

© DRSC e.V. || Joachimsthaler Str. 34 || 10719 Berlin || Tel.: (030) 20 64 12 - 0 || Fax.: (030) 20 64 12 - 15  
[www.drsc.de](http://www.drsc.de) - [info@drsc.de](mailto:info@drsc.de)

Diese Sitzungsunterlage wird der Öffentlichkeit für die FA-Sitzung zur Verfügung gestellt, so dass dem Verlauf der Sitzung gefolgt werden kann. Die Unterlage gibt keine offiziellen Standpunkte der FA wieder. Die Standpunkte der FA werden in den Deutschen Rechnungslegungs Standards sowie in seinen Stellungnahmen (Comment Letters) ausgeführt.  
Diese Unterlage wurde von einem Mitarbeiter des DRSC für die FA-Sitzung erstellt.

## **FA NB – öffentliche SITZUNGSUNTERLAGE**

Sitzung:	04. Sitzung FA NB / 18.03.2022 / 11:45 – 14:30 Uhr
TOP:	12 – EFRAG ESRS Social
Thema:	Arbeitspapiere zu ESRS S1, S4, S5, S6, S7
Unterlage:	04_12a_FA-NB_EFRAG_ESRS Social

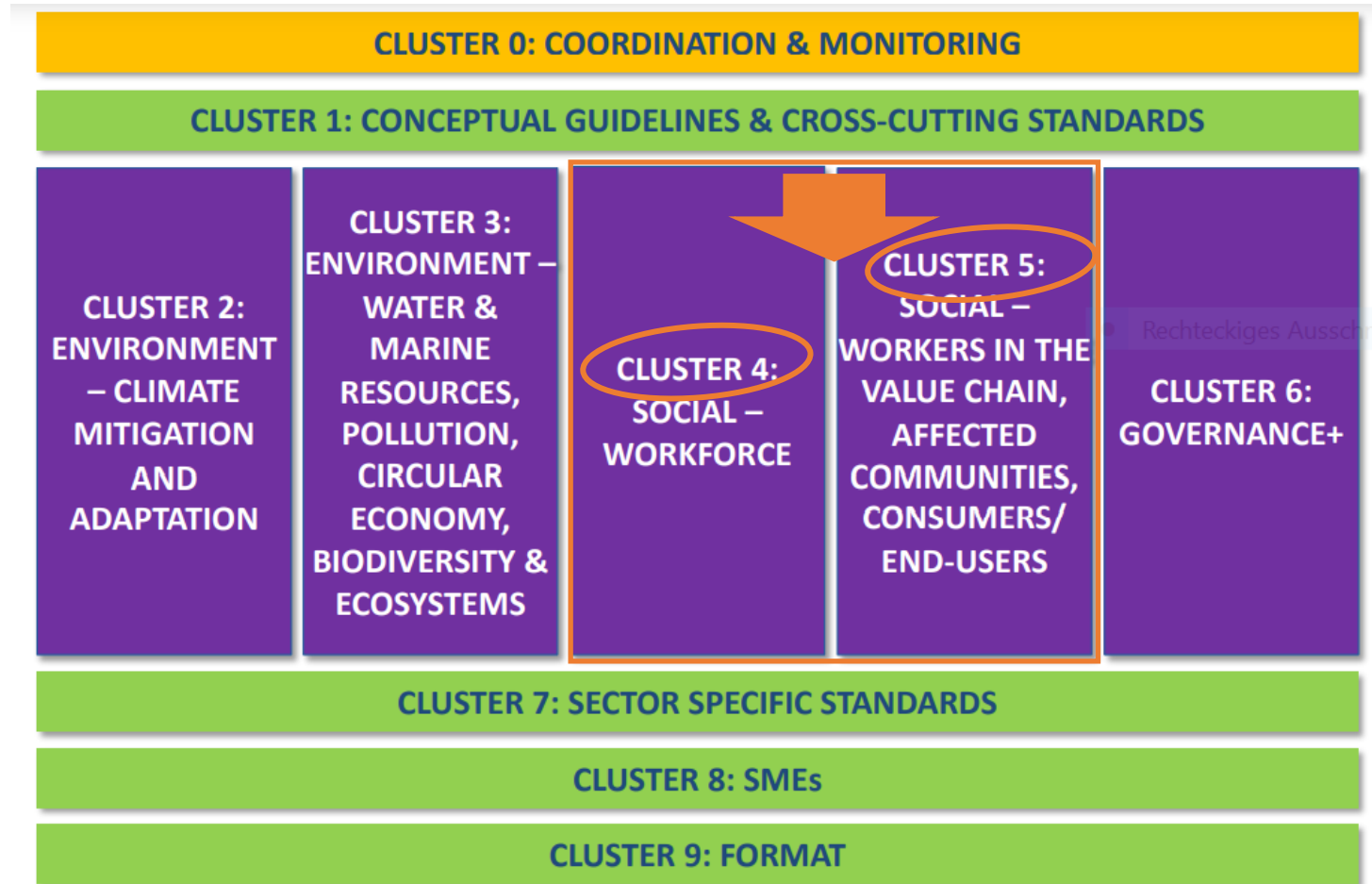
# 0. ESRs Social

## Overview

				SECTOR-SPECIFIC STANDARDS		PRESENTATION
Strategy, governance, impacts, risks, opportunities	Environment	Social	Governance	Classification	ESG sector-specific disclosures	
<b>ESRS 1</b> General provisions	<b>ESRS E1</b> Climate change	<b>ESRS S1</b> Own workforce – general	<b>ESRS G1</b> Governance, risk management and internal control	<b>ESRS SEC1</b> Sector classification		<b>ESRS P1</b>  Sustainability statements
<b>ESRS 2</b> Strategy and business model	<b>ESRS E2</b> Pollution	<b>ESRS S2</b> Own workforce – working conditions	<b>ESRS G2</b> Products and services, management and quality of relationships with business partners			
<b>ESRS 3</b> Sustainability governance and organisation	<b>ESRS E3</b> Water & marine resources	<b>ESRS S3</b> Own workforce – equal opportunities	<b>ESRS G3</b> Responsible business practices			
<b>ESRS 4</b> Sustainability impacts, risks and opportunities	<b>ESRS E4</b> Biodiversity & ecosystems	<b>ESRS S4</b> Own workforce – other work-related rights				
<b>ESRS 5</b> Definitions for policies, targets, action plans and resources	<b>ESRS E5</b> Circular economy	<b>ESRS S5</b> Workers in the value chain				
		<b>ESRS S6</b> Affected communities				
		<b>ESRS S7</b> Consumers/ End-users				
CONCEPTUAL GUIDELINES						
<b>ESRG 1</b> Double materiality	<b>ESRG 2</b> Characteristic of information quality	<b>ESRG 3</b> Time horizons	<b>ESRG 4</b> Boundaries and levels of reporting	<b>ESRG 5</b> EU and international alignment	<b>ESRG 6</b> Connectivity	

# 0. ESRS Social

## Cluster Organisation



# 0. ESRS Social

## Content of the Presentation

### **ESRS 1 on Own Workforce – General** (Policies, Targets, Action Plans and Resources)

**ESRS 2 on Own Workforce**  
– Working Conditions  
(Performance Measures)

**ESRS 3 on Own Workforce**  
Equal Opportunities  
(Performance Measures)

**ESRS 4 on Own Workforce**  
**Other Work Related Rights**  
(Performance Measures)

**ESRS 5 on Workers in the Value Chain**

**ESRS 6 on Affected Communities**

**ESRS 7 on Consumers / End-users**

# I. ESRS S1: Own Workforce – General Standard

## Objective

- Set out the disclosure requirements for undertakings to report on how they affect their **own workforce** - both positive and negative impacts - with regard to **working conditions, equal opportunities** and **other work-related rights**.
- **Overarching standard** focussed on the disclosure of implementation measures (i.e. policies, targets, action plans and resources) across a broad range of sustainability matters relevant to its own workforce.
- **Complements** three ESRS which include disclosures related to performance measures on these issues
  - **ESRS S2** Own Workforce – Working Conditions,
  - **ESRS S3** Own Workforce – Equal Opportunities Standard,
  - **ESRS S4** Own Workforce – Other Work-related Rights.
- Derives from the draft CSRD.

# I. ESRS S1: Own Workforce – General Standard

## Interaction with other ESRS

- Shall be read **in conjunction** with
  - General Provisions Standard (**ESRS 1**),
  - Standard on Strategy and Business Model (**ESRS 2**),
  - Standard requiring disclosure of the impacts, risks, and opportunities, including materiality assessments, of the undertaking (**ESRS 4**),
  - As well as other Social Pillar ESRS standards (**ESRS S2-5**).
- Reporting is to be **consistent, coherent and linked with** the reporting of the undertaking with the rest of the ‘own workforce’ standards that are focussed on performance measures
  - Working Conditions (**ESRS S2**),
  - Equal Opportunities (**ESRS S3**) and
  - Other Work-related Rights (**ESRS S4**).
- In addition, **intended to be consistent in reporting with ESRS S5**, which covers the workers in the value chain, and it broadly follows the same structure of disclosure requirements.

# I. ESRS S1: Own Workforce – General Standard



## Content and Structure of ESRS S1

Objective / Interaction with other ESRS

Disclosure Requirements

I. Strategy and Business Model (ESRS 2)

II. Impacts, Risks and Opportunities (ESRS 4) – DR 2-3

III. Policies, Targets, Action Plans and Ressources – DR 4-10

IV. Performance Measures – DR 11-12

Appendix A: Defined Terms

Appendix B: Application Guidance

Basis for Conclusion [Forthcoming]

# I. ESRS S1: Own Workforce – General Standard

## Strategy and Business Model (ESRS 2)

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 1 <b>Impacts originating from business model and strategy</b>	<ul style="list-style-type: none"><li>• Whether the undertaking assesses the extent to which material impacts on its own workforce originate from the undertaking's business model and strategy, and</li><li>• How the highest governance bodies are informed about any such impacts.</li></ul>	ESRS 2 <i>Strategy &amp; Business Model</i> DR 7



# I. ESRS S1: Own Workforce – General Standard

## Impacts, Risks and Opportunities (ESRS 4)

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 2</p> <p><b>Material impacts on own workforce and types of workers affected</b></p>	<ul style="list-style-type: none"><li>• Understanding of the material negative and positive impacts of the undertaking on its own workforce and of which parts of its workforce are affected.</li><li>• Non-exhaustive list of types of material impacts with regard to<ul style="list-style-type: none"><li>○ Working conditions,</li><li>○ Equal opportunities,</li><li>○ Work-related rights.</li></ul></li><li>• Explanation of material developments or changes in the reporting period.</li></ul>	<p>ESRS 4</p> <p><i>Impacts, Risks and Opportunities</i></p> <p>DR 2</p>

# I. ESRS S1: Own Workforce – General Standard

## Impacts, Risks and Opportunities (ESRS 4)

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 3 <b>Risks and opportunities related to own workforce</b>	<ul style="list-style-type: none"><li>• Understanding of the material risks and opportunities resulting from dependencies and impacts on its own workers.</li><li>• Explanation of connections between material risks and opportunities and the impacts identified under DR 2.</li><li>• Brief description of the types of workers in relation to which material risks or opportunities for the undertaking arise.</li><li>• If relevant, explanation how fundamental changes in employment trends (e.g. due to generational or demographic changes) have been considered when identifying risks or opportunities.</li></ul>	ESRS 4 <i>Impacts, Risks and Opportunities</i> DR 2

# I. ESRS S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 4</p> <p><b>Policies related to own workforce</b></p>	<ul style="list-style-type: none"><li>• Extent to which the undertaking has policies and how the individuals responsible for their implementation, and the workers' whose interests they address, are made aware of their existence and content.</li><li>• State – and digitally tag – specific policy commitments that are relevant to its own workforce.</li><li>• Link to publicly available policy.</li><li>• How the policy is communicated in an accessible form to workers.</li><li>• Reasons for not having adopted a policy or objectives.</li></ul>	<p>ESRS 1</p> <p><i>General Provisions</i></p> <p>Disclosure principle on policies implemented</p>

# I. ESRS S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 5</p> <p><b>Processes for engaging with own workers, trade union and workers' representatives, and other stakeholders about impacts</b></p>	<ul style="list-style-type: none"><li>• How the undertaking engages with workers, trade union and workers' representatives, and other stakeholders.</li><li>• Whether and how the perspectives of its own workforce inform those decisions or activities; shall include an explanation of:<ul style="list-style-type: none"><li>○ Whether engagement occurs,</li><li>○ Stage at which engagement occurs,</li><li>○ What role or function within the undertaking has responsibility,</li><li>○ Any agreements with trade unions and workers' representatives.</li></ul></li></ul>	<p>---</p>

# I. ESR S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 6</p> <p><b>Channels for own workers, trade union and workers' representatives and other stakeholders to raise concerns</b></p>	<ul style="list-style-type: none"><li>• Description on channels in place to raise concerns or needs directly with the undertaking and how the undertaking monitors issues raised and addressed.</li><li>• Explanation<ul style="list-style-type: none"><li>○ Whether and how the undertaking knows that its own workers are aware of and trust these structures or processes,</li><li>○ Whether the undertaking has policies in place regarding the protection of individuals that use them against retaliation.</li></ul></li></ul>	---

# I. ESRS S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 7</p> <p><b>Targets related to managing material impacts on own workforce</b></p>	<ul style="list-style-type: none"><li>• Description of any outcome-oriented targets.</li><li>• Disclosure of process for setting targets, including whether and how trade union and workers' representatives were engaged in:<ul style="list-style-type: none"><li>○ Setting any such targets,</li><li>○ Tracking the undertaking's performance against them,</li><li>○ Identifying any lessons or improvements as a result of the undertaking's performance.</li></ul></li><li>• In addition, description of the targets shall follow the requirements set out in ESRS 1.63.</li><li>• Whether and how targets relate to performance disclosures provided by ESRS S2-4.</li></ul>	<p>ESRS 1</p> <p><i>General Provisions</i></p> <p>Par. 63</p> <p>ESRS 2-4</p>

# I. ESR S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 9  <b>Initiatives aimed at positive outcomes for own workforce</b>	<ul style="list-style-type: none"><li>• Whether it has programs or processes in place whose purpose is to positively contribute to improved outcomes for its own workforce and whether these also play a role in mitigating related material impacts.</li><li>• Description of any such programs or processes, including<ul style="list-style-type: none"><li>○ Whether and how stakeholders play a role in decisions regarding the design and implementation,</li><li>○ Intended or achieved positive outcomes for the workforce,</li><li>○ Whether these programs or processes also play a role in mitigating related material impacts (as disclosed under DR 2).</li></ul></li></ul>	---

# I. ESRS S1: Own Workforce – General Standard

## Policies, Targets, Action Plans and Ressources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 10</p> <p><b>Approaches to mitigating material risks and pursuing material opportunities related to own workers</b></p>	<ul style="list-style-type: none"><li>• Ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to its own workforce.</li><li>• Description of<ul style="list-style-type: none"><li>○ Approaches to identifying what action is needed and appropriate in response to a particular material risk/ opportunities,</li><li>○ Activities, action plans or actions taken in the reporting period in response to specific material risks/to pursue specific material opportunities.</li></ul></li></ul>	<p>---</p>



# I. ESRS S1: Own Workforce – General Standard

## Performance Measures

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 11 <b>Characteristics of the Undertaking's Employees</b>	<ul style="list-style-type: none"><li>• Key characteristics of non-employee workers engaged in core business.</li><li>• In conjunction with Disclosure Requirement 11, to give insight into the undertaking's approach to employment.</li><li>• Shall include<ul style="list-style-type: none"><li>a) Report of the total number of workers (including most common types of worker and their contractual relationship and type of work they perform),</li><li>b) Methodologies and assumptions used,</li><li>c) Significant fluctuations,</li><li>d) where data is not available, undertaking shall estimate and state that it has done so.</li></ul></li></ul>	---

# I. ESRS S1: Own Workforce – General Standard

## Performance Measures

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 12</p> <p><b>Characteristics of non-employee workers engaged in core business in the undertaking</b></p>	<ul style="list-style-type: none"><li>• Key characteristics of employees.</li><li>• Insight into the undertaking's approach to employment.</li><li>• Shall include<ul style="list-style-type: none"><li>a) Report of the total number of employees, and breakdown by gender and by country,</li><li>b) Description of the methodologies and assumptions used,</li><li>c) Contextual information to understand data,</li><li>d) Significant fluctuations in the number of employees,</li><li>e) Cross-reference of the information reported.</li></ul></li></ul>	<p>---</p>

## II. ESRS S4: Own Workforce – Other Work-related Rights

### Objective

- **Additional Disclosure Requirements** to report on own workforce, in terms of material impacts, risks and opportunities.
- **Specific set of work-related rights**, including the rights to:
  - a) collective bargaining and freedom of association,
  - b) social dialogue,
  - c) freedom from child labour,
  - d) freedom from forced labour, and
  - e) privacy at work.
- **Builds on**
  - International and European human rights conventions and standards (including the UN Guiding Principles on Business and Human Rights and the OECD Multinational Guidelines),
  - EU legislation (including the EU labour law acquis and the EU taxonomy on sustainable finance, especially regarding “do no significant harm” criteria and minimum social safeguards)

## II. ESRS S4: Own Workforce – Other Work-related Rights



### Interaction with other ESRS

- S4 prescribes performance measures.
- Complementary to ESRS S1, which defines the Disclosure Requirements for policies, targets, action plans and resources, with regard to work-related.
- Shall be read in conjunction respectively with crosscutting standards ESRS 1, ESRS 2, ESRS 3, ESRS 4 and cross-cutting reference standard ESRS 5.

## II. ESRS S4: Own Workforce – Other Work-related Rights



### DR 1-8

- DR 1: Grievances and complaints related to other work-related rights
- DR 2: Collective bargaining coverage
- DR 3: Work stoppages
- DR 4: Social Dialogue
- DR 5: Forced Labour and Human Trafficking
- DR 6: Child Labour
- DR 7: Privacy at work
- DR 8: Violations of workers' other work-related rights

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 1: Grievances and complaints related to other work-related rights

Undertaking shall state the number of grievances and complaints received and resolved relating to workers' other work-related rights.

- Principle to be followed under this Disclosure Requirement is to provide an *understanding of the undertaking's grievance mechanism or channel*. This is the mechanism or channel through which those workers whose other work-related rights are impacted by the undertaking are able to lodge a concern or complaint, and that can provide access to remedy by resolving those complaints. Furthermore, it is to provide an understanding of the number of complaints raised and resolved at National Contact Points for OECD Multinationals.
- The disclosure required shall include
  - a) Number of complaints *filed through operational-level grievance mechanisms* for each of the matters described under the objective,
  - b) Number of complaints *raised through internal grievance mechanisms* for each of the matters described under the objective that are found to be substantiated by the undertaking,
  - c) Number of complaints *resolved through remediation* for each of the matters described under the objective,
  - d) Number of complaints *raised to National Contact Points for the OECD Multinational Enterprises* for each of the matters described under the objective ,
  - e) Number of complaints *resolved through National Contact Points the OECD Multinational Enterprises* for each of the matters described under the objective.

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 2: Collective Bargaining Coverage

**Undertaking shall disclose information on the extent to which the working conditions and terms of employment of its own workforce are determined or influenced by collective bargaining agreements.**

- **Undertaking shall disclose information on the extent to which the working conditions and terms of employment of its own workforce are determined or influenced by collective bargaining agreements.**
- The principle to be followed under this disclosure requirement is to provide an *understanding of the importance of collective bargaining* agreements for its own workforce.
- The disclosure required shall include:
  - a) *Percentage* of total employees *covered* by collective bargaining agreements,
  - b) For employees *not covered* by collective bargaining agreements, a description of whether the organisation 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 organisations,
  - c) Description of the extent to which the *working conditions* and terms of employment of *non-employee workers* in their own workforce are determined or influenced by collective bargaining agreements.
- Disclosure required shall include a *breakdown* of the collective bargaining coverage rate for employees *for each country* in which the undertaking has significant employment.

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 3: Work Stoppages

**Undertaking shall disclose the extent of major work stoppages (including both strikes and lockouts) because of disputes between the undertaking and its own workforce.**

- Principle to be followed under this disclosure requirement is to provide an *understanding of the extent of worker disputes and their impact on the undertaking's operations*.
- The disclosure required shall include a *description of*:
  - a) Number of major work stoppages,
  - b) For each major work stoppage,
    - i. Number of *workers involved*,
    - ii. *Length* in days of each stoppage,
    - iii. Description of the *reasons* for each major work stoppage and the steps taken to resolve each dispute,
  - c) Calculation of the total number of *idle person-days FTE* due to major work stoppages.



## II. ESRS S4: Own Workforce – Other Work-related Rights



### DR 4: Social Dialogue

**Undertaking shall disclose the extent and functioning of social dialogue with trade union and worker representatives of its own workforce.**

- The principle to be followed under this disclosure requirement is to provide an understanding of the *extent* to which the *institutional prerequisites* for social dialogue exist and the extent to which rights to social dialogue are *respected* in the EU/EEA operations.
- The disclosure required shall include a description of:
  - a) *Percentage of own workforce represented at the establishment level by trade union and/or worker representatives, for each EU/EEA country in which the undertaking has a significant workforce,*
  - b) *Existence of any agreement with its workforce for representation by a European works council, an SE Works Council, or an SCE Works Council,*
  - c) *If any worker representatives are included in the undertaking's governing bodies, and if so, a description of the rights, selection process and number of worker representatives in the bodies,*
  - d) *Whether significant reorganisation events which trigger information and consultation rights for workers in the EU labour law acquis and/or national legislation took place and, if so, how these information and consultation rights were respected in each case,*
  - e) *For operations outside of EU/EEA countries, the undertaking shall report:*
    - i. *Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them,*
    - ii. *For undertakings with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.*

## II. ESRS S4: Own Workforce – Other Work-related Rights



### DR 5: Forced Labour and Human Trafficking

The undertaking shall disclose the number of incidents forced labour and/or, the trafficking of persons for the purposes of forced or compulsory labour i.e. human trafficking identified in its own workforce.

- The principle to be followed under this disclosure requirement is to provide an understanding of the likelihood of instances of forced labour and/ or human trafficking in the undertaking's own workforce.
- The disclosure required shall include a report of:
  - a) Number of confirmed incidents of forced labour and/or human trafficking identified in the reporting entities' own operations in the reporting period,
  - b) Part of the organisation, geographic location and type of worker affected,
  - c) If no such incidents have been confirmed, the undertaking shall also state this.

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 6: Child Labour

**The undertaking shall disclose the number of incidents of child labour identified in its own workforce.**

- The principle to be followed under this disclosure requirement is to provide an understanding of the likelihood of instances of child labour in the undertaking's own workforce
- The disclosure required shall include a report of:
  - a) Number of confirmed incidents of child labour identified in the reporting entities' own operations in the reporting period,
  - b) Part of the organisation and geographic location where those incident(s) occurred,
  - c) If no such instances have been confirmed, the undertaking shall also state this.

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 7: Privacy at Work

The undertaking shall disclose the right to privacy at work for its own workforce.

- The principle underlying this Disclosure Requirement is to understand an undertaking's measures on personal data protection concerning its workforce and the nature and extent of worker surveillance that is conducted.
- The disclosure required shall include:
  - a) Description of the Information Security System utilised with respect to the protection of personal data of workers,
  - b) Number of data breaches involving worker data. If no such data breaches have been detected, the undertaking shall also state this,
  - c) Description of the types of workforce surveillance used and the percentage of workers subject to each form of surveillance.

## II. ESRS S4: Own Workforce – Other Work-related Rights

### DR 8: Violations of Workers' Other Work-related Rights

Undertaking shall report on the violation of workers' other work-related rights in cases where it is financially material to the undertaking.

- Principle underlying this disclosure requirement is to understand the extent to which violations of workers' other work-related rights have been financially material to the undertaking.
- Disclosure required shall include a report of whether (and if so, to what extent) the financial position of the undertaking has been affected by negative and positive impacts on workers' other work-related rights, for each of the matters described under the objective:
  - a) Total amount of fines, penalties, and compensation for damages as a result of violations regarding workers' other work-related rights as specified under the objectives section,
  - b) If no such material penalties have been incurred, the undertaking may also state this.
- Undertaking shall reconcile the monetary amounts disclosed with the most relevant amount presented in the financial statements.

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users

## (Uniform) Content and Structure



- Objective
- Interactions with other ESRS
- **Disclosure Requirements (DR)**
  - Strategy and business model / Governance and organisation / Impacts, risks and opportunities – DR 1-3
    - Specific disclosures for the implementation of ESRS 2 (Strategy and Business Model) – DR 1
    - Specific disclosures for the implementation of ESRS 4 (Impacts, Risks and Opportunities) – DR 2-3
  - Policies, targets, action plans and resources – DR 4-10
  - Application provisions
    - DR are to be applied with deferral by one year to the requirements and timelines of CSRD
- Appendix A: Defined Terms
- Appendix B: Application Guidance
- Basis for Conclusions

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## ESRS 5: Objective and Interaction with other ESRS

### Objective

- Angaben über Auswirkungen Unternehmenstätigkeit auf Mitarbeiter in der Wertschöpfungskette (eigene, vor- und nachgelagerte Aktivitäten) und auf Chancen und Risiken, die daraus entstehen
- Erläuterung allg. Herangehensweise zur Identifizierung und Steuerung echter oder potentieller wesentlicher Auswirkungen bzgl.
  - Arbeitsbedingungen (Gehalt, soziale Absicherung, Arbeitsstunden),
  - Zugang zu gleichen Chancen (Antidiskriminierung, gleicher Lohn, *work-life balance*) und
  - sonst. Menschenrechte (Gewerkschaftsbildung, Tarifverhandlungen, Kinderarbeit, Zwangsarbeit)
- Erläuterung wie Auswirkungen wesentliche Chancen und Risiken beeinflussen
- Konsistenz mit EU-Taxonomieverordnung (insb. mit Mindestschutz gem. Art. 18 TaxVo)

### Interaction with other ESRS

- Cross-cutting Standards:
  - ESRS 1, ESRS 2, ESRS 4
- Topic-specific ESRS:
  - ESRS S1 bis S7

### III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



#### ESRS 6: Objective and Interaction with other ESRS

##### Objective

- Angaben über Auswirkungen Unternehmenstätigkeit auf lokale Gemeinschaften in der Wertschöpfungskette (eigene, vor- und nachgelagerte Aktivitäten) und auf Chancen und Risiken, die daraus entstehen
- Erläuterung allg. Herangehensweise zur Identifizierung und Steuerung echter oder potentieller wesentlicher Auswirkungen bzgl.:
  - ökonomische, soziale und kulturelle Auswirkungen auf Gemeinschaften (Unterkünfte, Nahrungsmittelversorgung, Sanitäreinrichtungen, Sicherheit),
  - Bürger- und politische Rechte der Gemeinschaft (Meinungs- und Versammlungsfreiheit) und
  - Rechte indigener Völker (kulturelle Rechte, Selbstbestimmung)
- Erläuterung wie Auswirkungen wesentliche Chancen und Risiken beeinflussen
- Konsistenz mit EU-Taxonomieverordnung

##### Interaction with other ESRS

- Cross-cutting Standards:
  - ESRS 1, ESRS 2, ESRS 4
- Topic-specific ESRS:
  - ESRS S1 bis S7



# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## ESRS 7: Objective and Interaction with other ESRS

Objective	Interaction with other ESRS
<ul style="list-style-type: none"><li>• Angaben über Auswirkungen Unternehmenstätigkeit auf Konsumenten und Endnutzer ihrer Produkte oder Dienstleistungen und auf Chancen und Risiken, die daraus entstehen</li><li>• Erläuterung allg. Herangehensweise zur Identifizierung und Steuerung echter oder potentieller wesentlicher Auswirkungen bzgl.:<ul style="list-style-type: none"><li>○ informationsbezogene Auswirkungen (Datenschutz, freie Meinungsäußerung, Zugang zu Informationen),</li><li>○ persönliche Sicherheit von Konsumenten und Endnutzern (Gesundheits- und Kinderschutz) und</li><li>○ soziale Inklusion von Konsumenten und Endnutzern (insb. Antidiskriminierung, Zugang zu Produkten und Dienstleistungen)</li></ul></li><li>• Erläuterung wie Auswirkungen wesentliche Chancen und Risiken beeinflussen</li><li>• Konsistenz mit EU-Taxonomieverordnung (insb. mit Mindestschutz gem. Art. 18 TaxVo)</li></ul>	<ul style="list-style-type: none"><li>• Cross-cutting Standards:<ul style="list-style-type: none"><li>○ ESRS 1, ESRS 2, ESRS 4</li></ul></li><li>• Topic-specific ESRS:<ul style="list-style-type: none"><li>○ ESRS S1 bis S7</li></ul></li></ul>

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Strategy and Business Model

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 1  <b>Impacts originating from business model and strategy</b>	<ul style="list-style-type: none"><li>• Whether entity assesses the extent to which material impacts on <u>value chain workers / local communities / consumers and end-users</u> originate from entity's business model and strategy and</li><li>• How are highest governance bodies are informed about impacts</li></ul>	<ul style="list-style-type: none"><li>• ESRS 2 DR 7 (Impacts related to sustainability matters)</li></ul>
<b>Specific <u>workers in the value chain / affected communities/ consumers and end-users</u>-related disclosures for the implementation of ESRS 2 <i>Strategy and Business Model</i></b>		

# III. ESRs S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Impacts, Risks and Opportunities

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 2  <b>Material impacts on <u>value chain workers / affected communities / consumers and end-users</u> and types of <u>workers / communities/ consumers and end-users</u> affected</b>	<ul style="list-style-type: none"><li>• Statement of material impacts on <u>value chain workers / communities / consumers and end-users</u></li><li>• Description of main types of <u>workers / communities / consumers and end-users</u> that are affected<ul style="list-style-type: none"><li>○ ESRs S5 par. 19: in particular any geographies or commodities with significant risk of child, forced or compulsory labour</li><li>○ ESRs S5 par. 20: workers who can be impacted through entity's own operations or in its up- or downstream value chain by a third party are included under the ESRs S1- S5</li></ul></li></ul>	<ul style="list-style-type: none"><li>• ESRs 4 DR 2 (Outcome of the undertaking's assessment on material sustainability impacts, risks and opportunities as identified by reference to and in compliance with sector-agnostic and sector-specific level ESRs)</li><li>• ESRs S5: ESRs S1, S2, S3, S4</li></ul>

**Specific workers in the value chain / affected communities / consumers and end-users-related disclosures for the implementation of ESRs 4 *Impacts, Risks and Opportunities***

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Impacts, Risks and Opportunities

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 3  <b>Risks and opportunities related to <u>value chain workers / affected communities / consumers and end-users</u></b>	<ul style="list-style-type: none"><li>• Statement of any material risks and opportunities for the business arising from impacts and dependencies on, as well as the general situation of, <u>value chain workers / communities / consumers and end-users</u><ul style="list-style-type: none"><li>○ ESRS S5 par. 27: if relevant state and explain how more fundamental changes in employment trends due to generational or demographic changes, technology, etc. have been considered when identifying its material risks or opportunities</li></ul></li></ul>	<ul style="list-style-type: none"><li>• ESRS 4 DR 2</li><li>• ESRS S5: ESRS S5 DR 2 (Material impacts)</li><li>• ESRS S6: ESRS S6 DR 2 (Material impacts)</li><li>• ESRS S7: ESRS S7 DR 2 (Material impacts)</li></ul>
<b>Specific <u>workers in the value chain / affected communities / consumers and end-users</u>-related disclosures for the implementation of ESRS 4 <i>Impacts, Risks and Opportunities</i></b>		

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 4</p> <p><b><u>Policies related to value chain workers / affected communities / consumers and end-users</u></b></p>	<ul style="list-style-type: none"><li>• Existing policies that address management of entity's material impacts or dependencies on <u>value chain workers / communities / consumers and end-users</u><ul style="list-style-type: none"><li>○ Specific policy commitments,</li><li>○ ESRS S5 par. 32: does policy explicitly address trafficking in human beings and forced labour,</li><li>○ ESRS S6 par. 29: impacts on Indigenous communities</li></ul></li><li>• Associated material risks and opportunities</li><li>• Summary of their content and how they are communicated</li></ul>	<ul style="list-style-type: none"><li>• ESRS 1 (General Provisions)</li></ul>

# III. ESRs S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 5  <b>Processes for engaging with <u>value chain workers / affected communities / consumers and end-users</u> about impacts</b>	<ul style="list-style-type: none"><li>• explain general processes for engaging with <u>value chain workers / affected communities and their representatives / consumers and end-users</u> and their representatives about actual and potential impacts on them<ul style="list-style-type: none"><li>○ ESRs S6 par. 36: how entity takes into account the particular rights of communities of indigenous peoples in its stakeholder engagement approach</li></ul></li></ul>	

# III. ESR S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 6 <b>Channels for <u>value chain workers / affected communities / consumers and end-users</u> to raise concerns</b>	<ul style="list-style-type: none"><li>• Describe entity's channels for <u>value chain workers / affected communities / consumers and end-users</u> to raise their concerns or needs directly with the entity</li><li>• Through which channels entity supports availability of mechanisms by its business relationships</li><li>• How entity monitors issues raised and addressed</li></ul>	

# III. ESRS S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
<p>DR 7</p> <p><b>Targets related to managing material impacts on <u>value chain workers / affected communities / consumers and end-users</u></b></p>	<ul style="list-style-type: none"><li>• Explain any outcome-oriented targets related to<ul style="list-style-type: none"><li>○ Reducing negative impacts</li><li>○ Advancing positive impacts</li><li>○ Managing material risks and opportunities</li></ul></li></ul>	<ul style="list-style-type: none"><li>• <i>ESRS 1 General Provisions</i></li></ul>



### III. ESR S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



#### Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 8 <b>Taking action on material impacts on <u>value chain workers / affected communities / consumers and end-users</u> and effectiveness of those actions</b>	<ul style="list-style-type: none"><li>• Entity's approaches to taking action on its material impacts</li><li>• How entity assesses the effectiveness of the actions</li></ul>	

# III. ESRs S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



## Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 9  <b>Initiatives aimed at positive outcomes for <u>workers / communities / consumers and end-users</u></b>	<ul style="list-style-type: none"><li>• Explain whether entity has <u>programmes or processes / social investment or other development programmes / programmes and processes</u> in place whose purpose it is to positively contribute to <u>improved social outcomes for value chain workers / local communities' needs / improved social outcomes for consumers and end-users</u></li><li>• Whether these programmes / social investments also play a role in mitigating related material negative impacts</li></ul>	<ul style="list-style-type: none"><li>• ESRs S5: ESRs S5 DR 2 (Material impacts)</li><li>• ESRs S6: ESRs S6 DR 2 (Material impacts)</li><li>• ESRs S7: ESRs S7 DR 2 (Material impacts)</li></ul>

### III. ESR S5-7: Workers in the Value Chain, Affected Communities, Consumers and End-users



#### Policies, Targets, Action Plans and Resources

Disclosure	Specification	Cross-cutting <i>(in accordance with / complementary to)</i>
DR 10  <b>Approaches to mitigating material risks and pursuing material opportunities related to <u>value chain workers / affected communities / consumers and end-users</u></b>	<ul style="list-style-type: none"><li>• Explain entity's approaches to:<ul style="list-style-type: none"><li>○ Mitigating material risks and</li><li>○ Pursuing material opportunities arising from impacts on <u>value chain workers / local communities / consumers and end-users</u></li></ul></li></ul>	