

Health and Safety Essentials

Lecture 19 – Sustainability, CSRD, and ESG in Occupational Health and Safety

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**Undergraduate Diploma in
Occupational Health and Safety**

Recap last week's topic






Kahoot Quiz:

<https://play.kahoot.it/v2/lobby?quizId=cf0f29f1-44c8-4e1c-9ce1-8b8201a049d4>



Objectives

 By the end of this lecture, students will be able to:

-  Define **sustainability** in the context of OHS.
-  Explain **CSRD** and its impact on workplace safety.
-  Describe the role of **ESG** in health and safety.
-  Identify **legal obligations** under EU & Maltese law.
-  Discuss **corporate social responsibility (CSR)** in OHS.
-  Analyse **real-world case studies** of ESG-driven OHS strategies.



What is Sustainability in OHS?

📌 Sustainability is about meeting current workplace safety needs without compromising future generations.

◆ Three Pillars of Sustainability in OHS:

✓ **Environmental** – Reducing workplace pollution, emissions, and hazardous waste.

✓ **Social** – Ensuring ethical treatment of workers, diversity, and mental well-being.

✓ **Economic** – Reducing accident costs, improving worker retention, and ensuring long-term profitability.



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What does CSRD stand for?

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Corporate Sustainability Reporting Directive (CSRD) Overview

What is CSRD?

The Corporate Sustainability Reporting Directive (CSRD) is an EU law requiring companies to disclose sustainability and OHS-related performance. It replaces the Non-Financial Reporting Directive (NFRD) to create a standardised sustainability reporting framework.

Key Features of CSRD:

- ✓ Expands sustainability reporting to **more companies**.
- ✓ Requires **OHS performance indicators** to be reported.
- ✓ Standardises **sustainability disclosures across the EU**.

 **Example:** A firm must report on **worker well-being and accident prevention initiatives** under CSRD.



Who Must Comply with CSRD?



CSRD applies to:

- ✓ Large EU companies with **250+ employees**.
- ✓ Companies with **€40 million+ turnover** or **€20 million+ in total assets**.
- ✓ **Listed companies** on regulated markets.
- ✓ Non-EU companies with **significant operations in the EU**.



What Must Be Reported?

- ✓ Workplace safety & health policies.
- ✓ Accident rates & worker well-being initiatives.
- ✓ Sustainability risks and mitigation measures.



Discussion: Why is sustainability reporting becoming mandatory for companies?



Key OHS Metrics Required in CSRD Reports

A CSRD-compliant OHS section in a sustainability report typically includes:

1 Workplace Safety Performance Metrics

 **Purpose:** Measure accident prevention, workplace safety culture, and health improvements.

 **Lost Time Injury Frequency Rate (LTIFR)** – Number of lost-time injuries per 1 million hours worked.

 **Total Recordable Injury Rate (TRIR)** – All recordable workplace injuries per 200,000 hours worked.

 **Fatalities** – Number of work-related deaths.

 **Serious Injuries & Incidents** – Non-fatal incidents that result in hospitalisation or long-term absence.

 **Near-Miss Reporting Rate** – Number of reported near misses vs. actual incidents.



1 Workplace Safety Performance Metrics

-  Example Table:

Metric	2022	2023	2024 (Target)
LTIFR (per 1M hours)	2.4	1.9	1.5
Fatalities	1	0	0
Total Recordable Cases	45	37	30
Near Miss Reports	250	280	300



2 Employee Well-Being and Psychosocial Risk Metrics

 **Purpose:** Measure mental health, burnout, stress management, and employee well-being efforts.

 **Work-Related Stress & Mental Health Cases** – % of employees reporting stress-related issues.

 **Absenteeism Rate** – % of lost workdays due to physical or mental health conditions.

 **Employee Engagement in OHS Initiatives** – % of workers participating in safety committees or OHS training.



2 Employee Well-Being and Psychosocial Risk Metrics

-  Example Table:

Well-Being Metric	2022	2023	2024 (Target)
Work-Related Stress Cases	5%	4.5%	4.0%
Absenteeism Rate	3.2%	3.0%	2.8%
Employee Participation in OHS Training	65%	72%	80%



3 Health & Safety Training and Compliance Metrics

 **Purpose:** Assess the effectiveness of OHS training, emergency preparedness, and regulatory compliance.

 **% of Employees Completing Mandatory OHS Training** – Compliance with safety regulations.

 **Number of OHS Training Hours Per Employee** – Training investment per worker.

 **Fire Drills & Emergency Response Exercises** – Number of exercises conducted.

 **% of Employees Covered by Collective Bargaining Agreements on OHS** – Worker representation in OHS policies.



3 Health & Safety Training and Compliance Metrics




Example Table:

Training & Compliance	2022	2023	2024 (Target)
Employees Trained in OHS (%)	85%	90%	100%
Training Hours Per Employee	10	12	15
Fire Drills Conducted	3	4	5



4 OHS Governance, Leadership, and Reporting Structure

 Purpose: Ensure accountability, transparency, and leadership involvement in OHS strategies.

-  Board-Level Oversight of OHS – Does the board review safety performance?
-  OHS Policy & Strategy Disclosure – Does the company publish OHS policies?
-  Whistleblower & Grievance Mechanisms – Are there channels for reporting OHS concerns?

 Example Reporting Statement (Narrative Section in CSRD Report):

"In 2023, our board-level sustainability committee reviewed health and safety policies quarterly, integrating OHS performance into ESG targets. Employee safety concerns were addressed through an anonymous reporting system, with 92% of complaints resolved within 30 days."



5 Supply Chain and Contractor OHS Monitoring

 **Purpose: Ensure third-party contractors comply with OHS policies and CSRD/ESG frameworks.**

 **% of Suppliers Audited for OHS Compliance** – Ensuring safe working conditions in supply chains.

 **Workplace Incidents Involving Contractors** – Tracking third-party safety performance.

 **Alignment with ISO 45001** – Number of suppliers certified under international safety standards.

•  **Example Table:**

Supply Chain OHS	2022	2023	2024 (Target)
Suppliers Audited for OHS (%)	70%	75%	85%
Contractor Workplace Incidents	15	10	5
Suppliers ISO 45001 Certified	55%	60%	70%



How Does CSRD Ensure Transparency in OHS Metrics?

- ◆ **Standardised Format** – Reports must follow **ESRS (European Sustainability Reporting Standards)**.
- ◆ **Double Materiality** – Reports must show how OHS impacts **both business performance & worker well-being**.
- ◆ **Third-Party Assurance** – External auditors must verify **OHS data to prevent greenwashing**.
- ◆ **Comparability** – Data must be **consistent across multiple years and align with sustainability targets**.



Discussion

Final Thought: How Would These OHS Metrics Impact Your Workplace?

- Would these metrics **improve workplace safety in your organisation?**
- How could your company **integrate OHS into CSRD/ESG reporting more effectively?**
- What challenges might arise **in tracking and reporting these safety metrics?**



Break



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Which directive does CSRD replace?

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ESG and Its Impact on OHS

What is ESG?




ESG stands for **Environmental, Social, and Governance**—three factors used to measure **corporate sustainability and ethical impact**.

- ◆ **Environmental (E)** – How does the company manage workplace emissions, hazardous materials, and climate risks?
- ◆ **Social (S)** – How does the company ensure fair wages, worker safety, and mental health?
- ◆ **Governance (G)** – Does the company enforce strong OHS policies, ethical leadership, and regulatory compliance?



How ESG Improves Workplace Safety

Why is ESG Important for OHS?

-  Reduces accident rates by promoting worker safety standards.
-  Encourages ethical treatment of workers and fair labour practices.
-  Prepares workplaces for climate-related risks (e.g., extreme heat exposure).

Best Practices for ESG-Driven OHS Strategies:

- ✓ Conduct regular risk assessments and include sustainability metrics.
- ✓ Implement energy-efficient workplace safety systems.
- ✓ Ensure transparent reporting of safety performance to stakeholders.

Discussion: How can companies measure ESG impact on OHS performance?



CRSD vs. ESG – Key Differences

1. What is CSRD?

- A **legally binding EU directive** that mandates sustainability reporting for companies.
- Requires **standardised reporting** under the **European Sustainability Reporting Standards (ESRS)**.
- Covers **double materiality** (both financial risk & company impact on sustainability).
- **Applies to EU-based & some non-EU companies** with EU operations.
- Requires **third-party assurance** (external verification).

2. What is ESG?

- A **voluntary** framework assessing Environmental, Social, and Governance performance.
- Used by **investors & stakeholders** to measure corporate sustainability efforts.
- Reporting varies—companies choose **different frameworks** (GRI, SASB, TCFD, etc.).
- Focuses on **financial materiality** (impact on company performance).
- **No mandatory assurance** (verification is optional).





CRSD vs. ESG – Comparison Table

Feature	CRSD (EU Regulation)	ESG (Voluntary)
Type	Mandatory directive	Market-driven framework
Scope	EU-based & some non-EU firms	Global, flexible adoption
Legal Requirement	Yes (Required by law)	No (Voluntary)
Reporting Framework	ESRS (European Standards)	Varies (GRI, SASB, TCFD, etc.)
Materiality Focus	Double materiality (Company impact + Financial risk)	Financial materiality (Company risk only)
Verification	Mandatory third-party assurance	Optional assurance
Audience	Regulators, policymakers, investors	Investors, rating agencies, stakeholders



Legal Frameworks – EU & Malta

Key Regulations Governing Sustainability & OHS:

-  **Corporate Sustainability Reporting Directive (CSRD)** – Expands sustainability disclosures for companies.
-  **Maltese OHS Laws (Cap. 646)** – Aligns with EU directives on worker protection.
-  **ISO 45001 & ISO 26000** – International standards for integrating sustainability into workplace safety.

Why Compliance Matters:

- ✓ Avoids **legal penalties** for non-compliance.
- ✓ Improves **company reputation** and worker satisfaction.
- ✓ Ensures **long-term financial stability** through risk management.

 **Discussion:** Should **all businesses**, regardless of size, be required to follow ESG reporting?



CSR and the Triple Bottom Line in OHS

Corporate Social Responsibility (CSR) and OHS

CSR refers to companies going beyond legal requirements to improve safety, worker well-being, and environmental impact.

The Triple Bottom Line (3Ps):

- ✓ **People** – Safe working conditions and ethical labour policies.
- ✓ **Planet** – Reducing workplace emissions and waste.
- ✓ **Profit** – Preventing accidents and reducing costs associated with lost work time.






Challenges in Integrating Sustainability into OHS

Common Challenges:

-  High compliance costs for sustainability projects.
-  Resistance from employees and management.
-  Difficulty measuring long-term benefits of sustainable OHS policies.

Solutions:

-  Gradual implementation of sustainability initiatives.
-  Training employees on ESG and OHS alignment.
-  Using data analytics to track ESG progress.

 **Discussion:** What are the biggest obstacles in your industry when adopting ESG-driven OHS policies?



Case Studies

- The Coca Cola Company:
 - <https://www.coca-colacompany.com/sustainability/product-quality-safety>
 - <https://www.coca-colacompany.com/sustainability>
- Pepsico: <https://www.pepsico.com/our-impact/sustainability/esg-summary>
- Amazon: <https://sustainability.aboutamazon.com/>
- Toyota: <https://www.toyota-europe.com/sustainability>



Case Study – Carlsberg



Watch this video:

[Why ESG and Sustainability Matter for Businesses](#)



After watching, reflect on:

1. Why do companies invest in **sustainability reporting**?
2. How does **workplace safety** fit into ESG?
3. What are the **key drivers for regulatory compliance** (e.g., CSRD)?



Reviewing the Carlsberg Group 2024 Annual Report

 **Download Report:** [Carlsberg 2024 Annual Report](#)

 **Objective:**

- Examine how a multinational company **integrates sustainability reporting**.
- Identify **workplace safety, environmental, and governance commitments**.

 **Instruction:**

Navigate to the following **key pages for ESG and sustainability reporting**.



Key Pages to Review in Carlsberg's Report

Focus Pages for Analysis:

- **Page 39:** Corporate governance and compliance.
- **Page 40-41:** Board diversity and sustainability governance.
- **Page 45:** SpeakUp framework – Whistleblowing and accountability.
- **Page 64-73:** Carbon footprint, emissions reductions, and transition plans.
- **Page 78-80:** Water and marine resource management.
- **Page 88-92:** Workplace safety, employee well-being, and diversity policies.
- **Page 95:** Grievance mechanisms for worker concerns and human rights.

Guiding Questions:

- *How does Carlsberg demonstrate commitment to ESG principles?*
- *What OHS initiatives are highlighted in their sustainability strategy?*
- *Do they meet CSRD and regulatory reporting expectations?*



Breakout Room Activity

◆ Breakout Room Instructions:

Each group will review key sections of the Carlsberg Annual Report and discuss:

📌 Step 1 – Analysis

- ✓ **Social (S) & OHS focus** – How does Carlsberg report on workplace safety, employee well-being, and safety culture?
- ✓ **Environmental (E) factors** – How do sustainability initiatives indirectly affect worker health & safety?
- ✓ **Governance (G) & Compliance** – How does Carlsberg ensure accountability in its ESG commitments?



Breakout Room Activity

Step 2 – Evaluation

- ✓ Is Carlsberg's ESG reporting sufficient to improve OHS?
- ✓ Does their reporting focus on real safety improvements or just compliance?
- ✓ Would stronger ESG transparency improve safety culture in organisations?

Step 3 – Workplace Reflection

- ✓ Would your workplace benefit from CSRD-style ESG reporting?
- ✓ How would structured sustainability reporting impact your organisation's OHS culture?
- ✓ What challenges might arise in adopting similar reporting standards?

 Be ready to present key findings after the breakout session!







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