maternity leave.	Amended Amended in favour of the more mature indicator of maternity leave in line with EFRAG decision and information gathering input.
(e) retirement.	(e) retirement.	Deleted Granularity reduced.
If so, stating this is sufficient to fulfil this disclosure requirement and no further information is needed.	If so, stating this is sufficient to fulfil this disclosure requirement and no further information is needed.	Deleted As part of former [74] and [75] were simplified and consolidated in new [34].
75. If not all of its employees are covered by social protection in accordance with paragraph 72, the undertaking shall in addition disclose the countries where employees do not have social protection with regard to one or more of the types of events listed in paragraph 72 and for each of those countries the types of	75. If not all of its employees are covered by social protection in accordance with paragraph 72, the undertaking shall in addition disclose the countries where employees do not have social protection with regard to one or more of the types of events listed in paragraph 72 and for each of those countries the types of employees who do not have social protection with regard to each applicable major life event.	Merged Merger of former [74] and [75] were simplified and

employees who do not have social protection with regard to each applicable major life event.		consolidated in new [34].
76. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	76. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
<i>Disclosure Requirement S1-12– Persons with disabilities</i>	<i>Disclosure Requirement <u>S1-11</u> S1-12 – Persons with disabilities</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
77. The undertaking shall disclose the percentage of its own employees with disabilities.	77. The undertaking shall disclose the percentage of its own employees with disabilities.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
78. The objective of this Disclosure Requirement is to enable an understanding of the extent to which persons with disabilities are included among the undertaking's employees.	35 78. The objective of this Disclosure Requirement DR is to enable an understanding of the extent to which persons with disabilities are included among the undertaking's employees.	Unchanged
79. The undertaking shall disclose the percentage of persons with disabilities amongst its employees subject to legal restrictions on the collection of data.	36 79. The undertaking shall disclose the percentage of persons with disabilities amongst its employees, subject to legal restrictions on the collection of data.	Unchanged
80. The undertaking may disclose the percentage of employees with disabilities with a breakdown by gender	80. The undertaking may disclose the percentage of employees with disabilities with a breakdown by gender	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the

		majority of voluntary datapoints
Disclosure Requirement S1-13 – Training and skills development metrics	Disclosure Requirement <u>S1-12</u> S1-13 – Training and skills development metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
81. The undertaking shall disclose the extent to which training and skills development is provided to its employees.	81. The undertaking shall disclose the extent to which training and skills development is provided to its employees.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
82. The objective of this Disclosure Requirement is to enable an understanding of the training and skills development -related activities that have been offered to employees, within the context of continuous professional growth, to upgrade employees' skills and facilitate continued employability.	37 82. The objective of this Disclosure Requirement DR is to enable an understanding of the training and skills development-related activities that have been offered to employees, within the context of continuous professional growth, to upgrade employees' skills and facilitate continued employability.	Unchanged
83. The disclosure required by paragraph 81 shall include:	38 83. The disclosure required by paragraph 81 shall include <u>The undertaking shall disclose the following information for the reporting period:</u>	Amended Editorial amendment.
(a) the percentage of employees that participated in regular performance and career development reviews; such information shall be broken down by gender;	(a) the percentage of employees that participated in regular performance and career development reviews; such information shall be broken down by gender;	Amended Deletion to reduce granularity.
(b) the average number of training hours per employee and by gender.	(b) the average number of training hours per employee and by gender.	Amended Deletion to reduce granularity.

84. The undertaking may disclose breakdowns by employee category for the percentage of employees that participated in regular performance and career development and for the average number of training hours per employee.	84. The undertaking may disclose breakdowns by employee category for the percentage of employees that participated in regular performance and career development and for the average number of training hours per employee.	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
85. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	85. The undertaking may also disclose the information specified in this disclosure requirement with regard to non-employees in its workforce.	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
Disclosure Requirement S1-14 – Health and safety metrics	Disclosure Requirement S1-13 S1-14 – Health and safety metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
86. The undertaking shall disclose information on the extent to which its own workforce is covered by its health and safety management system and the number of incidents associated with work-related injuries, ill health and fatalities of its own workforce. In addition, it shall disclose the number of fatalities as a result of work-related injuries and work-related ill health of other workers working on the undertaking's sites.	86. The undertaking shall disclose information on the extent to which its own workforce is covered by its health and safety management system and the number of incidents associated with work-related injuries, ill health and fatalities of its own workforce. In addition, it shall disclose the number of fatalities as a result of work-related injuries and work-related ill health of other workers working on the undertaking's sites.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
87. The objective of this Disclosure Requirement is to allow an understanding of the coverage, quality and performance of the health and safety management system established to prevent work-related injuries.	39 87. The objective of this Disclosure Requirement DR is to allow an understanding of the coverage, quality and performance of the health and safety management system established to prevent work-related injuries <u>accidents, ill-health, and fatalities</u> .	Amended Editorial amendment
88. The disclosure required by paragraph 86 shall include the following information, where applicable broken down between employees and non-employees in the undertaking's own workforce:	40 88. The disclosure required by paragraph 86 shall include <u>The undertaking shall disclose the following information for the reporting period and</u> , where applicable, broken down between employees and non-employees in <u>for</u> the undertaking's own workforce:	Amended Editorial amendment

(a) the percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines;	(a) the percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines;	Unchanged
b) the number of fatalities (95) as a result of work-related injuries and work-related ill health;	b) the number of fatalities (95) as a result of work-related injuries and work-related ill health; <u>(b) the sum of: (i) the number of fatalities from work-related injuries among everybody in the undertaking's own workforce as well as other workers that work on its sites; and (ii) the number of fatalities from work-related ill health among its employees;⁵</u>	Amended Deletion of the datapoints related to ill-health for non-employees and workers in the value chain. Reduction of scope of the metric. This is an SFDR PAI.
(c) the number and rate of recordable work-related accidents;	(c) the number and rate of recordable work-related accidents; ⁵	Unchanged This is an SFDR PAI.
(d) with regard to the undertaking's employees, the number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data; and	(d) with regard to the undertaking's employees, the number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data; and	Unchanged
e) with regard to the undertaking's employees, the number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health (96).	e) with regard to the undertaking's employees, the number of days lost to work-related injuries and fatalities from work-related accidents, <u>recordable work-related accidents and</u> work-related ill health and fatalities from ill health (96). ⁷	Amended Decision based on clarification sought from the Q&A platform. Deletion of days lost to fatalities where methodology is lacking . This is an SFDR PAI.

The information for (b) shall also be reported for other workers working on the undertaking's sites, such as value chain workers if they are working on the undertaking's sites.	The information for (b) shall also be reported for other workers working on the undertaking's sites, such as value chain workers if they are working on the undertaking's sites.	Moved Moved to new [40] (b).
89. The undertaking may also disclose the information specified in points (d) and (e) of paragraph 88 with regard to non-employees.	89. The undertaking may also disclose the information specified in points (d) and (e) of paragraph 88 with regard to non-employees.	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
90. In addition, the undertaking may include the following additional information on the health and safety coverage: the percentage of its own workers covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines and which has been internally audited and/or audited or certified by an external party.	90. In addition, the undertaking may include the following additional information on the health and safety coverage: the percentage of its own workers covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines and which has been internally audited and/or audited or certified by an external party.	Deleted Deleted to follow the common EFRAG approach of reviewing and deleting the majority of voluntary datapoints
Disclosure Requirement S1-15 – Work-life balance metrics	Disclosure Requirement <u>S1-14</u> S1-15 – Work-life balance metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
91. The undertaking shall disclose the extent to which employees are entitled to and make use of family-related leave.	91. The undertaking shall disclose the extent to which employees are entitled to and make use of family-related leave.	Deleted Deleted in accordance with the EFRAG decision to delete the introductory paragraphs.
92. The objective of this Disclosure Requirement is to provide an understanding of the entitlement and actual practices amongst the employees to take family-related leave in a gender equitable manner, as it is one of the dimensions of work-life balance.	41. 92. The objective of this Disclosure Requirement DR is to provide an understanding of the entitlement and actual practices amongst of the undertaking's employees to take family-related leave. in a gender equitable manner, as it is one of the dimensions of work life balance.	Amended Editorial changes.

93. The disclosure required by paragraph 91 shall include:	93. The disclosure required by paragraph 91 shall include:	Amended Editorial change, addressed in new [42].
(a) the percentage of employees entitled to take family-related leave; and	42. (93 amended) The undertaking shall disclose the percentage of employees entitled to take family-related leave <u>during the period.</u>	Unchanged
(b) the percentage of entitled employees that took family-related leave, and a breakdown by gender.	(b) the percentage of entitled employees that took family-related leave, and a breakdown by gender.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 34] Made voluntary to reduce granularity overall.
94. If all of the undertaking's employees are entitled to family-related leave through social policy and/or collective bargaining agreements, it is sufficient to disclose this in order to meet the requirement of paragraph 93a.	94. If all of the undertaking's employees are entitled to family-related leave through social policy and/or collective bargaining agreements, it is sufficient to disclose this in order to meet the requirement of paragraph 93a.	Moved Moved to [AR 31]. This is not a datapoint but explains how this requirement can be fulfilled.
Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	Disclosure Requirement <u>S1-15</u> S1-16 – Remuneration metrics (pay gap and total remuneration)	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
95. The undertaking shall disclose the percentage gap in pay between its female and male employees and the ratio between the remuneration of its highest paid individual and the median remuneration for its employees.	95. The undertaking shall disclose the percentage gap in pay between its female and male employees and the ratio between the remuneration of its highest paid individual and the median remuneration for its employees.	Deleted Deleted in accordance with the EFRAG decision to delete the

		introductory paragraphs.
96. The objective of this Disclosure Requirement is twofold: to allow an understanding of the extent of any gap in the pay between women and men amongst the undertaking's employees; and to provide insight into the level of remuneration inequality inside the undertaking and whether wide pay disparities exist.	43-96 The objective of this Disclosure Requirement DR is twofold: to allow an understanding of the extent of the global any gap in the pay between women and men amongst the undertaking's employees; and to provide insight into the level of remuneration inequality inside within the undertaking to enable an understanding of whether pay disparities exists and whether wide pay disparities exist.	Amended Editorial changes were made to enhance clarity.
97. The disclosure required by paragraph 95 shall include:	44. 97 . The undertaking disclosure required by paragraph 95 shall include disclose:	Amended Editorial amendment
(a) the gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees (97);	(a) the gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees ⁷ ; and	Unchanged
(b) the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) (98); and	(b) the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual). ⁸	Unchanged
c) where applicable, any contextual information necessary to understand the data and how the data has been compiled and other changes to the underlying data that are to be considered.	e) where applicable, any contextual information necessary to understand the data and how the data has been compiled and other changes to the underlying data that are to be considered	Moved Contextual information according to GDR-M and moved to [AR 34].
98. The undertaking may disclose a breakdown of the gender pay gap as defined in paragraph 97(a) by employee category and/or by country/segment. The undertaking may also disclose the gender pay gap between employees by categories of employees broken down by ordinary basic salary and complementary or variable components.	98. The undertaking may disclose a breakdown of the gender pay gap as defined in paragraph 97(a) by employee category and/or by country/segment. The undertaking may also disclose the gender pay gap between employees by categories of employees broken down by ordinary basic salary and complementary or variable components.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 35] Maintained as a voluntary guidance, to maintain both the unadjusted gender pay gap and the adjusted gender pay

		gap by employee category, which provides important context to the unadjusted gender pay gap.
99. In relation to paragraph 97 (b), the undertaking may report this figure adjusted for purchasing power differences between countries, in which case it shall report the methodology used for the calculation.	99. In relation to paragraph 97 (b), the undertaking may report this figure adjusted for purchasing power differences between countries, in which case it shall report the methodology used for the calculation.	Deleted Deleted to follow the EFRAG decision to review and delete the majority of voluntary datapoints.
Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts	Disclosure Requirement S1-16 S1-17 – Incidents, complaints and severe human rights impacts Incidents of discrimination and other human rights incidents	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
		Overall comment: this DR and relevant AR have been simplified, with less granular reporting requirements and streamlined in line with input received from information gathering and EFRAG decision.
100. The undertaking shall disclose the number of work-related incidents and/or complaints and severe human rights impacts within its own workforce, and any related material fines, sanctions or compensation for the reporting period.	100. The undertaking shall disclose the number of work-related incidents and/or complaints and severe human rights impacts within its own workforce, and any related material fines, sanctions or compensation for the reporting period.	Deleted Deleted in accordance with the EFRAG

		decision to delete the introductory paragraphs.
101. The objective of this Disclosure Requirement is to allow an understanding of the extent to which work-related incidents and severe cases of human rights impacts are affecting its own workforce.	45. 101 The objective of this Disclosure Requirement-DR is to allow an understanding of the extent to which work-related incidents and severe cases of human rights impacts are affecting its own workforce of <u>discrimination and other human rights incidents affect the undertaking's own workforce</u>	Amended Editorial changes to reflect changes across this disclosure requirement.
102. The disclosure required by paragraph 100 shall include, subject to the relevant privacy regulations, work-related incidents of discrimination on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period. This includes incidents of harassment as a specific form of discrimination.	102. The disclosure required by paragraph 100 shall include, subject to the relevant privacy regulations, work-related incidents of discrimination on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period. This includes incidents of harassment as a specific form of discrimination.	Amended Simplification with 1) consolidation with data point on number of such incidents; 2) editorial changes: e.g. reference to “incidents” as opposed to “work-related incidents” for better alignment with existing definitions in glossary and to avoid multiplication of terminology in a single disclosure requirement based on EFRAG decision.
103. The undertaking shall disclose:	46. 103 The undertaking shall disclose:	Amended Simplification with 1) consolidation with data point on number of such incidents; 2)

		editorial changes: e.g. reference to “incidents” as opposed to “work-related incidents” for better alignment with existing definitions in glossary and to avoid multiplication of terminology in a single disclosure requirement based on EFRAG decision.
(a) the total number of incidents of discrimination, including harassment, reported in the reporting period (99);	(a) <u>subject to the relevant privacy regulations, the total 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, reported in the reporting period⁹;</u>	<p>Amended</p> <p>Consolidation of this data point with former [102] with editorial amendments.</p> <p>Simplification with 1) consolidation with data point on number of such incidents; 2) editorial changes: e.g. reference to “incidents” as opposed to “work-related incidents” for better alignment with existing definitions in glossary and to avoid multiplication of terminology in a single</p>

		<p>disclosure requirement.</p> <p>Changes when required for simplification and streamlining based on EFRAG decision.</p>
<p>b) the number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of this Standard, excluding those already reported in (a) above;</p>	<p>b) the number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of this Standard, excluding those already reported in (a) above;</p> <p><u>(b) subject to the relevant privacy regulations, the number of human rights incidents connected to its own workforce that it has identified in the reporting period, but excluding those that relate to discrimination which are reported according to paragraph 46 a);¹⁰ and</u></p>	<p>Amended</p> <p>Partially consolidated under data point on human rights incidents and with reference to complaints in [NMIG 36].</p> <p>Reference to NCP is included in [AR 38] with regard to examples of what are non-judicial proceedings. The remaining text was deleted.</p> <p>Amended in line with input received from public input and information gathering.</p>
<p>c) the total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above, and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements; and</p>	<p>(c) the total amount of fines, penalties and compensation for damages for as a result of the incidents and complaints disclosed above, and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements; and</p> <p><u>disclosed under</u></p>	<p>Amended</p> <p>Reference to financial statements and</p>

	<u>paragraph 46 (a)(b) recognised during the reporting period in the financial statements.</u>	reconciliation included in [AR 41].
d) where applicable, contextual information necessary to understand the data and how such data has been compiled.	d) where applicable, contextual information necessary to understand the data and how such data has been compiled.	Moved Moved to [AR 39] with amendments.
104. The undertaking shall disclose the following information regarding identified cases of severe human rights incidents (e.g., forced labour, human trafficking or child labour):	104. The undertaking shall disclose the following information regarding identified cases of severe human rights incidents (e.g., forced labour, human trafficking or child labour):	Deleted Scope of human rights incidents now in [AR 37].
(a) the number of severe human rights incidents connected to the undertaking's workforce in the reporting period, including an indication of how many of these are cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises. If no such incidents have occurred, the undertaking shall state this (100); and	<u>b) subject to the relevant privacy regulations, the number of human rights incidents connected to its own workforce that it has identified in the reporting period, but excluding those that relate to discrimination which are reported according to paragraph 46 a);¹⁰ and</u>	Amended Simplified with focus on incidents only and clarification of what qualify as such incidents in AR39 (a) and (b) Removed reference to "severe" human rights incidents as significant amount of feedback received explained this was in contradiction with the severity concept of impact materiality and created a new filter within the DR (i.e. most significant equivalent which is not aligned with

		materiality of information).
(b) the total amount of fines, penalties and compensation for damages for the incidents described in (a) above, and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements.	(b) the total amount of fines, penalties and compensation for damages for the incidents described in (a) above, and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements.	Moved Reference to financial statements and reconciliation amended and moved to [AR 41].
Appendix A Application Requirements		
Objective	Objective	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
AR 1. In addition to the issues listed in paragraph 2, the undertaking may also consider disclosing information about other issues relevant to a material impact for a shorter period of time, for instance initiatives regarding the health and safety of its own workforce during a pandemic.	AR 1. In addition to the issues listed in paragraph 2, the undertaking may also consider disclosing information about other issues relevant to a material impact for a shorter period of time, for instance initiatives regarding the health and safety of its own workforce during a pandemic.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
AR 2. The overview of social matters provided in paragraph 2 is not meant to imply that all of these issues should be reported on in each Disclosure Requirement in this Standard. Rather, they provide a list of matters derived from the sustainability reporting requirements set out in Directive 2013/34/EU that the undertaking shall consider for the ESRS 2 materiality assessment related to its own workforce and, as appropriate, report as material impacts, risks and opportunities within the scope of this Standard.	AR 2. The overview of social matters provided in paragraph 2 is not meant to imply that all of these issues should be reported on in each Disclosure Requirement in this Standard. Rather, they provide a list of matters derived from the sustainability reporting requirements set out in Directive 2013/34/EU that the undertaking shall consider for the ESRS 2 materiality assessment related to its own workforce and, as appropriate, report as material impacts, risks and opportunities within the scope of this Standard.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
AR 3. Examples of people that fall within the scope of “Own workforce” are:	AR 3. Examples of people that fall within the scope of “Own workforce” are:	Deleted

		Deleted for simplification based on EFRAG decision and information gathering input.
(a) Examples of contractors (self-employed persons) in the undertaking's own workforce include: i. Contractors hired by the undertaking to perform work that would otherwise be carried out by an employee ii. Contractors hired by the undertaking to perform work in a public area (e.g., on a road, on the street). iii. Contractors hired by the undertaking to deliver the work/service directly at the workplace of a client of the undertaking.	(a) Examples of contractors (self-employed persons) in the undertaking's own workforce include: i. Contractors hired by the undertaking to perform work that would otherwise be carried out by an employee ii. Contractors hired by the undertaking to perform work in a public area (e.g., on a road, on the street). iii. Contractors hired by the undertaking to deliver the work/service directly at the workplace of a client of the undertaking.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
(b) Examples of people employed by a third party engaged in 'employment activities' include people who perform the same work that employees carry out, such as: i. people who fill in for employees who are temporarily absent (due to illness, holiday, parental leave, etc.); ii. people performing work additional to regular employees; iii. people who are dispatched temporarily from another EU member state to work for the undertaking ('posted workers').	(b) Examples of people employed by a third party engaged in 'employment activities' include people who perform the same work that employees carry out, such as: i. people who fill in for employees who are temporarily absent (due to illness, holiday, parental leave, etc.); ii. people performing work additional to regular employees; iii. people who are dispatched temporarily from another EU member state to work for the undertaking ('posted workers').	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
ESRS 2 General Disclosures		
Strategy		
Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders	Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	

AR 4. ESRS 2 SBM-2 requires the undertaking to provide an understanding of whether and how it considers the role that its strategy and business model may play in creating, exacerbating or mitigating significant material impacts on its own workforce , and whether and how the business model and strategy are adapted to address such material impacts.	AR 4. ESRS 2 SBM-2 requires the undertaking to provide an understanding of whether and how it considers the role that its strategy and business model may play in creating, exacerbating or mitigating significant material impacts on its own workforce , and whether and how the business model and strategy are adapted to address such material impacts.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
AR 5. While the undertaking's own workforce may not be engaging with the undertaking at the level of its strategy or business model , their views can inform the undertaking's assessment of its strategy and business model. The undertaking shall consider the views of workers' representatives when applicable to fulfil this disclosure.	AR 5. While the undertaking's own workforce may not be engaging with the undertaking at the level of its strategy or business model , their views can inform the undertaking's assessment of its strategy and business model. The undertaking shall consider the views of workers' representatives when applicable to fulfil this disclosure.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
<i>Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model</i>	<i>Disclosure Requirement related to ESRS 2 SBM 3 – Material impacts, risks and opportunities and their interaction with strategy and business model</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 6. Impacts on the undertaking's own workforce can originate in its strategy or business model in a number of different ways. For example, impacts may relate to the undertaking's value proposition (such as providing lowest cost products or services, or high-speed delivery, in ways that put pressure on labour rights in its own operations), or its cost structure and the revenue model (such as shifting inventory risk to suppliers , with knock-on effects on the labour rights of people who work for them).	AR 6. Impacts on the undertaking's own workforce can originate in its strategy or business model in a number of different ways. For example, impacts may relate to the undertaking's value proposition (such as providing lowest cost products or services, or high-speed delivery, in ways that put pressure on labour rights in its own operations), or its cost structure and the revenue model (such as shifting inventory risk to suppliers , with knock-on effects on the labour rights of people who work for them).	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
AR 7. Impacts on the undertaking's own workforce that originate in the strategy or business model can also bring material risks to the undertaking. For example, risks arise if some people in the workforce are at risk of forced labour , and the undertaking is importing products into countries where the	AR 7. Impacts on the undertaking's own workforce that originate in the strategy or business model can also bring material risks to the undertaking. For example, risks arise if some people in the workforce are at risk of forced labour , and the undertaking is importing products into countries where the law allows for the confiscation of imported	Deleted Deleted for simplification based on EFRAG decision

<p>law allows for the confiscation of imported goods that are suspected of being made with forced labour. An example of opportunities for the undertaking may result from providing opportunities for the workforce such as job creation and upskilling in the context of a “just transition”. Another example, in the context of a pandemic or other severe health crisis, relates to the undertaking potentially relying on contingent labour with little to no access to sick care and health benefits that may face severe operational and business continuity risks as workers have no choice but to keep working while sick, further exacerbating the spread of the disease and causing major supply chain breakdowns. Reputational and business opportunity risks linked to the exploitation of low-skilled, low-paid workers in sourcing geographies with minimal protections for them are also increasing with media backlash and consumer preferences moving to more ethically sourced or sustainable goods.</p>	<p>goods that are suspected of being made with forced labour. An example of opportunities for the undertaking may result from providing opportunities for the workforce such as job creation and upskilling in the context of a “just transition”. Another example, in the context of a pandemic or other severe health crisis, relates to the undertaking potentially relying on contingent labour with little to no access to sick care and health benefits that may face severe operational and business continuity risks as workers have no choice but to keep working while sick, further exacerbating the spread of the disease and causing major supply chain breakdowns. Reputational and business opportunity risks linked to the exploitation of low-skilled, low-paid workers in sourcing geographies with minimal protections for them are also increasing with media backlash and consumer preferences moving to more ethically sourced or sustainable goods.</p>	<p>and information gathering input.</p>
<p>AR 8. Examples of particular characteristics of people in the undertaking’s own workforce that may be considered by the undertaking when responding to paragraph 15 relate to young people that may be more susceptible to impacts on their physical and mental development, or women in a context where women are routinely discriminated against in the terms and conditions of work, or migrants in a context where the market for the supply of labour is poorly regulated and workers are routinely charged recruitment fees. For some people in the workforce, the inherent nature of the activity that they are required to undertake may put them at risk (for example, people required to handle chemicals or operate certain equipment or low paid employees who are on “zero hours” contracts).</p>	<p>AR 8. Examples of particular characteristics of people in the undertaking’s own workforce that may be considered by the undertaking when responding to paragraph 15 relate to young people that may be more susceptible to impacts on their physical and mental development, or women in a context where women are routinely discriminated against in the terms and conditions of work, or migrants in a context where the market for the supply of labour is poorly regulated and workers are routinely charged recruitment fees. For some people in the workforce, the inherent nature of the activity that they are required to undertake may put them at risk (for example, people required to handle chemicals or operate certain equipment or low paid employees who are on “zero hours” contracts).</p>	<p>Deleted</p> <p>Deleted for simplification based on EFRAG decision and information gathering input.</p>

AR 9. With regard to paragraph 16, material risks could also arise because of the undertaking's dependency on its own workforce where low-likelihood but high-impact events may trigger financial effects; for example, where a global pandemic leads to severe health impacts on the undertaking's workforce resulting in major disruptions to production and distribution. Other examples of risk related to the undertaking's dependency on its workforce include a shortage in skilled workers or political decisions or legislation affecting its own operations and own workforce .	AR 9. With regard to paragraph 16, material risks could also arise because of the undertaking's dependency on its own workforce where low-likelihood but high-impact events may trigger financial effects; for example, where a global pandemic leads to severe health impacts on the undertaking's workforce resulting in major disruptions to production and distribution. Other examples of risk related to the undertaking's dependency on its workforce include a shortage in skilled workers or political decisions or legislation affecting its own operations and own workforce.	Deleted Deleted for simplification based on EFRAG decision and information gathering input.
Impacts, risks and opportunities management		
Disclosure Requirement S1-1 – Policies related to own workforce	Disclosure Requirement S1-1 – Policies related to own workforce	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 10. The undertaking shall consider whether explanations of significant changes to the policies adopted during the reporting year (for example, new expectations for foreign subsidiaries, new or additional approaches to due diligence and remedy) provide contextual information for users and may disclose such explanations. This includes policies and commitments of the undertaking to prevent or mitigate the risks and negative impacts on people in its own workforce of reducing carbon emissions and transitioning to greener and climate-neutral operations as well as to provide opportunities for the workforce such as job creation and upskilling, including explicit commitments to a 'just transition'.	AR 10. The undertaking shall consider whether explanations of significant changes to the policies adopted during the reporting year (for example, new expectations for foreign subsidiaries, new or additional approaches to due diligence and remedy) provide contextual information for users and may disclose such explanations. This includes policies and commitments of the undertaking to prevent or mitigate the risks and negative impacts on people in its own workforce of reducing carbon emissions and transitioning to greener and climate-neutral operations as well as to provide opportunities for the workforce such as job creation and upskilling, including explicit commitments to a 'just transition'.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 2]. First part deleted because not essential. Second part retained but amended for editorial reasons based on EFRAG decision.
AR 11. The policy may take the form of a stand-alone policy regarding the undertaking's own workforce or be included in a broader document such as a code of ethics or a general sustainability policy that has already been disclosed by the undertaking as part of another ESRS. In those cases, the undertaking shall provide an accurate cross-reference to	AR 11. The policy may take the form of a stand-alone policy regarding the undertaking's own workforce or be included in a broader document such as a code of ethics or a general sustainability policy that has already been disclosed by the undertaking as part of another ESRS. In those cases, the undertaking shall provide an accurate cross-reference	Deleted The AR was deleted because 'policy' already defined in Glossary.

identify the aspects of the policy that satisfy the requirements of this Disclosure Requirement.	to identify the aspects of the policy that satisfy the requirements of this Disclosure Requirement.	
AR 12. When disclosing the alignment of its policies with the UN Guiding Principles on Business and Human Rights, the undertaking shall consider that the Guiding Principles refer to the International Bill of Human Rights, which consist of the Universal Declaration of Human Rights and the two Covenants that implement it, as well as the International Labour Organisation's Declaration on Fundamental Rights and Principles at Work and the core conventions that underpin it, and may report on alignment with these instruments.	AR 12. When disclosing the alignment of its policies with the UN Guiding Principles on Business and Human Rights, the undertaking shall consider that the Guiding Principles refer to the International Bill of Human Rights, which consist of the Universal Declaration of Human Rights and the two Covenants that implement it, as well as the International Labour Organisation's Declaration on Fundamental Rights and Principles at Work and the core conventions that underpin it, and may report on alignment with these instruments.	Deleted Deemed not essential in line with simplification decision of EFRAG.
AR 13. When explaining how external-facing policies are embedded, the undertaking may, for example, consider internal policies of responsible sourcing, and alignment with other policies relevant to own workers, for example, regarding forced labour. With regard to supplier codes of conduct that the undertaking may have, it shall indicate whether they include provisions addressing the safety of workers, precarious work (i.e., use of workers on short-term or limited hours contracts, workers employed via third parties, sub-contracting to third parties or use of informal workers), human trafficking, the use of forced labour or child labour, and whether such provisions are fully in line with applicable ILO standards.	AR 13. When explaining how external-facing policies are embedded, the undertaking may, for example, consider internal policies of responsible sourcing, and alignment with other policies relevant to own workers, for example, regarding forced labour. With regard to supplier codes of conduct that the undertaking may have, it shall indicate whether they include provisions addressing the safety of workers, precarious work (i.e., use of workers on short-term or limited hours contracts, workers employed via third parties, sub-contracting to third parties or use of informal workers), human trafficking, the use of forced labour or child labour, and whether such provisions are fully in line with applicable ILO standards.	Deleted Deemed not essential in line with simplification decision of EFRAG.
AR 14. The undertaking may provide an illustration of the types of communication of its policies to those individuals, group of individuals or entities for whom they are relevant, either because they are expected to implement them (for example, the undertaking's employees, contractors and suppliers), or because they have a direct interest in their implementation (for example, people in its own workforce, investors). It may disclose communication tools and channels (for example, flyers, newsletters, dedicated websites, social media, face to face interactions, workers' representatives), aimed at ensuring	AR 14. The undertaking may provide an illustration of the types of communication of its policies to those the individuals, groups of individuals or entities for whom they are relevant, either because they are expected to implement them (for example, the undertaking's employees, contractors and suppliers), or because they have a direct interest in their implementation (for example, people in its own workforce, investors) are an illustration of policy aspects to disclose. It may disclose communication tools and channels (for example, flyers, newsletters, dedicated websites, social media, face to face interactions, workers'	Amended Editorial changes made for consistency in line with the EFRAG decision on simplification and ensuring guidance materials also partially moved to [NMIG 3].

that the policy is accessible and that different audiences understand its implications. The undertaking may also explain how it identifies and removes potential barriers for dissemination, such as through translation into relevant languages or the use of graphic depictions.	representatives), aimed at ensuring that the policy is accessible and that different audiences understand its implications. The undertaking may also explain how it identifies and removes potential barriers for dissemination, such as through translation into relevant languages or the use of graphic depictions.	
AR 15. Discrimination in employment and occupation occurs when someone is treated differently or less favorably because of characteristics that are not related to merit or the inherent requirements of the job. These characteristics are commonly defined in national laws. Besides the grounds mentioned in the Disclosure Requirement, the undertaking shall consider other grounds for discrimination prohibited under national legislation.	AR 15. Discrimination in employment and occupation occurs when someone is treated differently or less favorably because of characteristics that are not related to merit or the inherent requirements of the job. These characteristics are commonly defined in national laws. Besides the grounds mentioned in the Disclosure Requirement, the undertaking shall consider other grounds for discrimination prohibited under national legislation.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 1] and discrimination definition in Glossary.
AR 16. Discrimination can arise in a variety of work-related activities. These include access to employment, particular occupations, training and vocational guidance and social security. Moreover, it can occur with respect to the terms and conditions of employment, such as: recruitment, remuneration, hours of work and rest, paid holidays, maternity protection, security of tenure, job assignments, performance assessment and advancement, training opportunities, promotion prospects, occupational safety and health, termination of employment. The undertaking may address these areas specifically when disclosing its policies and underlying procedures to fulfil the disclosure requirement.	AR 16. Discrimination can arise in a variety of work-related activities. These include access to employment, particular occupations, training and vocational guidance and social security. Moreover, it can occur with respect to the terms and conditions of employment, such as: recruitment, remuneration, hours of work and rest, paid holidays, maternity protection, security of tenure, job assignments, performance assessment and advancement, training opportunities, promotion prospects, occupational safety and health, termination of employment. The undertaking may address these areas specifically when disclosing its policies and underlying procedures to fulfil the disclosure requirement.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 1]. The AR was moved to NMIG 2 as part of efforts to simplify and streamline requirements and enhance the guidance in line with findings from information gathering and EFRAG decision.
AR 17. The undertaking may disclose whether it:	AR 17. The undertaking may disclose whether it:	Deleted
(a) has policies and procedures which make qualifications, skills and experience the basis for the recruitment, placement, training and advancement at all levels, while accounting for the	(a) has policies and procedures which make qualifications, skills and experience the basis for the recruitment, placement, training and advancement at all levels, while accounting for the fact that some	Deleted The disclosures items in AR 17 have been

fact that some individuals may have more difficulty than others to acquire such qualifications, skills and experience;	individuals may have more difficulty than others to acquire such qualifications, skills and experience;	deleted because some overlap with other disclosures, or because they were too prescriptive, in line with EFRAG decision.
(b) assigns responsibility at top management level for equal treatment and opportunities in employment, issue clear company-wide policies and procedures to guide equal employment practices, and link advancement to desired performance in this area;	(b) assigns responsibility at top management level for equal treatment and opportunities in employment, issue clear company wide policies and procedures to guide equal employment practices, and link advancement to desired performance in this area;	Deleted Deemed not essential in line with simplification EFRAG decision.
(c) provides staff training on non-discrimination policies and practices, with a particular focus on middle and upper management to raise awareness and address resolution strategies for preventing and addressing systemic and incidental discrimination;	(c) provides staff training on non-discrimination policies and practices, with a particular focus on middle and upper management to raise awareness and address resolution strategies for preventing and addressing systemic and incidental discrimination;	Deleted Deleted as staff training on non-discrimination policies mentioned in NMIG 1.
(d) makes adjustments to the physical environment to ensure health and safety for workers, customers and other visitors with disabilities;	(d) makes adjustments to the physical environment to ensure health and safety for workers, customers and other visitors with disabilities;	Deleted Deemed not essential in line with simplification decision of EFRAG.
(e) evaluates whether job requirements have been defined in a way that could systematically disadvantage certain groups;	(e) evaluates whether job requirements have been defined in a way that could systematically disadvantage certain groups;	Deleted Deemed too descriptive in line with simplification decision of EFRAG.
(f) keeps up-to-date records on recruitment, training and promotion that provide a transparent view of opportunities for employees and their progression within the undertaking;	(f) keeps up to date records on recruitment, training and promotion that provide a transparent view of opportunities for employees and their progression within the undertaking;	Deleted Deemed too descriptive in line with

		simplification decision of EFRAG.
(g) puts in place grievance procedures to address complaints, handle appeals and provide recourse for employees (especially in the context of negotiations and collective agreements) when discrimination is identified, and is alert to formal structures and informal cultural issues that can prevent employees from raising concerns and grievances; and	(g) puts in place grievance procedures to address complaints, handle appeals and provide recourse for employees (especially in the context of negotiations and collective agreements) when discrimination is identified, and is alert to formal structures and informal cultural issues that can prevent employees from raising concerns and grievances; and	Deleted Overlaps with disclosures in S1-2 (previously S1-3).
(h) has programs to promote access to skills development.	(h) has programs to promote access to skills development.	Deleted Overlaps with S1-12 (previously S1-13) Trainings and skills development.
<i>Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts</i>	<i>Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts Engagement with own workforce and workers' representatives, existence of channels for own workers to raise concerns or needs and approaches to remedy</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 18. When describing what function or role has operational responsibility for such engagement and/or ultimate accountability, the undertaking may disclose whether this is a dedicated role or function or part of a broader role or function, and whether any capacity building activities have been offered to support the staff to undertake engagement. If it cannot identify such a position or function, it may state that this is the case. This disclosure could also be fulfilled by making reference to information disclosed according to ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies.	AR 18. When describing what function or role has operational responsibility for such engagement and/or ultimate accountability, the undertaking may disclose whether this is a dedicated role or function or part of a broader role or function, and whether any capacity building activities have been offered to support the staff to undertake engagement. If it cannot identify such a position or function, it may state that this is the case. This disclosure could also be fulfilled by making reference to information disclosed according to ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies.	Deleted from mandatory content and moved to NMIG Partly covered in [NMIG 4] (e.g. capacity building).
AR 19. When preparing the disclosures described in paragraph 27 b) and c), the following illustrations may be considered:	AR 19. When preparing the disclosures described in paragraph 27 b) and c), the following illustrations may be considered:	Deleted from mandatory content and moved to NMIG

		Partially moved to [NMIG 5] and simplified in line with EFRAG decision.
(a) examples of stages at which engagement occurs are i) determining the approach to mitigation and ii) evaluating the effectiveness of mitigation;	(a) examples of stages at which engagement occurs are i) determining the approach to mitigation and ii) evaluating the effectiveness of mitigation;	Deleted Deleted to streamline requirements in line with findings from information gathering and EFRAG decisions.
(b) for type of engagement, these could be participation, consultation and/or information;	(b) for type of engagement, these could be participation, consultation and/or information;	Moved Moved to [AR 2] which contains related guidance.
(c) for the frequency of the engagement, information may be provided on whether engagement occurs on a regular basis, at certain points in a project or business process, (for example, when a new harvest season begins or a new production line is opened), as well as whether it occurs in response to legal requirements and/or in response to stakeholder requests and whether the result of the engagement is being integrated into the undertaking's decision-making processes; and	(c) for the frequency of the engagement, information may be provided on whether engagement occurs on a regular basis, at certain points in a project or business process, (for example, when a new harvest season begins or a new production line is opened), as well as whether it occurs in response to legal requirements and/or in response to stakeholder requests and whether the result of the engagement is being integrated into the undertaking's decision-making processes; and	Deleted from mandatory content and moved to NMIG Deleted from mandatory content and moved to [NMIG 4].
(d) for the role with operational responsibility, whether the undertaking requires relevant staff to have certain skills, or whether it provides training or capacity building to relevant staff to undertake engagement.	(d) for the role with operational responsibility, whether the undertaking requires relevant staff to have certain skills, or whether it provides training or capacity building to relevant staff to undertake engagement.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 4].

AR 20. Global Framework Agreements (GFA) serve to establish an ongoing relationship between a multinational enterprise and a Global Union Federation to ensure that the undertaking adheres to the same standards in every country in which it operates.	AR 20. Global Framework Agreements (GFA) serve to establish an ongoing relationship between a multinational enterprise and a Global Union Federation to ensure that the undertaking adheres to the same standards in every country in which it operates.	Moved The definition was agreed and moved to glossary.
AR 21. To illustrate how the perspectives of its own workforce have informed specific decisions or activities, the undertaking may provide examples from the current reporting period.	AR 21. To illustrate how the perspectives of its own workforce have informed specific decisions or activities, the undertaking may provide examples from the current reporting period.	Deleted Deleted to streamline requirements in line with findings from information gathering and EFRAG decisions.
AR 22. Where the undertaking has agreements with national, European or international trade unions or works councils related to the rights of people its own workforce, this can be disclosed to illustrate how the agreement enables the undertaking to gain insight into the perspectives of such people.	AR 22. Where the undertaking has agreements with national, European or international trade unions or works councils related to the rights of people its own workforce, this can be disclosed to illustrate how the agreement enables the undertaking to gain insight into the perspectives of such people.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 5].
AR 23. Where possible, the undertaking may disclose examples from the reporting period to illustrate how the perspectives of its own workforce and workers' representatives have informed specific decisions or activities of the undertaking.	AR 23. Where possible, the undertaking may disclose examples from the reporting period to illustrate how the perspectives of its own workforce and workers' representatives have informed specific decisions or activities of the undertaking.	Deleted Deleted as part of the merging of former S1-2 and S1-3.
AR 24. The undertaking shall consider the following aspects when fulfilling this Disclosure Requirement:	AR 24. The undertaking shall consider the following aspects when fulfilling this Disclosure Requirement:	Deleted Deleted as part of the merging of former S1-2 and S1-3.
(a) The type of engagement (for example, information, consultation or participation) and its frequency (for example, ongoing, quarterly, annually);	(a) AR 2. The type of engagement (for example, with the own workforce can take different forms, such as information, consultation or	Amended Editorial changes.

	participation, and its <u>occur at different frequencies</u> . (for example, ongoing, quarterly, annually);	
(b) how feedback is recorded and integrated into decision-making, and how people in the workforce are informed about the way in which their feedback has influenced decisions;	(b) how feedback is recorded and integrated into decision-making, and how people in the workforce are informed about the way in which their feedback has influenced decisions;	Deleted from mandatory content and moved to NMIG Moved to [NMIG 4].
(c) whether engagement activities take place at the organisational level or at a lower level, such as at the site or project level, and in the latter case, how information from engagement activities is centralised;	(c) whether engagement activities take place at the organisational level or at a lower level, such as at the site or project level, and in the latter case, how information from engagement activities is centralised;	Deleted from mandatory content and moved to NMIG Moved to [NMIG 4].
(d) the resources (for example, financial or human resources) allocated to engagement; and	(d) the resources (for example, financial or human resources) allocated to engagement; and	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with information gathering and EFRAG decisions.
(e) how it engages with people in its workforce and workers' representatives on the impacts on its own workforce that may arise from reducing carbon emissions and transitioning to greener and climate-neutral operations, in particular restructuring, employment loss or creation, training and up/reskilling, gender and social equity, and health and safety.	(e) how it engages with people in its workforce and workers' representatives on the impacts on its own workforce that may arise from reducing carbon emissions and transitioning to greener and climate-neutral operations, in particular restructuring, employment loss or creation, training and up/reskilling, gender and social equity, and health and safety.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 4].
AR 25. The undertaking may also disclose the following information in relation to paragraph 24 on diversity:	AR 25. The undertaking may also disclose the following information in relation to paragraph 24 on diversity:	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with

		information gathering and EFRAG decisions.
(a) how it engages with at-risk or persons in vulnerable situations (for example whether it takes specific approaches and gives special attention to potential barriers);	(a) how it engages with at-risk or persons in vulnerable situations (for example whether it takes specific approaches and gives special attention to potential barriers);	Moved Included in new [15].
(b) how it takes into account potential barriers to engagement with people in its workforce (for example, language and cultural differences, gender and power imbalances, divisions within a community or group);	(b) how it takes into account potential barriers to engagement with people in its workforce (for example, language and cultural differences, gender and power imbalances, divisions within a community or group);	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with information gathering and EFRAG decisions.
(c) how it provides people in its workforce with information that is understandable and accessible through appropriate communication channels;	(c) how it provides people in its workforce with information that is understandable and accessible through appropriate communication channels;	Deleted Elements on effectiveness for engagement are now included in new S1-3 as part of the merging of former S1-2 and S1-3.
(d) any conflicting interests that have arisen among its workforce and how the undertaking has resolved these conflicting interests; and	(d) any conflicting interests that have arisen among its workforce and how the undertaking has resolved these conflicting interests; and	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with information gathering and EFRAG decisions.

(e) how it seeks to respect the human rights of all stakeholders engaged, for example, their rights to privacy, freedom of expression, and peaceful assembly and protest.	(e) how it seeks to respect the human rights of all stakeholders engaged, for example, their rights to privacy, freedom of expression, and peaceful assembly and protest.	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with information gathering and EFRAG decisions.
AR 26. The undertaking may also report information about the effectiveness of processes for engaging with its own workforce from previous reporting periods. This applies in cases where the undertaking has assessed the effectiveness of these processes or derived lessons during the current reporting period. Processes used to track effectiveness can include internal or external auditing or verification, impact assessments, measurement systems, stakeholder feedback, grievance mechanisms, external performance ratings, and benchmarking.	AR 26. The undertaking may also report information about the effectiveness of processes for engaging with its own workforce from previous reporting periods. This applies in cases where the undertaking has assessed the effectiveness of these processes or derived lessons during the current reporting period. Processes used to track effectiveness can include internal or external auditing or verification, impact assessments, measurement systems, stakeholder feedback, grievance mechanisms, external performance ratings, and benchmarking.	Deleted Deleted as part of the merging of former S1-2 and S1-3 decided by EFRAG. Elements on effectiveness for engagement are now included in new S1-3.
<i>Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for its own workforce to raise concerns</i>	<i>Disclosure Requirement S1 3 – Processes to remediate negative impacts and channels for its own workforce to raise concerns</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 27. In fulfilling the requirements set out by the disclosure criteria of Disclosure Requirement ESRS S1-3, the undertaking may be guided by the content of the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct focused on remediation and grievance mechanisms.	AR 27. In fulfilling the requirements set out by the disclosure criteria of Disclosure Requirement ESRS S1-3, the undertaking may be guided by the content of the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct focused on remediation and grievance mechanisms.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 7].
AR 28. Channels for raising concerns or needs include grievance mechanisms, hotlines, trade unions (where people in the workforce are unionised), works councils, dialogue processes	<u>AR 3. 28. Channels for raising concerns or needs under paragraph 16 are formal structures by the undertaking or a third party (for example, governments, NGOs or industry associations), including business</u>	Amended

<p>or other means through which the undertaking's own workforce or workers' representatives can raise concerns about impacts or explain needs that they would like the undertaking to address. This could include both channels provided by the undertaking directly and channels provided by the entities where their own workforce is working, in addition to any other mechanisms an undertaking may use to gain insight into the management of impacts on its own workforce, such as compliance audits. Where the undertaking is relying solely on information about the existence of such channels provided by its business relationships to answer this requirement, it may state that.</p>	<p><u>relationships, with dedicated processes through which the undertaking's own workforce can raise their concerns or needs. They include grievance mechanisms, hotlines, trade unions or staff representatives at workplace level (where people in the workforce are unionised), works councils, dialogue processes, or other means through which the undertaking's own workforce or workers' representatives can raise concerns about impacts or explain needs that they would like the undertaking to address as well as, under certain circumstances, whistleblowing mechanisms. This could include both channels provided by the undertaking directly and channels provided by the entities where their own workforce is working, in addition to any other mechanisms an undertaking may use to gain insight into the management of impacts on its own workforce, such as compliance audits. Where the undertaking is relying solely on information about the existence of such channels provided by its business relationships to answer this requirement, it may state that.</u></p> <p>When whistleblowers mechanisms are reported to be used under paragraph 16, relevant information include whether they are limited to breaches of internal rules, including codes of ethics or conduct or the undertaking's workforce to raise wider concerns or needs.</p> <p><u>AR 5. 'Processes' for providing or contributing to remedy may also be used to respond to harms identified. Such processes typically include formalised steps or criteria that are followed to ensure that concerns, complaints or needs are adequately addressed, including, where relevant, by providing or contributing to remedy for actual impacts. This can include channels to raise concerns or needs as reported under paragraph 16 if they are used for providing or contributing to remedy.</u></p>	<p>Editorial changes to enhance understanding were made and reference to whistleblowing mechanisms was clarified</p> <p>To ensure clarity: new [AR 5] was added to clarify articulation between channels to raise concerns or needs and remedies.</p> <p>These amendments were made in line with EFRAG decision.</p>
<p>AR 29. Third party mechanisms could include those operated by the government, NGOs, industry associations and other collaborative initiatives. The undertaking may disclose whether these are accessible to all of its own workforce (or workers' representatives or, in their absence, individuals or organisations acting on their behalf or who are otherwise in a position to be aware of negative impacts).</p>	<p>AR 29. Third party mechanisms could include those operated by the a government, NGOs, industry associations and or other collaborative initiatives. The undertaking may disclose whether these are accessible to all of its own workforce (or workers' representatives or, in their absence, individuals or organisations acting on their behalf or who are otherwise in a position to be aware of negative impacts). When such mechanisms are used, disclosure on their effectiveness, as per AR 4, is of particular relevance.</p>	<p>Moved</p> <p>Included in [AR 3].</p>

AR 30. The undertaking shall consider whether and how people in its own workforce that may be affected and their workers' representatives are able to access channels at the level of the undertaking they are employed by, or contracted to work for, in relation to each material impact. Relevant channels may include hotlines, trade unions (where people in the workforce are unionised) or works councils, or other grievance mechanisms operated by the relevant undertaking or by a third party.	AR 30. The undertaking shall consider whether and how people in its own workforce that may be affected and their workers' representatives are able to access channels at the level of the undertaking they are employed by, or contracted to work for, in relation to each material impact. Relevant channels may include hotlines, trade unions (where people in the workforce are unionised) or works councils, or other grievance mechanisms operated by the relevant undertaking or by a third party.	Deleted Deleted as part of the merging of former S1-2 and S1-3 in line with information gathering and EFRAG decisions.
AR 31. In explaining whether and how the undertaking knows that people in its own workforce are aware of and trust any of these channels, the undertaking may provide relevant and reliable data about the effectiveness of these channels from the perspective of the people concerned. Examples of sources of information are surveys of people in the undertaking's workforce that have used such channels and their levels of satisfaction with the process and outcomes.	AR 31. In explaining whether and how the undertaking knows that people in its own workforce are aware of and trust any of these channels, the undertaking may provide relevant and reliable data about the effectiveness of these channels from the perspective of the people concerned. Examples of sources of information are surveys of people in the undertaking's workforce that have used such channels and their levels of satisfaction with the process and outcomes.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8].
AR 32. In describing the effectiveness of channels for its own workforce and workers' representatives to raise concerns, the undertaking may be guided by the following questions, based on the "effectiveness criteria for non-judicial grievance mechanisms", as laid out in the UN Guiding Principles on Business and Human Rights, in particular principle 31. The considerations below may be applied to individual channels or to a collective system of channels:	AR 32. In describing the effectiveness of channels for its own workforce and workers' representatives to raise concerns, the undertaking may be guided by the following questions, based on With regards to paragraph 16 on assessing the effectiveness of the channels, the <u>The "effectiveness criteria for non-judicial grievance mechanisms", as laid out in the UN Guiding Principles on Business and Human Rights, in particular principle 31, can be used for assessing the effectiveness of the channels. The considerations below may be applied to individual channels or to a collective system of channels: When the undertaking has policies for protecting individuals that use these channels against retaliation, including workers' representatives, and they are disclosed in [Draft] Amended ESRS G1-1, the undertaking may refer to that disclosure.</u>	Amended Cross reference added to G1-1. In line with input from information gathering and EFRAG decisions, former [AR 32] was reduced and the additional items below (a) to (h) on grievance channels

		were moved to [NMIG 8] to support users understanding.
(a) do the channels have legitimacy by providing appropriate accountability for their fair conduct and building stakeholder trust?	(a) do the channels have legitimacy by providing appropriate accountability for their fair conduct and building stakeholder trust?	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
(b) are the channels known and accessible to stakeholders?	(b) are the channels known and accessible to stakeholders?	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
(c) do the channels have clear and known procedures, with indicative timeframes?	(c) do the channels have clear and known procedures, with indicative timeframes?	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8]

		Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
(d) do the channels ensure reasonable access for stakeholders to sources of information, advice and expertise?	(d) do the channels ensure reasonable access for stakeholders to sources of information, advice and expertise?	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8]
(e) do the channels offer transparency by providing sufficient information both to complainants and, where applicable, to meet any public interest?	(e) do the channels offer transparency by providing sufficient information both to complainants and, where applicable, to meet any public interest?	Deleted from mandatory content and moved to NMIG Moved to [NMIG 8] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
(f) do outcomes achieved through the channels accord with internationally recognised human rights?	(f) do outcomes achieved through the channels accord with internationally recognised human rights?	Deleted from mandatory content and moved to NMIG

		<p>Moved to [NMIG 8]</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.</p>
(g) does the undertaking identify insights from the channels that support continuous learning in both improving the channels and preventing future impacts?	(g) does the undertaking identify insights from the channels that support continuous learning in both improving the channels and preventing future impacts?	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 8]</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.</p>
(h) does the undertaking focus on dialogue with complainants as the means to reach agreed solutions, rather than seeking to unilaterally determine the outcome?	(h) does the undertaking focus on dialogue with complainants as the means to reach agreed solutions, rather than seeking to unilaterally determine the outcome?	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 8]</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.</p>

Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Disclosure Requirement S1-3 <u>S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions</u> Actions and Resources related to Own workforce	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 33. It may take time to understand negative impacts and how the undertaking may be involved with them through its own workforce, as well as to identify appropriate responses and put them into practice). Therefore, the undertaking may disclose:	AR 33. It may take time to understand negative impacts and how the undertaking may be involved with them through its own workforce, as well as to identify appropriate responses and put them into practice). Therefore, the undertaking may disclose:	Deleted Based on EFRAG decision to enhance clarity and remove voluntary datapoints.
(a) its general and specific approaches to addressing material negative impacts;	(a) its general and specific approaches to addressing material negative impacts;	Deleted Based on EFRAG decision to enhance clarity and remove voluntary datapoints.
(b) its initiatives aimed at contributing to additional material positive impacts;	(b) its initiatives aimed at contributing to additional material positive impacts;	Deleted Based on EFRAG decision to enhance clarity and remove voluntary datapoints.
(c) how far it has progressed in its efforts during the reporting period; and	(c) how far it has progressed in its efforts during the reporting period; and	Deleted Based on EFRAG decision to enhance

		clarity and remove voluntary datapoints.
(d) its aims for continued improvement.	(d) its aims for continued improvement.	Deleted Based on EFRAG decision to enhance clarity and remove voluntary datapoints.
AR 34. Appropriate action can vary according to whether the undertaking causes or contributes to a material impact, or whether it is involved because the impact is directly linked to its operations, products or services by a business relationship.	<p>AR 34. Appropriate action can vary according to whether the undertaking causes or contributes to a material impact, or whether it is involved because the impact is directly linked to its operations, products or services by a business relationship.</p> <p><u>AR 6 The actions taken by the undertaking differ depending on its connection to the impact (causation, contribution, direct linkage), and how it has identified the actions as appropriate for addressing material impacts.</u></p> <p><u>This also applies to key actions to provide for, contribute to, or enable remedy. Key actions to prevent, mitigate or remediate impacts include the use of leverage and/or collective actions taken through multistakeholder and/or industry initiatives.</u></p>	Merged Merger of former [AR 34] and part of [AR 35]. Simplified and edited for clarity and conciseness.
AR 35. Given that material negative impacts affecting its own workforce that have occurred during the reporting period may also be connected with other entities or operations outside its direct control, the undertaking may disclose whether and how it seeks to use its leverage in its business relationships to manage those impacts. This may include using commercial leverage (for example, enforcing contractual requirements with business relationships or implementing incentives), other forms of leverage within the relationship (such as providing training or capacity-building on workers' rights to entities with which the undertaking has a business relationship) or collaborative leverage with peers or other actors (such as initiatives aimed at responsible recruitment or ensuring workers receive an adequate wage).	<p>AR 35. Given that material negative impacts affecting its own workforce that have occurred during the reporting period may also be connected with other entities or operations outside its direct control, the undertaking may disclose whether and how it seeks to use its leverage in its business relationships to manage those impacts. This may include using commercial leverage (for example, enforcing contractual requirements with business relationships or implementing incentives), other forms of leverage within the relationship (such as providing training or capacity-building on workers' rights to entities with which the undertaking has a business relationship) or collaborative leverage with peers or other actors (such as initiatives aimed at responsible recruitment or ensuring workers receive an adequate wage).</p>	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 10].</p> <p>Partially merged with former [AR 34].</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints</p>

		and enhance guidance.
AR 36. When the undertaking discloses its participation in an industry or multi-stakeholder initiative as part of its actions to address material negative impacts, the undertaking may disclose how the initiative, and its own involvement, is aiming to address the material impact concerned. It may report under ESRS S1-5 the relevant targets set by the initiative and progress towards them.	AR 36. When the undertaking discloses its participation in an industry or multi-stakeholder initiative as part of its actions to address material negative impacts, the undertaking may disclose how the initiative, and its own involvement, is aiming to address the material impact concerned. It may report under ESRS S1-5 the relevant targets set by the initiative and progress towards them.	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 11]</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.</p>
AR 37. When disclosing whether and how the undertaking considers actual and potential impacts on its own workforce in decisions to terminate business relationships and whether and how it seeks to address any negative impacts that may result from termination, the undertaking may include examples.	AR 37. When disclosing whether and how the undertaking considers actual and potential impacts on its own workforce in decisions to terminate business relationships and whether and how it seeks to address any negative impacts that may result from termination, the undertaking may include examples.	<p>Deleted</p> <p>Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.</p>
AR 38. Processes used to track the effectiveness of actions can include internal or external auditing or verification, court proceedings and/or related court decisions, impact assessments, measurement systems, stakeholder feedback, grievance mechanisms, external performance ratings, and benchmarking.	AR 38. Processes used to track the effectiveness of actions can include internal or external auditing or verification, court proceedings and/or related court decisions, impact assessments, measurement systems, stakeholder feedback, grievance mechanisms, external performance ratings, and benchmarking.	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 14]</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.</p>

AR 39. Reporting on effectiveness is aimed at enabling the understanding of the links between actions taken by an undertaking and the effective management of impacts. Additional information that the undertaking may provide includes data showing a decrease in the number of incidents identified.	AR 39. Reporting on effectiveness is aimed at enabling the understanding of the links between actions taken by an undertaking and the effective management of impacts. Additional information that the undertaking may provide includes data showing a decrease in the number of incidents identified.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 14] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
AR 40. With regard to initiatives or processes whose primary aim is to deliver positive impacts for people in the undertaking's own workforce that are based on their needs, and with regard to progress in the implementation of such initiatives or processes, the undertaking may disclose:	AR 40. With regard to initiatives or processes whose primary aim is to deliver positive impacts for people in the undertaking's own workforce that are based on their needs, and with regard to progress in the implementation of such initiatives or processes, the undertaking may disclose:	Deleted from mandatory content and moved to NMIG Moved to [NMIG 17] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
(a) information about whether and how people in its own workforce and workers' representatives play a role in decisions regarding the design and implementation of these programmes or processes; and	(a) information about whether and how people in its own workforce and workers' representatives play a role in decisions regarding the design and implementation of these programmes or processes; and	Deleted from mandatory content and moved to NMIG Moved to [NMIG 17] Based on EFRAG decision to enhance clarity and remove voluntary datapoints

		and enhance guidance.
(b) information about the intended or achieved positive outcomes for the undertaking's own workforce of these programmes or processes.	(b) information about the intended or achieved positive outcomes for the undertaking's own workforce of these programmes or processes.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 17] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
AR 41. The undertaking may explain whether any such initiatives are designed also to support the achievement of one or more Sustainable Development Goals. For example, an undertaking committing to SDG 8 to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” may be actively working towards eliminating forced labour or compulsory labour or supporting higher levels of productivity on activities in developing countries through technological upgrades and training of local labour, which can benefit both the specific people in its own workforce targeted by the actions, and also their local communities.	AR 41. The undertaking may explain whether any such initiatives are designed also to support the achievement of one or more Sustainable Development Goals. For example, an undertaking committing to SDG 8 to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” may be actively working towards eliminating forced labour or compulsory labour or supporting higher levels of productivity on activities in developing countries through technological upgrades and training of local labour, which can benefit both the specific people in its own workforce targeted by the actions, and also their local communities.	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
AR 42. When disclosing the intended or achieved positive outcomes of its actions for the undertaking's own workforce, a distinction is to be made between evidence of certain activities having occurred (for example, that x number of people have	AR 42. When disclosing the intended or achieved positive outcomes of its actions for the undertaking's own workforce, a distinction is to be made between evidence of certain activities having occurred (for example, that x number of people have received financial literacy	Deleted from mandatory content and moved to NMIG

received financial literacy training) from evidence of actual outcomes for the people concerned (for example, that x people report that they are able to better manage their pay and their household budgets).	training) from evidence of actual outcomes for the people concerned (for example, that x people report that they are able to better manage their pay and their household budgets).	Moved to [NMIG 16] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance.
AR 43. If the undertaking has taken measures to mitigate negative impacts on its own workforce that arise from the transition to a greener, climate-neutral economy, such as training and reskilling, employment guarantees, and in the case of downscaling or mass dismissal, measures such as job counselling, coaching, intra-company placements and early retirement plans, the undertaking shall disclose those measures. This includes measures to comply with prevailing regulation. The undertaking may highlight present and/or expected external developments that influence whether dependencies turn into risks. This includes consideration of impacts that may arise from the transition to greener and climate-neutral operations.	AR 43. If the undertaking has taken measures shall present its actions in a way that allows an understanding of the connections that exist between the interaction of different topics, in accordance with Chapters 3.2 and 9.1 of [Draft] Amended ESRS S1. This applies to measures taken to mitigate negative impacts on its own workforce that arise from the transition to a greener, climate-neutral economy, such as training and reskilling, employment guarantees, and, in the cases where of downscaling or mass dismissal occur, this could lead to measures such as job counselling, coaching, like intra-company placements and or early retirement plans, the undertaking shall disclose those measures. This includes measures to comply with prevailing regulation. The undertaking may highlight present In addition, current and/or expected external developments that influence whether dependencies turn into risks for a just transition is another aspect that could lead to actions. This includes consideration of impacts that may arise from the transition to greener and climate-neutral operations.	Amended Editorial amendments were made to enhance clarity in line with information gathering and EFRAG decisions.
AR 44. When disclosing the material risks and opportunities related to its impacts or dependencies on its own workforce, the undertaking may consider the following:	AR 44. When disclosing the material risks and opportunities related to its impacts or dependencies on its own workforce, the undertaking may consider the following:	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
(a) risks related to the undertaking's impacts on its own workforce may include the reputational or legal exposure where	(a) risks related to the undertaking's impacts on its own workforce may include the reputational or legal exposure where people in the	Deleted

people in the undertaking's workforce are found to be subject to forced labour or child labour;	undertaking's workforce are found to be subject to forced labour or child labour;	Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
(b) risks related to the undertaking's dependencies on its own workforce may include disruption of business operations where significant employee turnover or lack of skills/training development threaten the undertaking's business; and	(b) risks related to the undertaking's dependencies on its own workforce may include disruption of business operations where significant employee turnover or lack of skills/training development threaten the undertaking's business; and	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
(c) opportunities related to the undertaking's impacts on its own workforce may include market differentiation and greater customer appeal from guaranteeing decent pay and conditions for non-employees.	(c) opportunities related to the undertaking's impacts on its own workforce may include market differentiation and greater customer appeal from guaranteeing decent pay and conditions for non-employees.	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
AR 45. When explaining whether dependencies turn into risks, the undertaking shall consider external developments.	AR 45. When explaining whether dependencies turn into risks, the undertaking shall consider external developments.	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
AR 46. When disclosing policies, actions and resources and targets related to the management of material risks and opportunities, in cases where risks and opportunities arise from a material impact, the undertaking may cross-reference its disclosures on policies, actions and resources and targets in relation to that impact.	AR 46. When disclosing policies, actions and resources and targets related to the management of material risks and opportunities, in cases where risks and opportunities arise from a material impact, the undertaking may cross-reference its disclosures on policies, actions and resources and targets in relation to that impact.	Deleted Based on EFRAG decision to streamline

		voluntary datapoints and enhance clarity.
AR 47. The undertaking shall consider whether and how its process(es) to manage material risks related to own workforce are integrated into its existing risk management process(es).	AR 47. The undertaking shall consider whether and how its process(es) to manage material risks related to own workforce are integrated into its existing risk management process(es).	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
AR 48. When disclosing the resources allocated to the management of material impacts, the undertaking may explain which internal functions are involved in managing the impacts and what types of action they take to address negative and advance positive impacts.	AR 48. When disclosing the resources allocated to the management of material impacts, the undertaking may explain which internal functions are involved in managing the impacts and what types of action they take to address negative and advance positive impacts.	Deleted Based on EFRAG decision to streamline voluntary datapoints and enhance clarity.
Metrics and Targets		
<i>Disclosure Requirement S1-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities</i>	<i>Disclosure Requirement <u>S1-4</u> S1-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities Own Workforce</i>	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 49. When disclosing information about targets in accordance with paragraph 46, the undertaking may disclose:	AR 49. When disclosing information about targets in accordance with paragraph 46, the undertaking may disclose:	Deleted from mandatory content and moved to NMIG Moved to [NMIG 18] Based on EFRAG decision to enhance clarity and remove

		voluntary datapoints and enhance guidance.
(a) the intended outcomes to be achieved in the lives of a certain number of people in its own workforce;	(a) the intended outcomes to be achieved in the lives of a certain number of people in its own workforce;	Deleted from mandatory content and moved to NMIG Moved to [NMIG 18] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance
(b) the stability of the targets over time in terms of definitions and methodologies to enable comparability over time; and/or	(b) the stability of the targets over time in terms of definitions and methodologies to enable comparability over time; and/or	Deleted from mandatory content and moved to NMIG Moved to [NMIG 18] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance
(c) the standards or commitments which the targets are based on (for instance codes of conduct, sourcing policies, global frameworks, or industry codes).	(c) the standards or commitments which the targets are based on (for instance codes of conduct, sourcing policies, global frameworks, or industry codes).	Deleted from mandatory content and moved to NMIG Moved to [NMIG 18] Based on EFRAG decision to enhance

		clarity and remove voluntary datapoints and enhance guidance.
AR 50. Targets related to risks and opportunities may be the same as or distinct from targets related to impacts. For example, a target to reach adequate wages for non-employees could both reduce impacts on those people and reduce associated risks in terms of the quality and reliability of their output.	AR 50. Targets related to risks and opportunities may be the same as or distinct from targets related to impacts. For example, a target to reach adequate wages for non-employees could both reduce impacts on those people and reduce associated risks in terms of the quality and reliability of their output.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 19] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance
AR 51. The undertaking may also distinguish between short-, medium- and long-term targets covering the same policy commitment. For example, the undertaking may have a long-term target to achieve an 80% reduction in health and safety incidents affecting its delivery drivers by 2030 and a near-term target to reduce the overtime hours of delivery drivers by x% while maintaining their income by 2024.	AR 51. The undertaking may also distinguish between short-, medium- and long-term targets covering the same policy commitment. For example, the undertaking may have a long-term target to achieve an 80% reduction in health and safety incidents affecting its delivery drivers by 2030 and a near-term target to reduce the overtime hours of delivery drivers by x% while maintaining their income by 2024.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 20] Based on EFRAG decision to enhance clarity and remove voluntary datapoints and enhance guidance
AR 52. When modifying or replacing a target in the reporting period, the undertaking may explain the change by cross-referencing it to significant changes in the business model or to broader changes in the accepted standard or legislation from which the target is derived to provide contextual information as per ESRS 2 BP-2 Disclosures in relation to specific circumstances.	AR 52. In the context of tracking the undertaking's performance against targets, engagement with the own workforce or workers' representatives can inform the undertaking's understanding of the effectiveness of its management of material negative impacts and the identification of lessons learnt or improvements. <u>AR 52. When modifying or replacing a target in the reporting period, the undertaking may explain the change by cross-referencing it to significant changes in</u>	Amended Editorial amendments based on EFRAG decision to enhance clarity.

	the business model or to broader changes in the accepted standard or legislation from which the target is derived to provide contextual information as per ESRS 2 BP 2 Disclosures in relation to specific circumstances.	
Disclosure Requirement S1-6 – Characteristics of the Undertaking’s Employees	Disclosure Requirement <u>S1-5</u> S1-6 – Characteristics of the Undertaking’s Employees	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 53. This Disclosure Requirement covers all employees who perform work for any of the undertaking’s entities included in its sustainability reporting.	AR 53. This Disclosure Requirement covers all employees who perform work for any of the undertaking’s entities included in its sustainability reporting.	Deleted This was deleted based on general EFRAG decision to remove initial explanatory paragraphs.
AR 54. Providing a breakdown of employees by country gives insight into the distribution of activity across countries. The number of employees in each country is also a key trigger for many information, consultation and participation rights for workers and workers' representatives, both in the Union labour law acquis (for example, Directive 2009/38/EC of the European Parliament and of the Council “European Works Councils Directive” and Directive 2002/14/EC of the European Parliament and of the Council “Information and Consultation Directive”) and in national law (for example, rights to establish a works council or to have board level employee representation). Providing a breakdown of employees by gender and type of employment relationship gives insight into gender representation across the undertaking. Additionally, providing a breakdown of employees by region gives insight	AR 54. Providing a breakdown of employees by country gives insight into the distribution of activity across countries. The number of employees in each country is also a key trigger for many information, consultation and participation rights for workers and workers' representatives, both in the Union labour law acquis (for example, Directive 2009/38/EC of the European Parliament and of the Council “European Works Councils Directive” and Directive 2002/14/EC of the European Parliament and of the Council “Information and Consultation Directive”) and in national law (for example, rights to establish a works council or to have board level employee representation). Providing a breakdown of employees by gender and type of employment relationship gives insight into gender representation across the undertaking. Additionally, providing a breakdown of employees by region gives insight into regional variations. A region can refer to a country or other geographic locations, such as a region within a country or a world region.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 24]

into regional variations. A region can refer to a country or other geographic locations, such as a region within a country or a world region.																														
<p>AR 55. The undertaking shall disclose the requested disclosures in the following tabular formats:</p> <p>Table 1: Template for presenting information on employee head count by gender</p> <table><tr><th>Gender</th><th>Number of employees (head count)</th></tr><tr><td>Male</td><td></td></tr><tr><td>Female</td><td></td></tr><tr><td>Other</td><td></td></tr><tr><td>Not reported</td><td></td></tr><tr><td>Total Employees</td><td></td></tr></table> <p>In some Member States it is possible for persons to legally register themselves as having a third, often neutral, gender, which is categorised as “other” in the table above. However, if the undertaking is disclosing data about employees where this is not possible, it may explain this and indicate that the “other” category is not applicable.</p> <p>Table 2: Template for presenting employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees.</p> <table><tr><th>Country</th><th>Number of employees (head count)</th></tr></table>	Gender	Number of employees (head count)	Male		Female		Other		Not reported		Total Employees		Country	Number of employees (head count)	<p>AR 11 55. The undertaking shall disclose <u>present</u> the requested disclosures <u>either in a narrative format or</u> in the following tabular formats:</p> <p>Table 1: Template for presenting information on employee head count by gender</p> <table><tr><th>Gender</th><th>Number of employees (head count)</th></tr><tr><td>Male</td><td></td></tr><tr><td>Female</td><td></td></tr><tr><td>Other</td><td></td></tr><tr><td>Not reported</td><td></td></tr><tr><td>Total Employees</td><td></td></tr></table> <p>In some Member States MS, it is possible for persons to legally register themselves as having a third, often neutral, gender <u>option</u>, which is categorised as ‘other’ in the table above. However, if the undertaking is disclosing data about employees where this is not possible, it may explain this and indicate that the “other” category is not applicable.</p> <p>Table 2: Template for presenting employee head count <u>in the ten largest countries in terms of number of employees</u>, where the undertaking has at least 50 employees representing at least 10% of its total number of employees.</p> <table><tr><th>Country</th><th>Number of employees (head count)</th></tr></table>	Gender	Number of employees (head count)	Male		Female		Other		Not reported		Total Employees		Country	Number of employees (head count)	<p>Amended</p> <p>Editorial changes reflecting the amendments in new S1-5.</p>
Gender	Number of employees (head count)																													
Male																														
Female																														
Other																														
Not reported																														
Total Employees																														
Country	Number of employees (head count)																													
Gender	Number of employees (head count)																													
Male																														
Female																														
Other																														
Not reported																														
Total Employees																														
Country	Number of employees (head count)																													

Country A	
Country B	
Country C	
Country D	

Table 3: Template for presenting information on employees by contract type, broken down by gender (head count or FTE) (reporting on full-time and part-time employees is voluntary)

[Reporting period]				
FEMALE	MAL E	OTHER*	NOT DISCLOSE D	TOTAL
Number of employees (head count / FTE)				
Number of permanent employees (head count / FTE)				
Number of temporary employees (head count / FTE)				
Number of non-guaranteed hours employees (head count / FTE)				

Country A	
Country B	
Country C	
Country D	

AR 12. The undertaking shall present the information either as narrative text or using the following table.

Table 3: Template for presenting information on employees by contract type, broken down by gender (head count or FTE) (~~reporting on full-time and part-time employees is voluntary~~) In some countries, non-guaranteed hours contracts may be considered permanent or temporary contract, according to national legislation.

[Reporting period]				
FEMALE	MALE	OTHER*	NOT DISCLOSED	TOTAL
Number of employees (head count / FTE)				
Number of permanent employees (head count / FTE)				
Number of temporary employees (head count / FTE)				

Number of full-time employees (head count / FTE)		
Number of part-time employees (head count / FTE)		

* Gender as specified by the employees themselves.

Table 4: Template for presenting information on employees by contract type, broken down by region (head count or FTE) (reporting on full-time and part-time employees is voluntary)

[Reporting period]		
REGION A	REGION B	TOTAL
Number of employees (head count / FTE)		
Number of permanent employees (head count / FTE)		
Number of temporary employees (head count / FTE)		
Number of non-guaranteed hours employees (head count / FTE)		

Number of non-guaranteed hours employees (head count / FTE)		
n/a	n/a	n/a
Number of full-time employees (head count / FTE)		
Number of part-time employees (head count / FTE)		

Table 4: Template for presenting information on employees by contract type, broken down by region (head count or FTE) (reporting on full-time and part-time employees is voluntary)

Number of full-time employees (head count / FTE)					
Number of part-time employees (head count / FTE)					

AR 56. The definitions of permanent, temporary, non-guaranteed hours, full-time, and part-time employees differ between countries. If the undertaking has employees in more than one country, it shall use the definitions as per the national laws of the countries where the employees are based to calculate country-level data. The country-level data shall then be added up to calculate total numbers, disregarding differences in national legal definitions. Non-guaranteed hours employees are employed by the undertaking without a guarantee of a minimum or fixed number of working hours. The employee may need to make themselves available for work as required, but the undertaking is not contractually obliged to offer the employee a minimum or fixed number of working hours per day, week, or month. Casual employees, employees with zero-hour contracts, and on-call employees are examples that fall under this category.	AR 9-56- The definitions of permanent, temporary, non-guaranteed hours, full-time, and part-time employees differ <u>between among</u> countries. If the undertaking has employees in more than one country, it shall use the definitions as per the national laws of the countries where the employees are based to calculate country-level data. The Country-level data shall then be added up to calculate <u>the</u> total numbers, disregarding differences in national legal definitions. -Non-guaranteed hours employees are employed by the undertaking without a guarantee of a minimum or fixed number of working hours. The employee may need to make themselves available for work as required, but the undertaking is not contractually obliged to offer the employee a minimum or fixed number of working hours per day, week, or month. Casual employees, employees with zero hour contracts, and on-call employees are examples that fall under this category.	Amended Provides contextual information according to EFRAG decision. Partially deleted as part of simplification.
AR 57. Disclosing the number of employees at the end of the reporting period provides information for that point in time, without capturing fluctuations during the reporting period. Disclosing these numbers in averages across the reporting period takes into account fluctuations during the reporting period.	AR 57. Disclosing the number of employees at the end of the reporting period provides information for that point in time, without capturing fluctuations during the reporting period. Disclosing these numbers in averages across the reporting period takes into account fluctuations during the reporting period.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 23].
AR 58. Quantitative data, such as the number of temporary or part-time employees, is unlikely to be sufficient on its own. For example, a high proportion of temporary or part-time	AR 58. Quantitative data, such as the number of temporary or part-time employees, is unlikely to be sufficient on its own. For example, a high proportion of temporary or part-time employees could indicate a lack of	Amended Editorial amendments in line with EFRAG

employees could indicate a lack of employment security for employees, but it could equally signal workplace flexibility when offered as a voluntary choice. For this reason, the undertaking is required to disclose contextual information to help information users interpret the data. The undertaking can explain the reasons for temporary employment. An example of such a reason is the recruitment of employees to undertake work on a temporary or seasonal project or event. Another example is the standard practice of offering a temporary contract (for example, six months) to new employees before an offer of permanent employment is made. The undertaking may also explain the reasons for nonguaranteed hours employment.	<p>employment security for employees, but it could equally signal workplace flexibility when offered as a voluntary choice. For this reason, the undertaking is required to disclose contextual information to help information users interpret the data. The undertaking can explain the reasons for temporary employment. An example of such a reason is the recruitment of employees to undertake work on a temporary or seasonal project or event. Another example is the standard practice of offering a temporary contract (for example, six months) to new employees before an offer of permanent employment is made. The undertaking may also explain the reasons for nonguaranteed hours employment.</p> <p><u>AR 10. The undertaking's method for compiling employee data (for example, at the end of the reporting year or average) may provide contextual information.</u></p>	decision to simplify ARs.
AR 59. For the own employee turnover calculation, the undertaking shall calculate the aggregate of the number of employees who leave voluntarily or due to dismissal, retirement, or death in service. The undertaking shall use this number for the numerator of the employee turnover rate and may determine the denominator used to calculate this rate and describe its methodology.	<p>AR 59. For the own employee turnover calculation, the undertaking shall calculate the aggregate of the number of employees who leave voluntarily or due to dismissal, retirement, or death in service. The undertaking shall use this number for the numerator of the employee turnover rate and may determine the denominator used to calculate this rate and describe its methodology.</p> <p><u>AR 13 59. For the own employee turnover calculation, the undertaking shall calculate the aggregate of divide the number of employees who leave voluntarily or due to dismissal, retirement, or death in service. The undertaking shall use this number for the numerator of the employee turnover rate and may determine the denominator used to calculate this rate and describe its methodology by average employee headcount.</u></p>	<p>Amended</p> <p>Amended based on EFRAG decision, new [AR 13] includes a formula for the employee turnover based on the average employee headcount (most representative number)</p>
AR 60. Where data is not available for detailed information, the undertaking shall use an estimation of the employee number or ratios, in accordance with ESRS 1, and clearly identify where the use of estimates has taken place.	<p>AR 60. Where data is not available for detailed information, the undertaking shall use an estimation of the employee number or ratios, in accordance with ESRS 1, and clearly identify where the use of estimates has taken place.</p>	<p>Deleted</p> <p>Based on EFRAG decision to enhance clarity and remove voluntary datapoints.</p>
Disclosure Requirement S1-7 – Characteristics of non-employees in the undertaking's own workforce	Disclosure Requirement S1-6 S1-7 – Characteristics of non-employees in the undertaking's own workforce	Comment/Rationale

ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
	<p>AR 14. This DR is applicable when <i>non-employees</i> within the undertaking's own workforce are a significant driver of <i>impacts, risks and opportunities</i> related to <i>own workforce</i>. This situation arises when <i>non-employees</i> are a key part of the undertaking's <i>business model</i>, for example when they are used to provide flexible labour or when they are used in key processes. <i>Dependencies</i> on non-employees due to the business model can be a risk for the undertaking, particularly when the reliance on non-employees is increasing, for example due to changes in labour market regulations. The use of non-employees can also be a significant driver of negative impacts when non-employees make up a substantial proportion of own workforce or where <i>potential</i> or <i>actual</i> negative <i>impacts</i> are large in relation to non-employees.</p>	<p>New</p> <p>Newly introduced AR clarifying the materiality of non-employees, to simplify and clarify the scope of new S1-6. A simplification of new S1-6 is based on feedback received from information gathering.</p>
<p>AR 61. This Disclosure Requirement provides insight into the undertaking's approach to employment, as well as the scope and nature of impacts arising from its employment practices. It also provides contextual information that aids an understanding of the information reported in other disclosures. This disclosure covers both individual contractors supplying labour to the undertaking ("self-employed people") and workers provided by undertakings primarily engaged in "employment activities" (NACE Code N78). If all the people performing work for the undertaking are employees and the undertaking does not have any people in its workforce who are not employees, this Disclosure Requirement is not material for the undertaking; notwithstanding, the undertaking may state this fact when disclosing the information required by Disclosure Requirement S1-6 as contextual information as this information can be relevant for the users of the Sustainability Statement.</p>	<p>AR 61. This Disclosure Requirement provides insight into the undertaking's approach to employment, as well as the scope and nature of impacts arising from its employment practices. It also provides contextual information that aids an understanding of the information reported in other disclosures. This disclosure covers both individual contractors supplying labour to the undertaking ("self-employed people") and workers provided by undertakings primarily engaged in "employment activities" (NACE Code N78). If all the people performing work for the undertaking are employees and the undertaking does not have any people in its workforce who are not employees, this Disclosure Requirement is not material for the undertaking; notwithstanding, the undertaking may state this fact when disclosing the information required by Disclosure Requirement S1-6 as contextual information as this information can be relevant for the users of the Sustainability Statement.</p>	<p>Moved</p> <p>Moved to new [7] in line with information gathering input to streamline definitions and simplify.</p>

<p>AR 62. Examples of contractors (self-employed people) in the undertaking's own workforce include: contractors hired by the undertaking to perform work that would otherwise be carried out by an employee; contractors hired by the undertaking to perform work in a public area (for example, on a road, on the street); and contractors hired by the undertaking to deliver the work/service directly at the workplace of a client of the organization. Examples of people employed by a third party engaged in 'employment activities' whose work is under the direction of the undertaking include: people who perform the same work that employees carry out, such as people who fill in for employees who are temporarily absent (due to illness, holiday, parental leave, etc.); people performing regular work at the same site as employees; and workers who are dispatched temporarily from another EU member state to work for the undertaking ('posted workers'). Examples of value chain workers (and thus of workers not in the undertaking's own workforce and reported under the scope of ESRS S2) include: workers for a supplier contracted by the undertaking who work on the supplier's premises using the supplier's work methods; workers for a 'downstream' entity which purchases goods or services from the undertaking; and workers of an equipment supplier to the undertaking who, at one or more of the undertaking's workplaces, perform regular maintenance on the supplier's equipment (for example, photocopier) as stipulated in the contract between the equipment supplier and the undertaking.</p>	<p>AR 62. Examples of contractors (self-employed people) in the undertaking's own workforce include: contractors hired by the undertaking to perform work that would otherwise be carried out by an employee; contractors hired by the undertaking to perform work in a public area (for example, on a road, on the street); and contractors hired by the undertaking to deliver the work/service directly at the workplace of a client of the organization. Examples of people employed by a third party engaged in 'employment activities' whose work is under the direction of the undertaking include: people who perform the same work that employees carry out, such as people who fill in for employees who are temporarily absent (due to illness, holiday, parental leave, etc.); people performing regular work at the same site as employees; and workers who are dispatched temporarily from another EU member state to work for the undertaking ('posted workers'). Examples of value chain workers (and thus of workers not in the undertaking's own workforce and reported under the scope of ESRS S2) include: workers for a supplier contracted by the undertaking who work on the supplier's premises using the supplier's work methods; workers for a 'downstream' entity which purchases goods or services from the undertaking; and workers of an equipment supplier to the undertaking who, at one or more of the undertaking's workplaces, perform regular maintenance on the supplier's equipment (for example, photocopier) as stipulated in the contract between the equipment supplier and the undertaking.</p>	<p>Moved</p> <p>Moved to new [8] based on requests for clarity and simplification from information gathering.</p>
<p>AR 63. If the undertaking cannot report exact figures, it shall use estimates according to the provisions in ESRS 1 to disclose the number of people in its own workforce who are not employees to the nearest ten or, where the number of people in its own workforce who are not employees is greater than 1,000, to the nearest 100, and explain this. In addition, it shall clearly identify the information that derives from actual data and estimates.</p>	<p>AR 63. <u>AR 15 63.</u> If the undertaking cannot report exact figures, it shall use estimates according to <u>apply</u> the [Draft] Amended ESRS <u>1</u> provisions regarding estimates in ESRS 1 to disclose the number of people in its own workforce who are not employees to the nearest ten or, where the number of people in its own workforce who are not employees is greater than 1,000, to the nearest 100, and explain this. In addition, it shall clearly identify the information that derives from actual data and estimates.</p>	<p>Amended</p> <p>Simplified.</p>

AR 64. Disclosing the number of people in the undertaking's own workforce who are not employees at the end of the reporting period provides information for that point in time without capturing fluctuations during the reporting period. Disclosing this number as an average across the reporting period considers fluctuations during the reporting period and can provide more insightful and relevant information for users.	AR 64. Disclosing the number of people in the undertaking's own workforce who are not employees at the end of the reporting period provides information for that point in time without capturing fluctuations during the reporting period. Disclosing this number as an average across the reporting period considers fluctuations during the reporting period and can provide more insightful and relevant information for users.	Deleted Deleted in accordance with the amendments made in S1-6.
AR 65. The information disclosed by the undertaking allows users to understand how the number of non-employees in the undertaking's own workforce varies during the reporting period or compared to the previous reporting period (i.e., whether the numbers have increased or decreased). The undertaking may also disclose the reasons for the fluctuations. For example, an increase in the number of non-employees during the reporting period could be due to a seasonal event. Conversely, a decrease in the number of non-employees compared to the previous reporting period could be due to the completion of a temporary project. If the undertaking discloses fluctuations, it shall also explain the criteria used to determine which fluctuations it discloses. If there are no significant fluctuations in the number of non-employees during the reporting period or between the current and previous reporting period, the undertaking may disclose this information.	AR 65. The information disclosed by the undertaking allows users to understand how the number of non-employees in the undertaking's own workforce varies during the reporting period or compared to the previous reporting period (i.e., whether the numbers have increased or decreased). The undertaking may also disclose the reasons for the fluctuations. For example, an increase in the number of non-employees during the reporting period could be due to a seasonal event. Conversely, a decrease in the number of non-employees compared to the previous reporting period could be due to the completion of a temporary project. If the undertaking discloses fluctuations, it shall also explain the criteria used to determine which fluctuations it discloses. If there are no significant fluctuations in the number of non-employees during the reporting period or between the current and previous reporting period, the undertaking may disclose this information.	Deleted Deleted in accordance with the amendments made in S1-6.
Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue	Disclosure Requirement <u>S1-7</u> S1-8 – Collective bargaining coverage and social dialogue	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	

<p>AR 66. The percentage of employees covered by collective bargaining agreements is calculated using the following formula:</p> $\frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$	<p>AR 66 66. The percentage of employees covered by collective bargaining agreements <u>shall be</u> calculated using the following formula:</p> $\frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$ <p>AR 67. The 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. An employee in the undertaking's own workforce covered by more than one collective bargaining agreement only needs to be counted once.</p>	<p>Unchanged</p>
<p>AR 67. The 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. An employee in the undertaking's own workforce covered by more than one collective bargaining agreement only needs to be counted once.</p>	<p>AR 67. The 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. An employee in the undertaking's own workforce covered by more than one collective bargaining agreement only needs to be counted once.</p>	<p>Moved</p> <p>Moved to new [AR 16]</p>
<p>AR 68. This requirement is not aimed at obtaining the percentage of employees represented by a works council or belonging to trade unions, which can be different. The percentage of employees covered by collective bargaining agreements can be higher than the percentage of unionised employees when the collective bargaining agreements apply to both union and non-union members. Alternatively, the percentage of employees covered by collective bargaining agreements can be lower than the percentage of unionised employees. This may be the case when there are no collective</p>	<p>AR 68. This requirement is not aimed at obtaining the percentage of employees represented by a works council or belonging to trade unions, which can be different. The percentage of employees covered by collective bargaining agreements can be higher than the percentage of unionised employees when the collective bargaining agreements apply to both union and non-union members. Alternatively, the percentage of employees covered by collective bargaining agreements can be lower than the percentage of unionised employees. This may be the case when there are no collective bargaining agreements available or when</p>	<p>Deleted from mandatory content and moved to NMIG</p> <p>Moved to [NMIG 26]</p> <p>Changes were made in line with EFRAG decision.</p>

bargaining agreements available or when the collective bargaining agreements do not cover all unionised employees.	the collective bargaining agreements do not cover all unionised employees.								
<p>AR 69. For calculating the information required by paragraph 63(a), the undertaking shall identify in which European Economic Area (EEA) countries it has significant employment (i.e., at least 50 employees representing at least 10% of its total employees). For these countries it shall report the percentage of employees in that country 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> <p><i>Number of employees working in establishments with workers’ representatives</i></p> <p><i>_____ x 100</i></p> <p><i>Number of employees</i></p>	<p>AR 18 69. For calculating the information required by paragraph 6328(a), the undertaking shall identify in which European Economic Area EEA countries it has significant employment (i.e., at least 50 employees representing at least 10% of its total employees). For these countries it shall report the percentage of employees in that country which are employed in establishments in which employees are represented by workers’ representatives.</p> <p>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> <p><i>Number of employees working in establishments with workers’ representatives</i></p> <p><i>_____ x 100</i></p> <p><i>Number of employees</i></p>	<p>Amended</p> <p>Editorial changes made in line with EFRAG decision on the country-by-country threshold.</p>							
<p>AR 70. The information required by this Disclosure Requirement shall be reported as follows</p> <p>Table 1: Reporting template for collective bargaining coverage and social dialogue</p> <table><tr><td></td><td>Collective Coverage</td><td>Bargaining</td><td>Social dialogue</td></tr></table>		Collective Coverage	Bargaining	Social dialogue	<p>AR 17 70. The information required by this Disclosure Requirement shall be reported as follows <u>The undertaking shall present the information in a narrative format or following the table below.</u></p> <p>Table 1: Reporting template for collective bargaining coverage and social dialogue</p> <table><tr><td></td><td>Collective Bargaining Coverage</td><td>Social dialogue</td></tr></table>		Collective Bargaining Coverage	Social dialogue	<p>Amended</p> <p>Editorial change in accordance with the revised significant employment threshold</p>
	Collective Coverage	Bargaining	Social dialogue						
	Collective Bargaining Coverage	Social dialogue							

Coverage Rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)	Coverage Rate	Employees – EEA (for countries with >50 empl. representing >10% total empl. for the 10 largest countries)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl. for the EEA countries included in the ten 10 largest countries)	
				0-19%		Region A		
				20-39%	Country A	Region B		
				40-59%	Country B		Country A	
				60-79%			Country B	
				80-100%				
	0-19%		Region A					
	20-39%	Country A	Region B					
40-59%	Country B		Country A					
60-79%			Country B					
80-100%								
Disclosure Requirement S1-9 – Diversity metrics				Disclosure Requirement <u>S1-8</u> S1-9 – Diversity metrics				Comment/Rationale
ESRS Set 1 as per Delegated Act 2023				[Draft] Amended ESRS S1 Own workforce				
AR 71. In preparing the disclosure on gender at top management, the undertaking shall use the definition of top management as one and two levels below the administrative				AR <u>19</u> 71. In preparing For the disclosure on purposes of calculating the gender distribution at top management level, the undertaking shall use the definition of ‘top management’ as one and is defined as the two				Amended

and supervisory bodies unless this concept has already been defined with the undertaking's operations and differs from the previous description. If this is the case, the undertaking can use its own definition for top management and disclose that fact and its own definition.	levels below the administrative and supervisory bodies unless this concept has already been defined with the undertaking's operations and differs from the previous description. If this is the case, However, the undertaking can use its own definition for of 'top management'. <u>In this case it shall</u> disclose that fact and its own definition .	Editorial changes were made in line with EFRAG simplification decision.
Disclosure Requirement S1-10 – Adequate Wages	Disclosure Requirement <u>S1-9</u> S1-10 – Adequate Wages	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 <i>Own workforce</i>	
	<u>AR 20. If all employees are paid an adequate wage, stating this is sufficient to fulfil this requirement, and no further information is needed.</u>	Moved Moved from former [69] as guidance in line with EFRAG decision.
AR 72. The lowest wage shall be calculated for the lowest pay category, excluding interns and apprentices. This is to be based on the basic wage plus any fixed additional payments that are guaranteed to all employees. The lowest wage shall be considered separately for each country in which the undertaking has operations, except outside the EEA when the relevant adequate or minimum wage is defined at a sub national level.	AR 21. AR 72. The lowest wage shall be calculated for the lowest pay category. The basis of this calculation is the lowest wage among the undertaking's employees, excluding interns and apprentices. This is to be based on the means basic wage plus any fixed additional payments that are guaranteed to all employees. The lowest wage shall be considered separately for each country in which the undertaking has operations, except outside the EEA <u>EU</u> when the relevant adequate or minimum wage is defined at a sub national level.	Amended Reference to the EU, instead of the EEA, reflecting the change in former [AR 73] (the Adequate Minimum Wage Directive is not applicable to the EEA, only the EU) in line with input from information gathering.
AR 73. The adequate wage benchmark used for comparison with the lowest wage shall not be lower than:	<u>AR 22. AR 73.</u> The adequate wage benchmark used for comparison with the lowest wage shall not be lower than:	Unchanged

<p>(a) in the EEA: the minimum wage set in accordance with Directive (EU) 2022/2041 of the European Parliament and of the Council on adequate minimum wages in the European Union. In the period until Directive (EU) 2022/2041 enters into application, where there is no applicable minimum wage determined by legislation or collective bargaining in an EEA country, the undertaking shall use an adequate wage benchmark that is either not lower than the minimum wage in a neighboring country with a similar socio-economic status or not lower than a commonly-referenced international norm such as 60% of the country's median wage and 50% of the gross average wage.</p>	<p>(a) in the EEA <u>EU</u>: the wage level established through <u>collective bargaining</u> or the statutory minimum wage set in accordance with Directive (EU) 2022/2041 of the European Parliament and of the Council⁴ on adequate minimum wages in the EU; the minimum wage set in accordance with Directive (EU) 2022/2041 of the European Parliament and of the Council on adequate minimum wages in the European Union. In the period until Directive (EU) 2022/2041 enters into application, where there is no applicable minimum wage determined by legislation or collective bargaining in an EEA country, the undertaking shall use an adequate wage benchmark that is either not lower than the minimum wage in a neighboring country with a similar socio-economic status or not lower than a commonly-referenced international norm such as 60% of the country's median wage and 50% of the gross average wage.</p>	<p>Amended</p> <p>The reference to the Adequate Minimum Wage Directive has been changed, since the Directive does not apply to the EEA. The reference to the transposition period has been deleted, since the transposition period has passed</p>
<p>(b) outside of the EEA:</p> <p>i.the wage level established in any existing international, national or sub-national legislation, official norms or collective agreements, based on an assessment of a wage level needed for a decent standard of living;</p> <p>ii.if none of the instruments identified in (i) exist, any national or sub-national minimum wage established by legislation or collective bargaining; or</p> <p>iii. if none of the instruments identified in (i) or (ii) exist, any benchmark that meets the criteria set out by the Sustainable Trade Initiative (IDH) ('Roadmap on Living Wages - A Platform to Secure Living Wages in Supply Chains'), including applicable benchmarks aligned with the Anker methodology, or provided by the Wage Indicator Foundation or Fair Wage Network, provided the primacy of collective bargaining for the</p>	<p>(b) outside of the EEA-<u>EU</u>:</p> <p>i. the wage level established in any existing international, national or sub-national legislation, official norms or collective agreements, based on an assessment of a wage level needed for a decent standard of living; through <u>collective bargaining</u> or the <u>statutory minimum wage established by legislation or collective bargaining agreement, which is periodically reviewed/adjusted every two years and takes into account the ILO wage setting principles.</u></p> <p>ii.if none of the instruments identified in (i) exist, any national or sub-national minimum wage established by legislation or collective bargaining; or</p> <p>ii. <u>If an adequate minimum wage does not exist, any living wage estimate produced by an institution mandated by the public authorities of the country where the workers are based and which takes into account the ILO principles on estimating a living wage;</u></p>	<p>Amended</p> <p>Revision of the hierarchy for EU and non-EU countries based on an ILO proposal, taking into account the February 2024 agreement on living wages. Changes were made based on feedback from information gathering. The following changes have been made:</p> <p>1) Point i) has been adjusted to include statutory minimum wages</p>

<p>establishment of terms and conditions of employment is ensured.</p>	<p>iii. if none of the instruments identified in (i) or (ii) exist, any benchmark that meets the criteria set out by the Sustainable Trade Initiative (IDH) ('Roadmap on Living Wages – A Platform to Secure Living Wages in Supply Chains'), including applicable benchmarks aligned with the Anker methodology, or provided by the Wage Indicator Foundation or Fair Wage Network, provided the primacy of collective bargaining for the establishment of terms and conditions of employment is ensured.</p> <p><u>iii. if none of the instruments identified in (i) or (ii) exist, any existing living wage estimate, which takes into account the ILO principles on estimating a living wage.</u></p> <p><u>The adequate wage benchmark used under points i), ii) or iii) should take into account both needs of workers and their families, as well as economic factors, as stated in the ILO Minimum Wage Fixing Convention No.131.</u></p>	<p>that are periodically reviewed/adjusted every two years and that take into account the ILO wage setting-principles;</p> <p>2) Point ii) and iii) refer to living wage estimates as a second point of reference, based on the ILO principles;</p> <p>3) It is also important to maintain the reference qualification of 'adequacy' (introduction of sentence below that points i, ii, iii should take into account needs of workers...), since in some countries the minimum wage or wage level established through collective agreements may not be an 'adequate' wage</p>
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AR 74. Directive (EU) 2022/2041 on adequate minimum wages in the European Union references both indicative reference values commonly used at international level such as 60 % of the gross median wage and 50 % of the gross average wage, and/or indicative reference values used at national level. Data for the indicative values of 60% of the national median gross wage or 50% of the national average gross wage can be obtained from the European Labour Force Survey.	AR 74. Directive (EU) 2022/2041 on adequate minimum wages in the European Union references both indicative reference values commonly used at international level such as 60 % of the gross median wage and 50 % of the gross average wage, and/or indicative reference values used at national level. Data for the indicative values of 60% of the national median gross wage or 50% of the national average gross wage can be obtained from the European Labour Force Survey.	Deleted Deleted in line with changes made above in new S1-9. Additional information was not needed in line with simplification.
Disclosure Requirement S1-11 – Social protection	Disclosure Requirement S1-10 S1-11 – Social protection	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 75. Social protection refers to all the measures that provide access to health care and income support in cases of challenging life events such as the loss of a job, being sick and in need of medical care, giving birth and raising a child, or retiring and in need of a pension.	AR 75. Social protection refers to all the measures that provide access to health care and income support in cases of challenging life events such as the loss of a job, being sick and in need of medical care, giving birth and raising a child, or retiring and in need of a pension.	Deleted
Disclosure Requirement S1-12 – Persons with disabilities	Disclosure Requirement S1-11 S1-12 – Persons with disabilities	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 76. When disclosing the information required in paragraph 77 regarding persons with disabilities, the undertaking shall provide any contextual information necessary to understand the data and how the data has been compiled (methodology). For example, information about the impact of different legal definitions of persons with disabilities in the different countries in which the undertaking has operations.	AR 23. The DR about persons with disabilities requires the undertaking to only report data that can be lawfully collected. Disability status depends on national legal definitions, but the undertaking may use the same definition across the various countries where it operates or use applicable national definitions. AR 76. When disclosing the information required in paragraph 77 regarding persons with disabilities, In accordance with MDR-T paragraph 41 (a), the undertaking shall provide any contextual information	Amended Amended to address the most common challenges of reporting on persons with disabilities that have been through information gathering

	necessary to understand the data and how the data has been compiled (methodology) disclose the calculation methodology, data types and sources used as input, for example, information about the impact of different legal definitions of persons with disabilities in the different countries in which the undertaking has operations this may consist of data about persons with a disability, collected voluntary employee surveys or the information from mandatory disability quotas reported by the undertaking.	and provide guidance on how to report on persons with disabilities subject to legal restrictions to the collection of data in line with input received during information gathering.
Disclosure Requirement S1-13 – Training and Skills Development metrics	Disclosure Requirement S1-12 S1-13 – Training and Skills Development metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 77. A regular performance review is defined as a review based on criteria known to the employee and his or her superior undertaken with the knowledge of the employee at least once per year. The review can include an evaluation by the worker's direct superior, peers, or a wider range of employees. The review can also involve the human resources department. In order to disclose the information required by paragraph 83 (a), the undertaking shall use the employee headcount figures provided in Disclosure Requirement ESRS S1-6 in the denominator to calculate the:	AR 24. AR 77. A regular performance review is defined as a review based on criteria known to the employee and his or her superior undertaken with the knowledge of the employee at least once per year. The review can include an evaluation by the worker's direct superior, peers, or a wider range of employees. The review can also involve the human resources department. In order to disclose the information required by paragraph 83 – (a) 38(a), the undertaking shall use the employee headcount figures from provided in DR Disclosure Requirement ESRS S1-65 in the denominator to calculate the as follows: <u>$(\# \text{ employees who participated in regular performance review} / \# \text{ employees according to S1 – 5}) * 100.$</u>	Amended Inclusion of new formula for further clarity.
(a) number/proportion of performance reviews per employee; and	(a) number/proportion of performance reviews per employee; and	Deleted Deleted based on information gathering (Q&A).
(b) number of reviews in proportion to the agreed number of reviews by the management.	(b) number of reviews in proportion to the agreed number of reviews by the management.	Deleted Deleted based on information gathering (Q&A)

AR 78. To disclose the average required per paragraph 83 (b), the undertaking shall perform the following calculation: total number of training hours offered to and completed by employees per gender category divided by the total number of employees per gender category. For the total training average and the average by gender, the head count figures for total employment and employment by gender reported in Disclosure Requirement ESRS S1-6 shall be used.	AR 25. AR 78. To disclose the average required per paragraph 83 (b), the undertaking shall perform the following calculation <u>The average number of training hours required by paragraph 38 (b) shall be calculated as follows:</u> total number of training hours offered to and completed by employees per gender category divided by the total number of employees per gender category . For <u>the calculation of the total average training hours average and the average by gender</u> , the head count figures for total employment and employment by gender reported in <u>DR Disclosure Requirement ESRS-S1-65</u> shall be used.	Amended Editorial change
AR 79. Employee categories are a breakdown of employees by level (such as senior management, middle management) or function (such as technical, administrative, production). This information is derived from the undertaking's own human resources system. In categorising the workforce, the undertaking shall define reasonable and meaningful employee categories which enable users of the information to understand different performance measures between the categories. The undertaking may present a category for executive and non-executive employees.	AR 79. Employee categories are a breakdown of employees by level (such as senior management, middle management) or function (such as technical, administrative, production). This information is derived from the undertaking's own human resources system. In categorising the workforce, the undertaking shall define reasonable and meaningful employee categories which enable users of the information to understand different performance measures between the categories. The undertaking may present a category for executive and non-executive employees.	Deleted Deemed not essential in line with EFRAG decision.
Disclosure Requirement S1-14 – Health and safety metrics	Disclosure Requirement S1-13 S1-14 – Health and safety metrics	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 80. In relation to paragraph 88 (a), the percentage of its own workforce who are covered by the undertaking's health and safety management system shall be disclosed on a head count basis rather than a full-time equivalent basis.	AR 26. AR 80. In relation to paragraph 88 (a) <u>38(a)</u>, The percentage of the undertaking's own workforce who are covered by the undertaking's <u>its</u> health and safety management system shall be disclosed on a head count basis rather than a full-time equivalent basis.	Amended Editorial changes.
AR 81. With regard to paragraph 90, when the undertaking's health and safety management system, or certain parts thereof, has been subject to an internal audit or external certification, the undertaking may state this fact, or absence thereof, and the underlying standards for such audits/certifications, as applicable.	AR 81. With regard to paragraph 90, when the undertaking's health and safety management system, or certain parts thereof, has been subject to an internal audit or external certification, the undertaking may state this fact, or absence thereof, and the underlying standards for such audits/certifications, as applicable.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 32]

		AR was made non mandatory in line with simplification decision of EFRAG.
AR 82. Fatalities may be reported separately for those resulting from work-related injuries and those resulting from work-related ill health.	AR 82. Fatalities may be reported separately for those resulting from work-related injuries and those resulting from work-related ill health.	Deleted
AR 83. Work-related injuries and work-related ill health arise from exposure to hazards at work. Notwithstanding, other types of incidents can occur that are not connected with the work itself. For example, the following incidents are generally not considered to be work-related, unless otherwise specified in applicable national legislation:	AR 83. Work-related injuries and work-related ill health arise from exposure to hazards at work. Notwithstanding, other types of incidents can occur that are not connected with the work itself. For example, the following incidents are generally not considered to be work-related, unless otherwise specified in applicable national legislation:	Deleted
(a) a person in the workforce suffers a heart attack while at work that it is not connected with work;	(a) a person in the workforce suffers a heart attack while at work that it is not connected with work;	Deleted
(b) a person in the workforce driving to or from work is injured in a car accident (when driving is not part of the work and where the transport has not been organised by the undertaking); and	(b) a person in the workforce driving to or from work is injured in a car accident (when driving is not part of the work and where the transport has not been organised by the undertaking); and	Deleted
(c) a person in the workforce with epilepsy has a seizure at work that is not connected with work.	(c) a person in the workforce with epilepsy has a seizure at work that is not connected with work.	Deleted
AR 84. With regard to travelling for work purposes, injuries and ill health that occur while a person is travelling are work-related if, at the time of the injury or ill health, the person was engaged in work activities “in the interest of the employer”. Examples of such activities include travelling to and from customer contacts; conducting job tasks; and entertaining or being entertained to transact, discuss, or promote business (at the direction of the employer). If the undertaking is responsible for the transport commuting, incidents occurred while commuting are considered to be work-related. Nonetheless, incidents which arise during travel, outside of the undertaking’s responsibility (i.e., regular commuting to and from work), may	AR 84. With regard to travelling for work purposes, injuries and ill health that occur while a person is travelling are work-related if, at the time of the injury or ill health, the person was engaged in work activities “in the interest of the employer”. Examples of such activities include travelling to and from customer contacts; conducting job tasks; and entertaining or being entertained to transact, discuss, or promote business (at the direction of the employer). If the undertaking is responsible for the transport commuting, incidents occurred while commuting are considered to be work-related. Nonetheless, incidents which arise during travel, outside of the undertaking’s responsibility (i.e., regular commuting to and from work), may be reported separately provided that the undertaking has such data available across the undertaking.	Deleted

be reported separately provided that the undertaking has such data available across the undertaking.		
AR 85. With regard to working from home, injuries and ill health that occur when working from home are work-related, if the injury or ill health occurs while the person is performing work from home; and the injury or ill health is directly related to the performance of work rather than the general home environment or setting.	AR 85. With regard to working from home, injuries and ill health that occur when working from home are work related, if the injury or ill health occurs while the person is performing work from home; and the injury or ill health is directly related to the performance of work rather than the general home environment or setting.	Deleted
AR 86. With regard to mental illness, it is considered to be work-related, if it has been notified voluntarily by the person concerned and it is supported by an opinion from a licensed healthcare professional with appropriate training and experience; and if such opinion states that the illness is work-related.	AR 86. With regard to mental illness, it is considered to be work-related, if it has been notified voluntarily by the person concerned and it is supported by an opinion from a licensed healthcare professional with appropriate training and experience; and if such opinion states that the illness is work-related.	Deleted
AR 87. Health issues resulting, for example, from smoking, drug and alcohol abuse, physical inactivity, unhealthy diets, and psychosocial factors unrelated to work are not considered work-related.	AR 87. Health issues resulting, for example, from smoking, drug and alcohol abuse, physical inactivity, unhealthy diets, and psychosocial factors unrelated to work are not considered work-related.	Deleted
AR 88. Occupational diseases are not considered work-related injuries but are covered under work-related ill health.	AR 88. Occupational diseases are not considered work-related injuries but are covered under work-related ill health.	Deleted
AR 89. In computing the rate of work-related injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 1,000,000. Thereby, these rates represent the number of respective cases per one million hours worked. A rate based on 1,000,000 hours worked indicates the number of work-related injuries per 500 full time people in the workforce over a 1-year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertakings with less than 500 people in the workforce.	AR 27. AR 89. <u>For work-related accidents, the undertaking shall use the definitions as per the national laws of the countries where the employees are based.</u> When computing the rate of work-related accidents injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 1 000 000. Thereby, these rates This represents the number of respective cases per one million hours worked. A rate based on 1,000,000 hours worked and roughly corresponds to the total hours worked by 500 full-time workers in one year. indicates the number of work related injuries per 500 full time people in the workforce over a 1-	Amended Additional paragraph added based on information gathering (Q&A), to clarify that standard contractual hours are used for the calculation, taking into account entitlements to periods of leave.

	<p>year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertakings with less than 500 people in the workforce.</p> <p><u>If the undertaking uses estimates, it shall use normal or standard hours of work, taking into account entitlements to periods of paid leave of absence from work (for example, paid vacations, paid sick leave, public holidays) and explain this in its disclosures.</u></p>	
AR 90. If the undertaking cannot directly calculate the number of hours worked, it may estimate this on the basis of normal or standard hours of work, taking into account entitlements to periods of paid leave of absence from work (for example, paid vacations, paid sick leave, public holidays) and explain this in its disclosures.	AR 90. If the undertaking cannot directly calculate the number of hours worked, it may estimate this on the basis of normal or standard hours of work, taking into account entitlements to periods of paid leave of absence from work (for example, paid vacations, paid sick leave, public holidays) and explain this in its disclosures.	Moved Moved to new [AR 27]
AR 91. An undertaking shall include fatalities as a result of work-related injury in the calculation of the number and rate of recordable work-related injuries.	AR 28. AR 91. An The undertaking shall include fatalities as a that result from of work-related injury in the calculation of number and rate of recordable work-related <u>accidents</u> injuries.	Amended Editorial change
AR 92. Work-related ill health can include acute, recurring, and chronic health problems caused or aggravated by work conditions or practices. These include musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical agents (for example, noise-induced hearing loss, vibration-caused diseases), and mental illnesses (for example, anxiety, post-traumatic stress disorder). For the purpose of the required disclosures, the undertaking shall, at a minimum, include in its disclosure those cases outlined in the ILO List of Occupational Diseases.	AR 92. Work-related ill health can include acute, recurring, and chronic health problems caused or aggravated by work conditions or practices. These include musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical agents (for example, noise-induced hearing loss, vibration-caused diseases), and mental illnesses (for example, anxiety, post-traumatic stress disorder). For the purpose of the required disclosures, the undertaking shall, at a minimum, include in its disclosure those cases outlined in the ILO List of Occupational Diseases.	Deleted
AR 93. In the context of this Standard, work-related musculoskeletal disorders are covered under work-related ill health (and not injuries).	AR 29. AR 93. <u>'Cases of work-related ill health' in paragraph 40(d) refers to cases of work-related ill-health the undertaking has been informed by affected people, compensation agencies or healthcare professionals or to cases that it has identified through medical surveillance during the reporting period. In the this context of this Standard, work-related</u>	Merged Merger of former [AR 93] and [AR 94]

	musculoskeletal disorders are covered under work-related ill health (and not injuries).	
AR 94. The cases to be disclosed in paragraph 88(d) relate to cases of work-related ill health notified to the undertaking or identified by the undertaking through medical surveillance, during the reporting period. The undertaking might be notified of cases of work-related ill health through reports by affected people, compensation agencies, or healthcare professionals. The disclosure may include cases of work-related ill health that were detected during the reporting period among people who were formerly in the undertaking's workforce.	AR 94. The cases to be disclosed in paragraph 88(d) relate to cases of work-related ill health notified to the undertaking or identified by the undertaking through medical surveillance, during the reporting period. The undertaking might be notified of cases of work-related ill health through reports by affected people, compensation agencies, or healthcare professionals. The disclosure may include cases of work-related ill health that were detected during the reporting period among people who were formerly in the undertaking's workforce.	Merged Merger of former [AR 93] and [AR 94]
AR 95. The undertaking shall count the number of days lost such that the first full day and last day of absence shall be included. Calendar days should be considered for the calculation, thus days on which the affected individual is not scheduled for work (for example, weekends, public holidays) will count as lost days.	AR 30. AR 95. The undertaking shall count the number of days lost such that the first full day and last day of absence shall be included. The number of days lost shall include the first full day and the last day of absence. Calendar days should shall be considered used for the calculation count. Thus Days on which the affected individual is not scheduled for work (for example weekends, public holidays) will therefore count as lost days.	Amended Editorial change
Disclosure Requirement S1-15 – Work-life balance	Disclosure Requirement <u>S1-14</u> S1-15 – Work-life balance	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
	AR 31. If all of the undertaking's employees are entitled to family-related leave through social policy and/or collective bargaining agreements, it is sufficient to disclose this in order to meet the requirement of <u>to comply with paragraph 42.</u>	Moved Moved from former [94]. Editorial change made for precision. Move was made in line with EFRAG decision.

AR 96. Family-related leave include maternity leave, paternity leave, parental leave, and carers' leave that is available under national law or collective agreements. For the purpose of this Standard, these concepts are defined as:	AR 96. Family-related leave include maternity leave, paternity leave, parental leave, and carers' leave that is available under national law or collective agreements. For the purpose of this Standard, these concepts are defined as:	Moved Moved to the glossary
(a) maternity leave (also called pregnancy leave): employment-protected leave of absence for employed women directly around the time of childbirth (or, in some countries, adoption);	(a) maternity leave (also called pregnancy leave): employment-protected leave of absence for employed women directly around the time of childbirth (or, in some countries, adoption);	Moved Moved to the glossary
(b) paternity leave: leave from work for fathers or, where and in so far as recognised by national law, for equivalent second parents, on the occasion of the birth or adoption of a child for the purposes of providing care;	(b) paternity leave: leave from work for fathers or, where and in so far as recognised by national law, for equivalent second parents, on the occasion of the birth or adoption of a child for the purposes of providing care;	Moved Moved to the glossary
(c) parental leave: leave from work for parents on the grounds of the birth or adoption of a child to take care of that child, as defined by each Member State;	(c) parental leave: leave from work for parents on the grounds of the birth or adoption of a child to take care of that child, as defined by each Member State;	Moved Moved to the glossary
(d) carers' leave from work: leave for workers to provide personal care or support to a relative, or a person who lives in the same household, in need of significant care or support for a serious medical reason, as defined by each Member State.	(d) carers' leave from work: leave for workers to provide personal care or support to a relative, or a person who lives in the same household, in need of significant care or support for a serious medical reason, as defined by each Member State.	Moved Moved to the glossary
AR 97. With regard to paragraph 93 (a), employees entitled to family-related leave are those who are covered by regulations, organisational policies, agreements, contracts or collective bargaining agreements that contain family-related leave entitlements and have reported their entitlement to the undertaking or the undertaking is aware of the entitlement.	AR 32. AR 97. With regard to <u>For the purposes of paragraph 93-42,</u> employees entitled to family-related leave are those who are covered by regulations, organisational policies, agreements, contracts or collective bargaining agreements that contain family-related leave entitlements. and have reported their entitlement to the undertaking, or the undertaking is aware of the entitlement.	Amended Edited to enhance precision based on EFRAG decision.
Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	Disclosure Requirement S1-16 S1-15 – Remuneration metrics (pay gap and total remuneration)	Comment/Rationale
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	

<p>AR 98. When compiling the information required under paragraph 97 (a) for the gap in pay between its female and male employees (also known as the “gender pay gap”) the undertaking shall use the following methodology:</p>	<p><u>AR 33. AR 98. When compiling the information required under The gender pay gap disclosure in accordance with paragraph 97 (a) 44(a) shall for the gap in pay between its female and male employees (also known as the “gender pay gap”) the undertaking shall use the following methodology: include all male and female employees’ gross hourly pay level and be calculated as follows:</u></p> $\frac{(\text{Average gross hourly pay level of male employees} - \text{average gross hourly pay level of female employees})}{\text{Average gross hourly pay level of male employees}} \times 100$	<p>Amended</p> <p>Additional edits provided to enhance clarity in line with information gathering and EFRAG decisions</p>
<p>(a) include all employees’ gross hourly pay level; and</p> <p>(b) apply the following formula to calculate the gender pay gap:</p> $\frac{(\text{Average gross hourly pay level of male employees} - \text{average gross hourly pay level of female employees})}{\text{Average gross hourly pay level of male employees}} \times 100$	<p>(a) include all employees’ gross hourly pay level; and</p> <p>(b) — apply the following formula to calculate the gender pay gap:—</p> $\frac{(\text{Average gross hourly pay level of male employees} - \text{average gross hourly pay level of female employees})}{\text{Average gross hourly pay level of male employees}} \times 100$	
<p>AR 99. When disclosing the information required under paragraph 97 (a), the undertaking shall provide any contextual information necessary to understand the data and how the data has been compiled (methodology). Information regarding how objective factors such as type of work and country of employment influence the gender pay gap may be reported.</p>	<p><u>AR 34. AR 99. When disclosing the information required under paragraph 97 (a), the undertaking shall provide any contextual information necessary to understand the data and how the data has been compiled (methodology). Information regarding how objective factors such as type of work and country of employment influence the gender pay gap may be reported. In accordance with MDR-M paragraph 41 (a), the undertaking shall disclose the methodology and/or how the data has been compiled.</u></p>	<p>Amended</p> <p>Simplified in line with EFRAG decision.</p>

AR 100. The measure of the undertaking's gender pay gap shall be reported for the current reporting period and, if reported in previous sustainability reports, for the previous two reporting periods.	AR 35. AR 100. The measure of the undertaking's gender pay gap shall be reported for the current reporting period and, if reported in previous sustainability reports, for the previous two reporting periods.	Unchanged
AR 101. When compiling the information required by paragraph 97 (b), the undertaking shall:	AR 36. AR 101. When compiling the information required by paragraph 97 44(b), the undertaking shall:	Unchanged
(a) include all employees;	(a) include all employees ;	Unchanged
<p>(b) consider, depending on the undertaking's remuneration policies, all of the following:</p> <ul style="list-style-type: none"> i. base salary, which is the sum of guaranteed, short-term, and non-variable cash compensation; ii. benefits in cash, which is the sum of the base salary and cash allowances, bonuses, commissions, cash profit-sharing, and other forms of variable cash payments; iii. benefits in kind, such as cars, private health insurance, life insurance, wellness programs; and iv. direct remuneration, which is the sum of benefits in cash, benefits in kind and total fair value of all annual long-term incentives (for example, stock option awards, restricted stock shares or units, phantom stock shares, stock appreciation rights, and long-term cash awards). 	<p>(b) consider, depending on the undertaking's remuneration policies, all of the following:</p> <ul style="list-style-type: none"> i. base salary, which is the sum of guaranteed, short-term, and non-variable cash compensation; ii. benefits in cash, which is the sum of the base salary and such as cash allowances, bonuses, commissions, cash profit-sharing, and other forms of variable cash payments; iii. benefits in kind, such as cars, private health insurance, life insurance, wellness programs; and iv. direct remuneration, which is the sum of benefits in cash, benefits in kind and total fair value of all annual long-term incentives (for example, stock option awards, restricted stock shares or units, performance stock shares or units, phantom stock shares, stock appreciation rights, and long-term cash awards). 	Unchanged
<p>(c) apply the following formula for the annual total remuneration ratio:</p> <p><i>Annual total remuneration for the undertaking's highest paid individual</i></p> <p>_____</p>	<p>(c) apply the following formula for the annual total remuneration ratio:</p> <p><i>Annual total remuneration for the undertaking's highest paid individual</i></p> <p>_____</p>	Unchanged

<i>Median employee annual total remuneration (excluding the highest – paid individual)</i>	<i>Median employee annual total remuneration (excluding the highest – paid individual)</i>	
AR 102. To illustrate the contextual information, the undertaking may provide an explanation to understand the data and how the data has been compiled (methodology). Quantitative data, such as the annual total remuneration ratio, may not be sufficient on its own to understand pay disparity and its drivers. For example, pay ratios can be influenced by the size of the undertaking (for example, revenue, number of employees), its sector, its employment strategy (for example, reliance on outsourced workers or part-time employees, a high degree of automation), or currency volatility.	AR 102. To illustrate the contextual information, the undertaking may provide an explanation to understand the data and how the data has been compiled (methodology). Quantitative data, such as the annual total remuneration ratio, may not be sufficient on its own to understand pay disparity and its drivers. For example, pay ratios can be influenced by the size of the undertaking (for example, revenue, number of employees), its sector, its employment strategy (for example, reliance on outsourced workers or part-time employees, a high degree of automation), or currency volatility.	Deleted from mandatory content and moved to NMIG Moved to [NMIG 35] based on an EFRAG decision on datapoint reduction
<i>Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts</i>	<i>Disclosure Requirement <u>S1-16</u> S1-17 – Incidents, complaints and severe human rights impacts</i>	Comment/Rationale Overall this DR and relevant AR have been simplified, with less granular reporting asked from preparers and streamlined in line with input from information gathering
ESRS Set 1 as per Delegated Act 2023	[Draft] Amended ESRS S1 Own workforce	
AR 103. In addition to the information required by paragraphs 103 and 104, the undertaking may disclose the status of incidents and/or complaints and actions taken with reference to the following:	AR 103. In addition to the information required by paragraphs 103 and 104, the undertaking may disclose the status of incidents and/or complaints and actions taken with reference to the following:	Deleted Removed for simplification based on EFRAG decision.
(a) incidents reviewed by the undertaking;	(a) incidents reviewed by the undertaking;	Deleted

		Removed - simplification based on EFRAG decision.
(b) remediation plans being implemented;	(b) remediation plans being implemented;	Deleted Removed for simplification based on EFRAG decision.
(c) remediation plans that have been implemented, with results reviewed through routine internal management review processes; and	(c) remediation plans that have been implemented, with results reviewed through routine internal management review processes; and	Deleted Removed - simplification based on EFRAG decision.
(d) incidents no longer subject to action.	(d) incidents no longer subject to action.	Deleted Removed - simplification based on EFRAG decision.
AR 104. If the undertaking compiles the information described in AR 105, it shall consider the following:	AR 104. If the undertaking compiles the information described in AR 105, it shall consider the following:	Deleted Removed - simplification based on EFRAG decision.
(a) an incident is no longer subject to action if it is resolved, the case is completed, or no further action is required by the undertaking. For example, an incident for which no further	(a) an incident is no longer subject to action if it is resolved, the case is completed, or no further action is required by the undertaking. For	Deleted

action is required can include cases that are withdrawn or where the underlying circumstances that led to the incident no longer exist;	example, an incident for which no further action is required can include cases that are withdrawn or where the underlying circumstances that led to the incident no longer exist;	Removed - simplification based on EFRAG decision.
(b) remedial action is directed toward the alleged harasser and the alleged victim. Remedial action toward the victim may include offering to pay his/her expenses for counselling sessions, offering the victim some paid time off, offering to reinstate sick/vacation days if the victim has incurred any expenses due to the harassment (such as having used sick or vacation days); and	(b) remedial action is directed toward the alleged harasser and the alleged victim. Remedial action toward the victim may include offering to pay his/her expenses for counselling sessions, offering the victim some paid time off, offering to reinstate sick/vacation days if the victim has incurred any expenses due to the harassment (such as having used sick or vacation days); and	Deleted Removed - simplification based on EFRAG decision
(c) remedial action toward the harasser may include giving the harasser a verbal and/or written warning, mandating anti-harassment counselling or sending the harasser to an appropriate seminar, harassment awareness and prevention training. A suspension without pay may also be an option. If the harasser has been disciplined earlier but his/her harassment does not cease, then more serious discipline may be required.	(c) remedial action toward the harasser may include giving the harasser a verbal and/or written warning, mandating anti-harassment counselling or sending the harasser to an appropriate seminar, harassment awareness and prevention training. A suspension without pay may also be an option. If the harasser has been disciplined earlier but his/her harassment does not cease, then more serious discipline may be required.	Deleted Removed - simplification based on EFRAG decision.
AR 105. Severe human rights incidents include instances of lawsuits, formal complaints through the undertaking or third-party complaint mechanisms, serious allegations in public reports or the media, where these are connected to the undertaking's own workforce, and the fact of the incidents is not disputed by the undertaking, as well as any other severe impacts of which the undertaking is aware.	AR 105. Severe human rights incidents include instances of lawsuits, formal complaints through the undertaking or third-party complaint mechanisms, serious allegations in public reports or the media, where these are connected to the undertaking's own workforce, and the fact of the incidents is not disputed by the undertaking, as well as any other severe impacts of which the undertaking is aware.	Deleted AR was removed, new wording of "human rights incidents" and scope in new [AR 37] and [AR 38] based on EFRAG decision. Removed reference to "severe" human rights incidents as significant amount of feedback received explained this created confusion

		<p>with “severe human rights impacts”.</p> <p>Clarification of what qualify as such incidents using a double filter explained in AR: i.e. 1) an incident is about human rights as delimited in new [AR 37]; 2) incidents are those responding to specific characteristics delimited in new [AR 38].</p>
AR 106. In addition to the information required by paragraph 104 above, the undertaking may disclose the number of severe human rights incidents where the undertaking played a role securing remedy for those affected during the reporting period.	AR 106. In addition to the information required by paragraph 104 above, the undertaking may disclose the number of severe human rights incidents where the undertaking played a role securing remedy for those affected during the reporting period.	<p>Deleted</p> <p>Removed for simplification based on EFRAG decision making and input from information gathering.</p>
	<p><u>AR 37. The human rights incidents in scope for this disclosure are those that relate to not-respecting of internationally recognised human rights (the same list as in [Draft] Amended ESRS 2 paragraph 35, and CSRD Art. 29, point 3 – respect for human rights.)</u></p>	<p>NEW</p> <p>Added for clarification based on EFRAG decision and clarification requests received from information gathering. This AR acts as a first filter to identify</p>

		“human rights incidents”
	<p>AR. 38. <i>Incidents</i> referred to in paragraphs 46(a)(b) include the number of substantiated instances of:</p> <p>(a) <u>judicial and non-judicial proceedings that have been initiated (such as cases before domestic courts, mediation, complaints filed with the National Contact Points for OECD Multinational Enterprises); and/or</u></p> <p>(b) <u>incidents registered by directly with the undertaking, including those identified through its internal processes.</u></p>	<p>NEW</p> <p>Reference to “substantiated” instances, suggesting the need for incidents to be based on evidence that is verifiable and objective.</p> <p>This AR acts as a second cumulative filter to identify “human rights incidents”.</p>
	<p>AR 39. In accordance with MDR-M paragraph 41 (d), <u>to allow a proper understanding of the significant changes in performance, the undertaking shall consider whether an increase in <i>incidents</i> being reported by or to the undertaking may reflect improvements in the effectiveness, including availability, of channels to raise concerns, including <i>grievance mechanisms</i>. In addition, it shall disclose the methodology it has used to compile the data on the <i>incidents</i> referred to in paragraph 46(a)(b).</u></p>	<p>NEW</p> <p>Added for clarity based on EFRAG’s decision and clarification requests received from information gathering. The objective of this AR is to provide a better understanding of the situation behind numbers.</p> <p>Contextual elements built on former DP 103(c) with editorial amendments.</p>

		The methodology used to compile data was added by EFRAG as a new element to provide clarity on how measurement is conducted.
	<u>AR 40. The way the undertaking has addressed or is addressing incidents referred to in paragraphs 46(a) and 46(b) may be cross referenced to ESRS S1-3.</u>	NEW Added by EFRAG to simplify and streamline reporting with new S1-3.
	<u>AR 41. This figure derives from a monetary amount recognised in the financial statements, but no formal reconciliation nor cross-referencing with the financial statements is required in the sustainability statement. ‘Fines, penalties, and compensation’ refer to those imposed on the undertaking through administrative or judicial proceedings.</u>	NEW Added for clarity by EFRAG for this connectivity datapoint.