

Social standards

14th BCSD Conference on Sustainable Development

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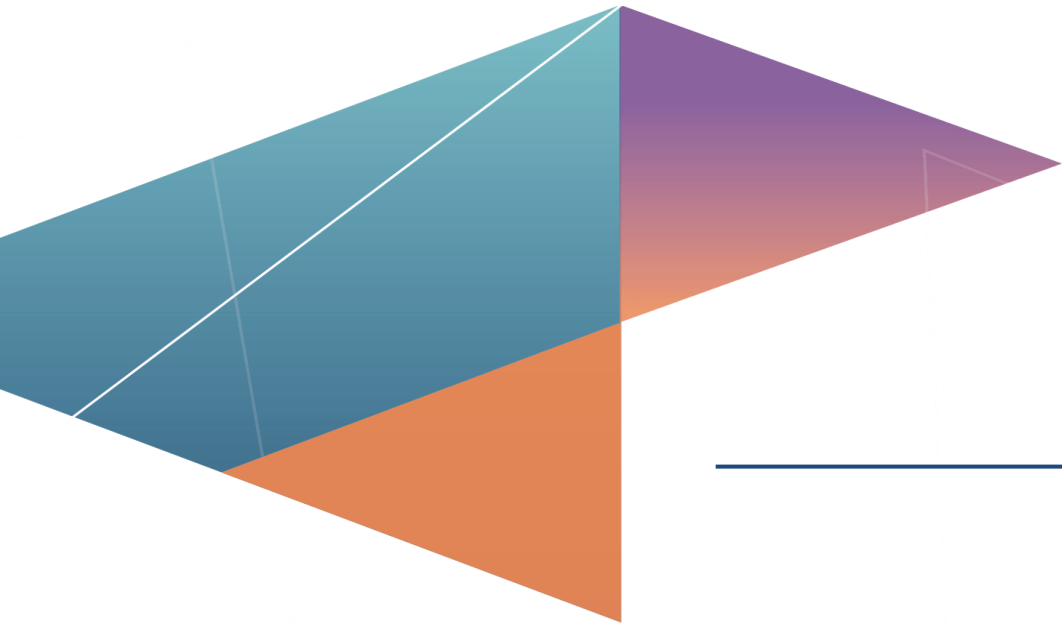
Sigurt Vitols



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Social:

S1 Own workforce

S2 Workers in the value chain

S3 Affected communities

S4 Consumers and end-users

Background and methodology

Standard development based on CSRD, Article 29 b (Extract)

“ (b) specify the information that undertakings are to disclose about social factors, including information about:

i) equal **treatment and*** opportunities for all, including:

- gender equality and equal pay for work of equal value
- training and skills development
- employment and inclusion of people with disabilities
- **measures against violence and harassment in the workplace***
- **diversity***

ii) working conditions, including:

- secure employment
- **working time***
- wages
- social dialogue
- **freedom of association***
- **existence of work councils***
- collective bargaining **including the rate of workers covered by collective agreements***
- **the involvement-information, consultation and participation rights of workers***
- work-life balance
- ~~a healthy, safe and well-adapted work environment~~
- **health and safety***

Background and methodology

Standard development based on CSRD, Article 29 b (Extract)

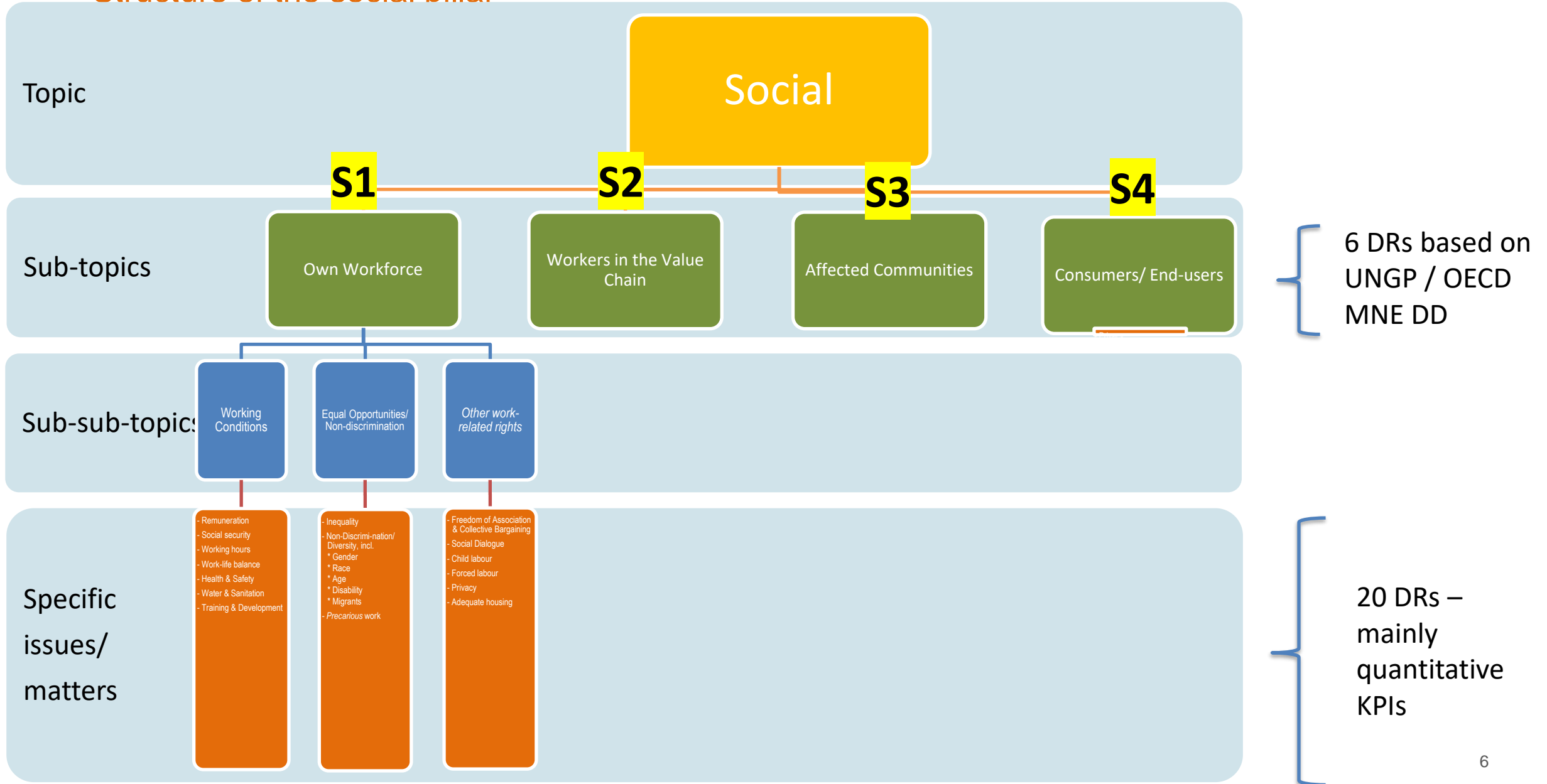
“ (b) specify the information that undertakings are to disclose about social factors, including information about:

iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in:

- the International Bill of Human Rights and other core UN human rights conventions, including **the UN Convention on Persons with Disabilities***
- **the UN Declaration on the Rights of Indigenous Peoples***
- the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work
- the ILO fundamental conventions
- **the European Convention of Human Rights***
- **the revised European Social Charter***
- the Charter of Fundamental Rights of the European Union

Social standards

Structure of the social pillar

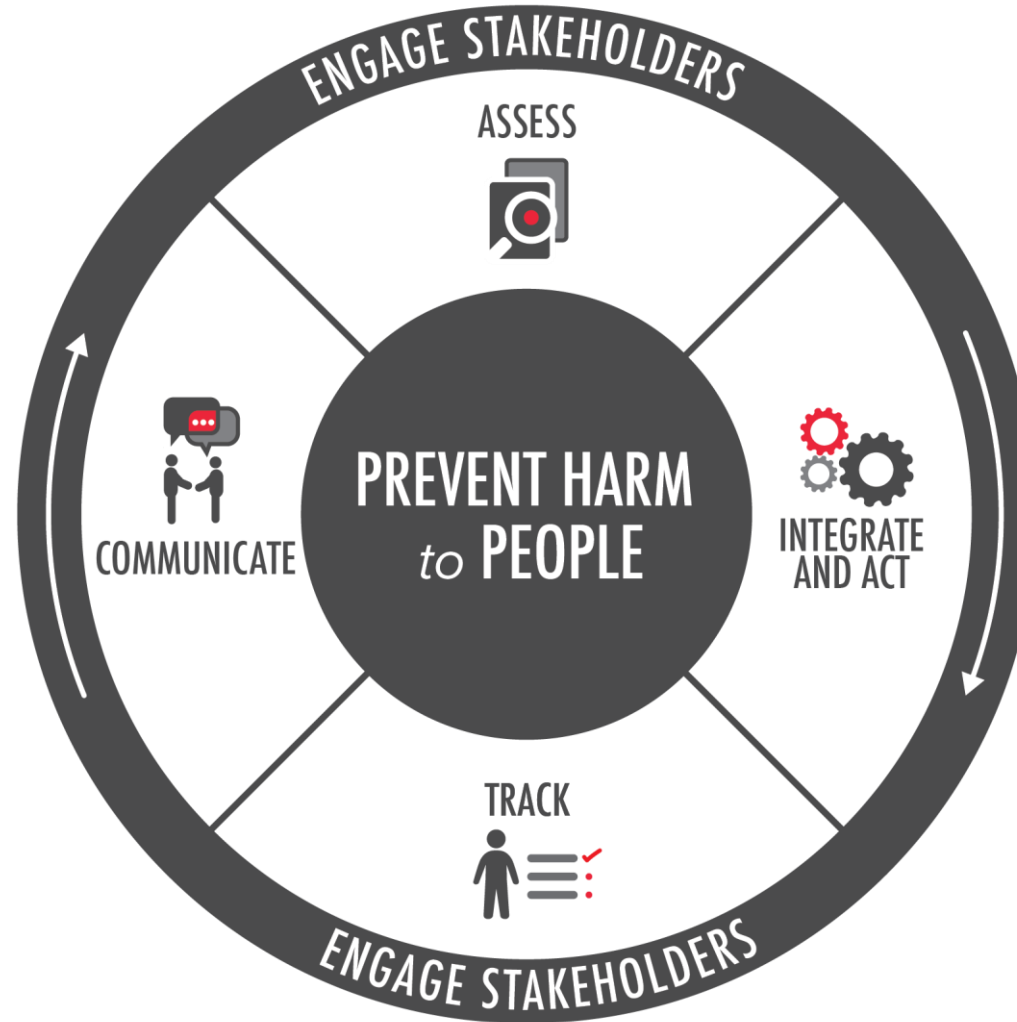


Objective and Overview

Human Rights Due Diligence for the four stakeholder groups of S1 – S4

ESRS S1 – S4, DR's 2 and 3: **engage stakeholders**

The standards in their entirety contribute to the reporting obligation required by the draft CSRD: **communicate**



ESRS 2 (cross cutting) and AG's 3 – 12/13: **assess** impacts, risks and opportunities

ESRS S1 – S4, DR's 1, 2, 5 and 6: **integrate and act** by developing policies, setting targets and taking action

ESRS 1 on targets, progress and tracking effectiveness and ESRS S2 – S4, DR 4: **track** performance

Social Standards: Embedding Due Diligence

Alignment of social standards with OECD Due Diligence

0. ESRS S1 - DRs 2 and 3: **engage stakeholders** and ESRS 2 DRs (SBM, IROs)



1. ESRS 2 (cross cutting) and AG 3 – 12/13: **assess** impacts, risks and opportunities



2. ESRS S1 DRs 1, 2, 5 and 6: **integrate and act** by developing policies, setting targets and taking action



3. ESRS 1 on targets, progress and tracking effectiveness and ESRS S2 – DR 4: **track** performance



4. The standards in their entirety contribute to the reporting obligation required by the draft CSRD: **communicate**

Approach developed in co-construction with Shift

ESRS S1 - overview

Reference frameworks

PERFORMANCE MEASURES

General

DR S1-7: Characteristics of the Undertaking's **Employees**

GRI

DR S1-8: Characteristics of **non-employee workers** in the undertaking's own workforce

GRI

Working Conditions

DR S1-9: **Training and Skills** Development indicators

GRI

DR S1-10: **Coverage** of the health and safety management system

ILO

OECD

GRI

DR S1-11: **Performance** of the health and safety management system

SFDR

ILO

GRI

DR S1-12: Working **Hours**

ILO

EPSR

DR S1-13: Work-Life **Balance** indicators

ILO

EPSR

DR S1-14: **Fair** remuneration

EPSR

GRI

DR S1-15: **Social security** eligibility coverage

EPSR

Equal Opportunities

DR S1-16: **Pay gap** between women and men

EPSR

GRI

SFDR

DR S1-17: Annual total **compensation ratio**

EPSR

GRI

SFDR

DR S1-18: **Discrimination** incidents related to equal opportunities

EPSR

GRI

SFDR

DR S1-19: Employment of persons with **disabilities**

EPSR

GRI

DR S1-20: Differences in the **provision of benefits** to employees with different employment contract types

EPSR

GRI

Other Work-related Rights

DR S1-21: **Grievances** and other work-related rights

GRI

DR S1-22: **Collective bargaining** coverage

SASB

GRI

ILO

DR S1-23: Work **stoppages**

SASB

ILO

DR S1-24: Social **dialogue**

DR S1-25: Identified cases of **severe human rights issues** and incidents

SFDR

GRI

ILO

DR S1-26: **Privacy** at work

ILO



Q&A



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