

ESRS S1 – S4

Social Standards

- **S1: Own workforce**
- **S2: Workers in the value chain**
- **S3: Affected Communities**
- **S4: Consumers & End-users**

The Social Standards

The ESRS are built on the model of 'ESG', where 'Social Standards' are a main topic.

The Social Standards are:

- S1: Own workforce
- S2: Workers in the value chain
- S3: Affected communities
- S4: Consumers & End-users

The social standards are mostly narrative, describing policies and actions. For most companies S1: Own workforce will be automatically material, as they need their people to operate the company. The three other standards are value chain based, and automatically include the value chain. Depending on the materiality assessment it will be defined whether those standards are material or not.

The social standards are also subject to a lot of voluntary datapoints, and phase-ins, especially for companies smaller than 750 employees. This does not mean that the company should not disclose whether the topics are material, but should not necessarily already report.

Social – Own workforce S1

ESRS	Materiality Assessment?			Type of datapoints			Phase in		
	Irrespective of MA	Subject to MA	May	Narrative	Semi-Narrative	Numerical	Phase In Year 1	Phase In Year 2	Phase In Year 3
ESRS S-1		131	58	61	23	47	32	-	-

Objective: transparency for the IRO’s on the own workforce, specifically:

1. the relevance of the own workforce, in terms of material positive and negative actual or potential impacts;
2. (actions taken, and their result, to prevent, mitigate or remediate actual or potential negative impacts, addressing risks and opportunities
3. the dependency on the own workforce, and way to manage them
4. financial effects from dependency on the own workforce

Country	Number of employees (head count)
Country A	
Country B	
Country C	
Country D	

A specific focus is put on:

1. working conditions
2. equal treatment and opportunities
3. other work related rights like child labour, forced labour, privacy, ...

Of course these elements can have a material impact, risk and opportunity for a company. When discrimination is present, it might mean that a company is missing out on qualified people for certain positions in the company.

Disclosure Requirements S1 Own Workforce

- DR S1-1 – Policies related to own workforce
- DR S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts
- DR S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns
- DR S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
- DR S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
- DR S1-6 – Characteristics of the undertaking’s employees
- DR S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce
- DR S1-8 – Collective bargaining coverage and social dialogue
- DR S1-9 – Diversity metrics
- **DR S1-10 – Adequate wages**
- DR S1-11 – Social protection
- DR S1-12 – Persons with disabilities
- **DR S1-13 – Training and skills development metrics**
- DR S1-14 – Health and safety metrics
- **DR S1-15 – Work-life balance metrics**
- **DR S1-16 – Compensation metrics (pay gap and total compensation)**
- DR S1-17 – Incidents, complaints and severe human rights impacts

Social S2 – Workers in the value Chain

	Materiality Assessment?			Type of datapoints			Phase in		
	Irrespective of MA	Subject to MA	May	Narrative	Semi-Narrative	Numerical	Phase In Year 1	Phase In Year 2	Phase In Year 3
ESRS S-2		48	21	40	8	-	-	-	-

Objective: transparency for the IRO’s on workers in the value chain, specifically:

1. the relevance of the workers in the value chain, in terms of material positive and negative actual or potential impacts;
2. (actions taken, and their result, to prevent, mitigate or remediate actual or potential negative impacts, addressing risks and opportunities
3. the dependency on the own workforce, and way to manage them
4. financial effects from dependency on the own workforce

A specific focus is put on:

1. working conditions
2. equal treatment and opportunities
3. other work related rights like child labour, forced labour, privacy, ...

Disclosure Requirements S2: Workers in the value chain

S2: Workers in the value chain

- DR S2-1 – Policies related to value chain workers
- DR S2-2 – Processes for engaging with value chain workers about impacts
- DR S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns
- DR S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
- DR S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S3 – Affected communities

ESRS	Materiality Assessment?			Type of datapoints			Phase in		
	Irrespective of MA	Subject to MA	May	Narrative	Semi-Narrative	Numerical	Phase In Year 1	Phase In Year 2	Phase In Year 3
ESRS S-3		46	22	40	6	-	-	-	-

Objective: transparency for the IRO’s on affected communities, specifically:

1. effect on the community, in terms of material positive and negative actual or potential impacts;
2. actions taken, and their result, to prevent, mitigate or remediate actual or potential negative impacts, addressing risks and opportunities
3. the dependency on the own workforce, and way to manage them
4. financial effects from dependency on the community

A specific focus is put on:

1. communities social, economic, and cultural rights
2. communities civil and political rights
3. rights of indigenous people

Disclosure Requirements S3: Affected communities

S3: Affected communities

- DR S3-1 – Policies related to affected communities
- DR S3-2 – Processes for engaging with affected communities about impacts
- DR S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns
- DR S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
- DR S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S4 – Consumers & end-users

ESRS	Materiality Assessment?			Type of datapoints			Phase in		
	Irrespective of MA	Subject to MA	May	Narrative	Semi-Narrative	Numerical	Phase In Year 1	Phase In Year 2	Phase In Year 3
ESRS S-4		44	23	39	5	-	-	-	-

Objective: transparency for the IRO’s on consumers and end-users, specifically:

1. effect on the consumers & end-users, in terms of material positive and negative actual or potential impacts;
2. actions taken, and their result, to prevent, mitigate or remediate actual or potential negative impacts, addressing risks and opportunities
3. the dependency on the consumers and end-users, and way to manage them
4. financial effects from dependency on the consumers & end-users

A specific focus is put on:

1. Information related impacts (privacy, freedom of expression, access to information)
2. Personal safety of consumers & end-users
3. Social inclusion through equal access to product and services, and responsible marketing practices

Disclosure Requirements S4: Consumers & End-users

S4: Consumer and end-users

- DR S4-1 – Policies related to consumers and end-users
- DR S4-2 – Processes for engaging with consumers and end-users about impacts
- DR S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
- DR S4-4 – Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
- DR S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

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