



Workday Comments on the Department of Enterprise, Trade and Employment's Public Consultation on the Corporate Sustainability Reporting Directive

March 9, 2023

Introduction

Workday is pleased to provide a brief response to the public consultation of the Department of Enterprise, Trade and Employment on the Corporate Sustainability Reporting Directive (CSRD). As a U.S. company with its European headquarters located in Ireland, Workday will be looking to the Irish transposition of the CSRD to help guide its compliance with this ground-breaking legislation. Although we are still waiting for the adoption of a delegated act establishing the European Sustainability Reporting Standards (ESRS) that will further inform the process of collecting and reporting of the environmental, social, and governance (ESG) information, we are happy to engage in the public consultation and to share our preliminary comments.

About Workday

Workday is a leading provider of enterprise cloud applications for finance and human resources, helping customers adapt and thrive in a changing world. Workday applications for financial management, human resources, planning, spend management, and analytics are built with artificial intelligence and machine learning at the core to help organizations around the world embrace the future of work. Workday is used by more than 10,000 organizations around the world and across industries—from medium-sized businesses to more than 50% of the Fortune 500. Headquartered in Pleasanton, California, Workday has approx. 3,900 employees in 19 European offices and more than 2,050 customers headquartered in Europe.

Workday acquired an Irish middleware company, Cape Clear, in 2008 and today the company has over 1,700 staff at its Dublin-based European HQ. In April 2022, Workday announced its intention to create 1,000 new roles in Ireland and a major commitment to design and construct a new 550,000 sq. ft. European headquarters at the Grangegorman campus, Dublin 7. This is a major investment for the company that demonstrates its long-term commitment to Ireland. Last year the company agreed an MOU with TU Dublin which involves strategic collaboration around workforce development, community engagement through DEIS STEM programmes and next generation R&D.

Our Social and Climate Commitments

Workday is a values-driven company and [our core values](#) give us a framework for achieving our own sustainability goals while also enabling customers to meet their strategic objectives.

A core part of environmental, social, and governance focus at Workday is the commitment to supporting and enabling a global workforce of nearly 18,000 employees. As a leading HR software provider for some of the world's largest organisations, the company prioritises delivering solutions to empower employees and accelerate belonging and diversity.

Workday is committed [to creating a better future for employees, customers, and the larger global community](#) by playing an active and collaborative role in addressing climate change.

Workday is helping the world transition to a net-zero future by 2050. For example, the company has provided its customers with [a carbon-neutral cloud since 2017](#), and in 2020, reached [the goal of achieving net-zero carbon emissions](#) across offices, data centers, and business travel, a year earlier than targeted.

Many Workday customers are also working towards their own emissions reduction goals. Workday [provides solutions to help our customers](#) calculate emissions across their value chains so they can make informed decisions about the suppliers they work with, model the impact of emissions reduction initiatives, and track progress against their goals. Workday is proud to provide these solutions to extend our support for an economy-wide transition to a more sustainable future.

Workday also advocates for government policies that aid the transition to a low-carbon economy. Workday supports the European Union in adopting the European Climate Law that introduced legally binding commitments for the Union to reduce emissions by 55 percent by 2030, and become climate neutral by 2050.

In support of EU ESG reporting, Workday has been actively involved in EU policies such as CSRD and ESRS both directly and through Brussels-based trade associations DIGITALEUROPE and AmChamEU. In August 2022, Workday provided comments to the European Financial Reporting Advisory Group consultation on the draft European Sustainability Reporting Standards advocating for:

- harmonisation and mutual recognition between European and global standards,
- clearly-defined and harmonised reporting concepts across the Member States,
- consistent and future-proof reporting of Scope 3 emissions.

In March 2023, Workday contributed to AmCham Ireland's response to this Irish CSRD public consultation.

Irish CSRD Transposition Should Strike a Balance Between Ambition and Practicality

The CSRD will be the first mandatory set of sustainability rules that holistically covers all three pillars of the ESG framework. As such, it is critical that it establishes a framework that is sufficiently ambitious to effect real change but which also takes into account the practical challenges that businesses will face as they develop their ESG data collection and reporting practices.

Ensuring Protection of Commercially Sensitive Information (Article 29a)

The protection of commercially sensitive information is important in the context of any new regulation. Notwithstanding the importance of transparency with regard to ESG reporting, companies' mandatory disclosures should not pose a threat to their business secrets. Workday strongly recommends that the Irish government permits undertakings to exclude commercially sensitive information from the sustainability reporting under certain circumstances. Understanding the criteria required to meet these specific circumstances will be important for Workday.

Ensuring Harmonization at the EU and Global Level (Article 26a)

One of the most significant challenges in ESG reporting today is the lack of consistency across reporting frameworks. Based on Workday's experience of helping multinational companies manage and analyze large sets of data across jurisdictions, the company believes that requiring companies to reconcile and comply with multiple reporting frameworks that cover the same subject matter but lack harmonization would create unnecessary—and ultimately unproductive—administrative burdens. Workday recommends that the Irish government encourages the adoption of relevant standards at the EU level to avoid diverging approaches among Member States. Workday also strongly encourages the Irish policymakers to support the EU's efforts to recognise other jurisdictions' ESG reporting

standards as equivalent as set forth by the EU Corporate Sustainability Reporting Directive (“CSRD”).

Conclusion

Workday is an employee-centric global company that is committed to transparent and accurate reporting. We are grateful for the opportunity to provide you with our comments, and we appreciate your consideration of these recommendations. Please do not hesitate to reach out to Victoria MacKechnie at victoria.mackechnie@workday.com with any questions. We look forward to further engagement with the Irish government in relation to this important matter.