

How can People governance support the ESG sustainability reporting exercise?

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ISO 30408 Guidelines on human governance

System by which an organisation is directed and controlled and which takes into account the organization's stakeholders, as well as human and social factors, both at the highest level and at all other levels of **decision-making**.



seelijke gedrag. Fusies mislukken vaak omdat twee bedrijfsculturen botsen. Toch houden bedrijven weinig rekening met de menselijke aspecten. Uit onderzoek blijkt dat 60 procent van de HR-managers in Europa niet in het directiecomité zitten en dus niet betrokken worden bij belangrijke beslissingen.

Om het debat op gang te brengen, bracht Serge Hubert 18 mensen uit het bedrijfsleven bij elkaar in een commissie, onder wie managers van Fortis, Suez, Bekaert en Group 4 Securicor. 'People governance heeft betrekking op het personeelsbeleid, maar hevat eigenlijk a heeft met de me een ondernemin, bestaande codese bijna geen aan De codes vermeld cedures voor de l man en de renun Buysse vermeldt c

competenties moeten zoeken, mensen opleiden, aanwerven of ontslaan. Ook zal een langetermijnvisie op het personeelsbeleid voor betere economische resultaten zorgen. Investeren in opleidingen is op korte termijn niet zinvol. Maar op lange termijn is het minder duur dan de mensen te ontslaan en opnieuw aan te werven, afhankelijk van de conjunctuur.

Ook Danny Vandormael, Europees regiomanager bij Group 4 Securicor, vindt het noodzakelijk dat er in het begin van '11

'De communicatiekanalen met de werknemers zijn vaak eenrichtingsverkeer. Er wordt meegedeeld wat al beslist is.'



MANAGEMENT & EX

Le Soir Mardi 3 juillet 2007

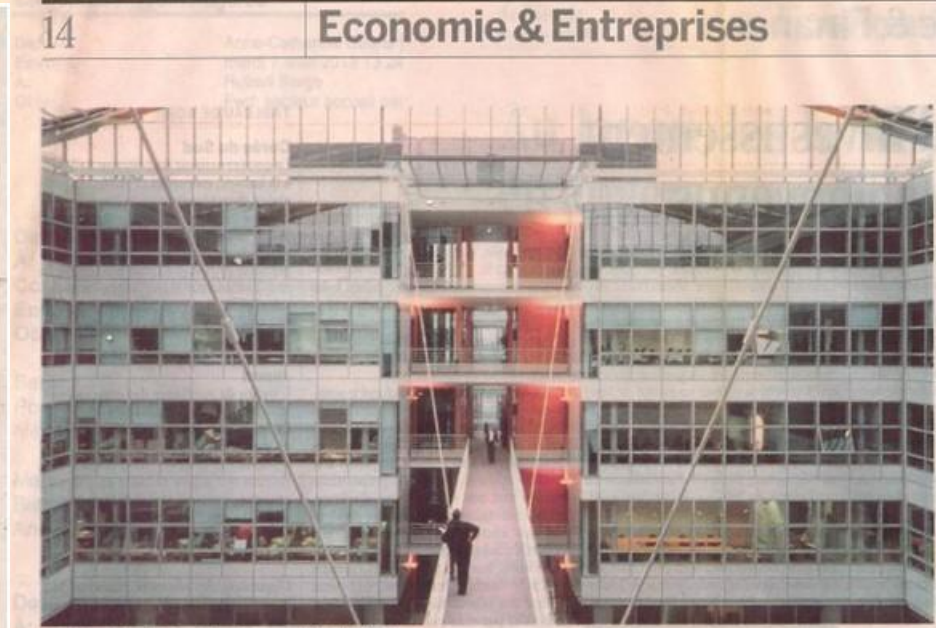
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ASSURANCES
Axa donne 50 de ses actions à chaque salarié
 Ce 1^{er} juillet, le groupe d'assurances Axa a attribué 50 actions à chaque salarié, soit plus de 100.000 personnes. En 2009, si le groupe est toujours en ligne avec les objectifs de son projet d'entreprise (l'objectif vise un doublement du

Economie & Entreprises



Au technocentre de Renault de Guyancourt, dans les Yvelines. AFP

L'affaire des suicides chez Renault pourrait faire l'objet de suites pénales

L'inspection du travail a ainsi le programme de de de conséquences pour Renault. Par sa démarche, l'ins- désigner, si nécessaire, un juge d'instruction.

LEAS WITH IMPACT

Harvard Business Review

How to

Invest in Social Capital

LEVEL 5 LEADERSHIP

THE TRIUMPH OF HUMILITY AND FIERCE RESOLVE

by Jim Collins

What catapults a company from merely good to truly great? A five-year research project searched for the answer to that question, and its discoveries ought to change the way we think about leadership. The most powerfully transformative executives possess a paradoxical mixture

Corporate governance value chain

Boards of Directors
Specialized committees
Governance Strategy & decisions

People governance systems
&
Implementation choices and risks management

Company Operational Delivery
&
Project management
-
Leadership
-
Collaboration & Collective performance

Coherence & Impacts

What model to human governance for ESG ?



First young professionals panel

LLN 23 mai 2024

Preparation sessions for an opinion survey (500)

Are you informed and/or involved in the ESG exercise ?

- *« I'm involved as Sustainability manager, but we only have to answer to a list of data coming from the corporate »*
- *« The only informations on sustainability are in the annual report »*
- *« We are not informed, it's not for yet »*
- *« I'm not involved but it's adressed by the management and project teams »*

R1 - The board of Directors takes the initiative

R2 - The boards makes its competences available and determine the roles

R3 - Being trained and becoming informed

R4 - The Board of Directors issues guidelines

R5 - The Board of Directors issues a mandate

R6 - Define a Framework plan for Human governance

R7 - Human governance audit committee

R8 - Human governance is situated upstream

R9 - Annual Report



People governance commission (Bruxelles, 2007)

Boards of tomorrow - ESG Active governance

- **Extended liability for Directors** (National law)
- **Impact on collective intelligence**
- **Validation of the ESG roadmap**
- **Clear ESG projects sponsorship/mentorship**
- **Development of new competencies**
- **Board composition/generation**

How far are
Boards
supporting the
wave of
« ESG » ?

The maturity of companies varies greatly

- Already involved in sustainability reporting (NFRD)
- Awareness and willingness to go through the exercise
- Not fully informed and having a certain apprehension
(starting from almost scratch)

Create the conditions for setting up the ESG exercise

Corporate governance value chain

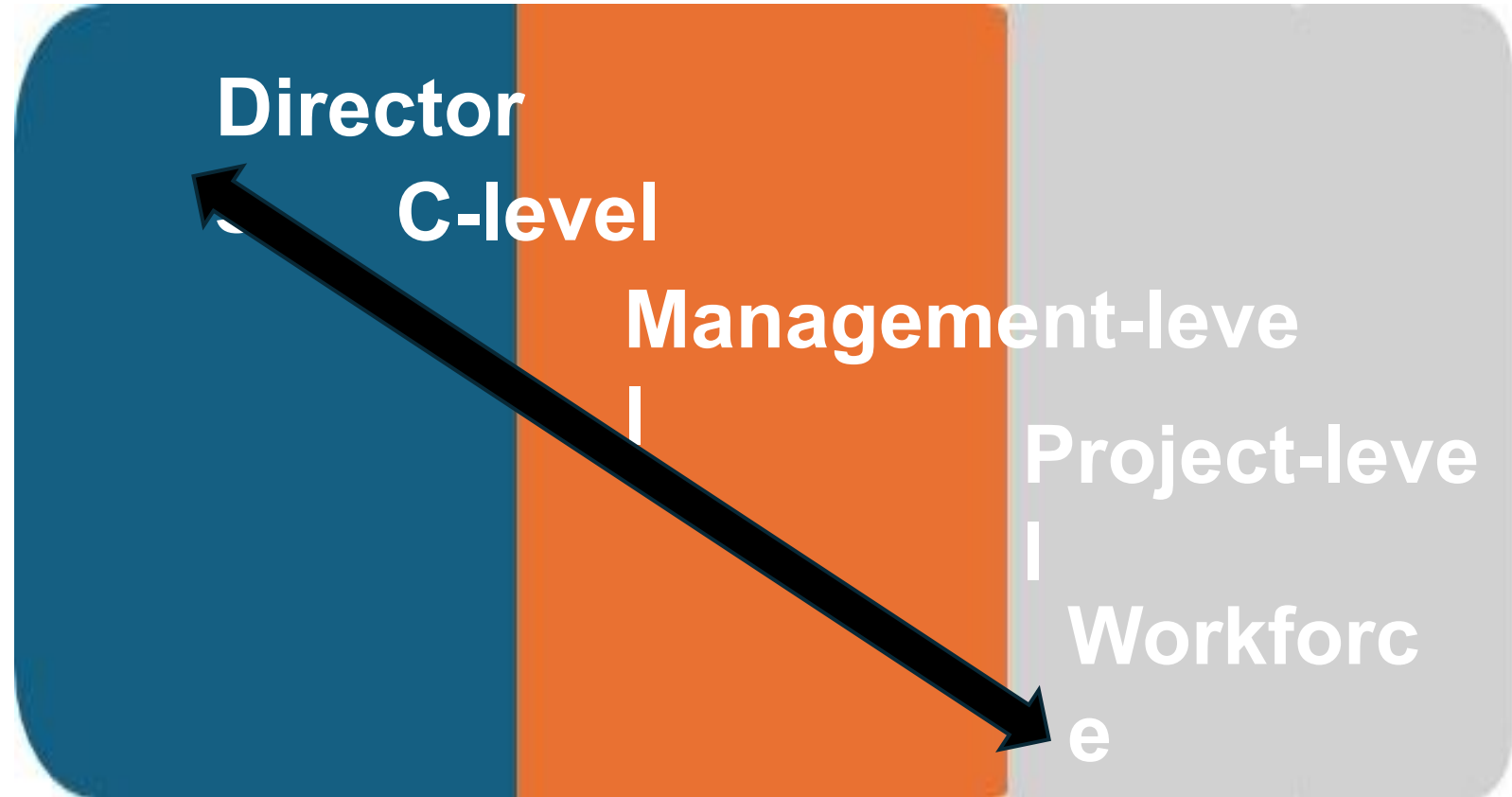
Boards of Directors
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Company Operational Delivery & Project management
- Leadership
- Collaboration & Collective performance

Coherence & Impacts

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A collaborative exercise from the start !

Understand
in what
sense it's
necessary
to report

ESRS S1

OWN WORK
FORCE

ESRS S2

WORK FORCE
IN THE VALUE
CHAIN

ESRS S3

AFFECTED
COMMUNITIES

ESRS S4

END USERS
& CUSTOMERS

Businesses need to be reassured

- Businesses need to be aware of what they already have
- Good news is that most of corporate social policies already emphasize many points of the « S »
- Companies are starting to appoint an « ESG manager »
- The principle of « comply or explain » is still valid

ESRS S1 OWN WORK FORCE

Need of clear objectives versus Dubbel materiality

Working conditions

-Remuneration

- Social security
- Working hours
- Work live balance
- Health & Savety
- Water & Sanitation

Source: EFRAG

Equal opportunity Non- discrimination

- Inequality
- Non-discrimination
- Diversity
 - . Gender
 - . Race
 - . Age
 - . Disability
 - . Migrants

Other work related rights

- Freedom of association & collective bargaining
 - Social dialogue
 - Child labor
 - Privacy
 - Adequate housing

- Training & Devpt

Solving
ESG
People
governance
issues

Board members
profiles & ESG
readiness

Leadership ESG
culture
&
development plan

Workforce
ESG education
opportunities &
Motivation

Identification &
attribution of
ESG resources

ESG K-Management
& collection of data

People collaboration
&
production of
the ESG
Roadmap (DM)

Complex project
Management training

Digital maturity
and choices

Social dialogue &
Balance

The Board & the management should:

- Be a clear sponsor in the eyes of their company.
- Understand corporate's readiness and the concret needs & risks to implement the ESG process
- Identify the right questions for and through the executive management before the dubble materiality exercice
- Set the PG guidelines and related participation and collaboration levels
- Stimulate a clear competence development plan and a collaborative mentoring program for the « ESG managers & teams »