

“Why the Corporate Sustainability Reporting Directive is a “game changer” for trade unions and sustainability reporting?”

Sig Vitols, WZB and ETUI

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EU Non-financial Reporting Directive: inadequate protection against greenwashing



Why could the Corporate Sustainability Reporting Directive (CSRD) be a game-changer? Reason 1

- All large (250+ employees) EU companies have to report according to a mandatory set of reporting standards
 - 50-60,000 companies covered
 - Detailed reporting rules for
 - All large companies
 - 40 standards for specific sectors (mining, oil&gas, etc.)
 - Special rules for SMEs and non-EU companies
 - CSRD defines topics
 - Environment
 - Social
 - Governance
 - Due Diligence/business model/supply chain

Social topics in the CSRD

- Collective bargaining coverage
- Social dialogue / works councils / information, consultation, participation
- Adequate wages
- Child and forced labor
- Health & safety
- Secure employment
- Working time
- Equal treatment
- Equal opportunities
- International + European human rights instruments

Why could the Corporate Sustainability Reporting Directive (CSRD) be a game-changer? Reason 2

- Sustainability reports have to be audited
- Investors want „real“ information

Why could the Corporate Sustainability Reporting Directive (CSRD) be a game-changer? Reason 3

- Trade unions and works councils have information/consultation rights
 - Article 19a 4b. “The management of the undertaking shall **inform workers' representatives at the appropriate level and discuss with them** the relevant information and the means of obtaining and verifying sustainability information. Their **opinion should be communicated**, where applicable, to the relevant administrative, management or supervisory bodies.”

Workers' Reps must discuss with management reporting in Sustainability Report on:

- Collective bargaining coverage
- Social dialogue / works councils / information, consultation, participation
- Adequate wages
- Child and forced labor
- Health & safety
- Secure employment
- Working time
- Equal treatment
- Equal opportunities
- International + European human rights instruments

Will CSRD be a game changer?

- Workers' representatives and trade unions need **training on sustainability reporting**
- Ambitious reporting rules are needed
 - Trade union + NGO representation in European Financial Reporting Advisory Group (EFRAG)
 - Consultation in April on rules applying to all companies
 - Ongoing development of sector-specific standards
 - Mining/coal, oil&Gas
 - Road transport and agriculture
 - Other 36 sectors to follow in the next 2 years

Thank you for your attention!

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