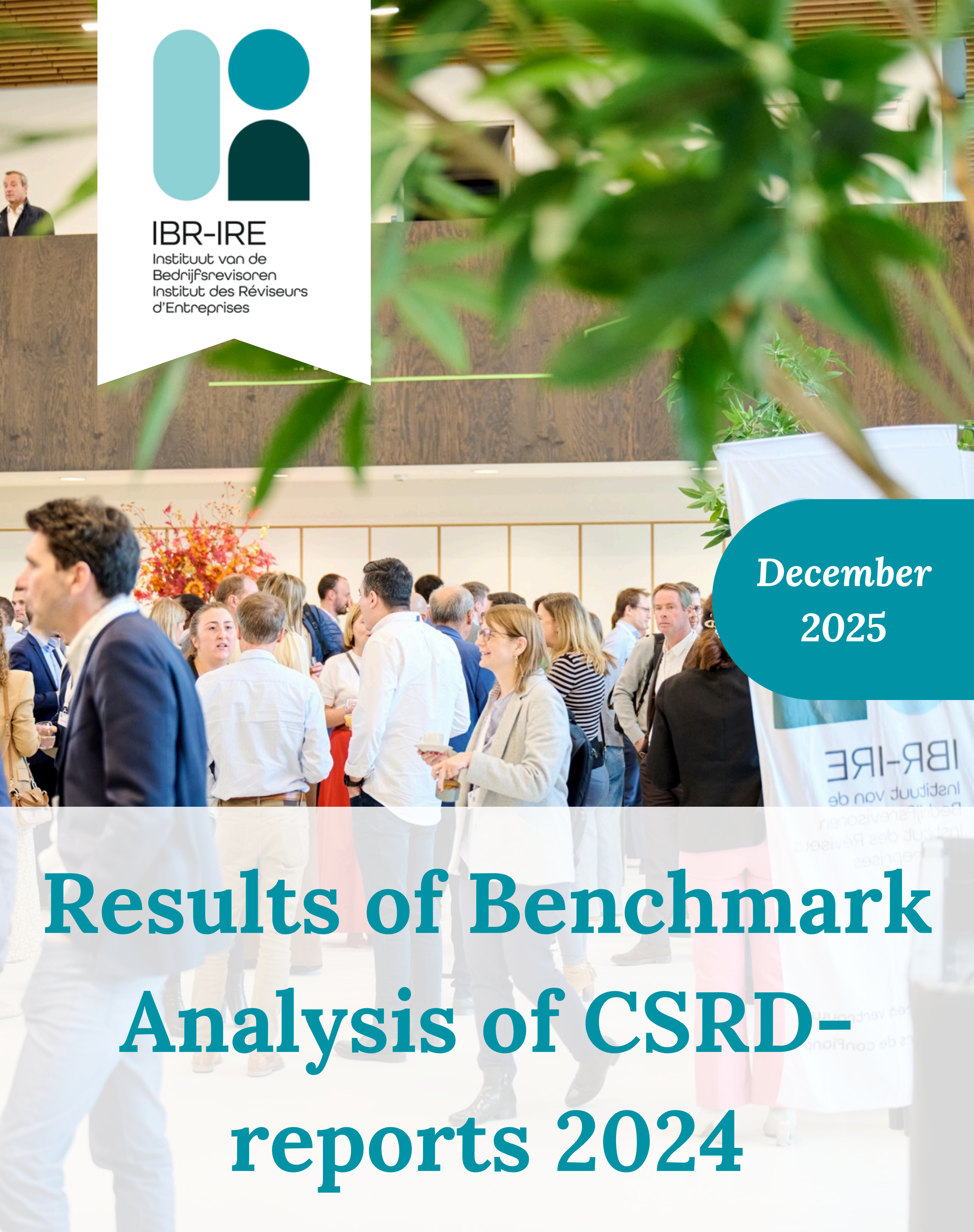

IBR-IRE
Instituut van de Bedrijfsrevisoren
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December 2025

Results of Benchmark Analysis of CSRD-reports 2024

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Executive summary

This benchmark provides a view of how 23 Belgian companies approached the first year of CSRD reporting. The findings show that Belgian organisations are broadly aligned with the results observed at the EU level, as presented in the European Financial Advisory Group (EFRAG)'s *State of Play 2025* benchmark study published in July 2025.

Belgian sustainability statements have an average length of just over 105 pages. This places Belgium slightly below the EU-wide average of 115 pages reported in the EFRAG study, but where financial institutions tend to increase national figures as reported by the different countries. However, the number of pages is still well within the overall European size-range of Corporate Sustainability Reporting Directive (CSRD) compliant sustainability statements. The structure of Belgian reports adheres closely to the ESRS architecture, reflecting a rapid alignment with the new regulatory expectations.

Double materiality assessments are mature and well-structured. Companies identify on average 7 material topics within the ESRS topical standards, which matches both the EU-wide and Belgian-specific observations from the EFRAG 2025 benchmark study. Climate change, own workforce and business conduct are almost always identified as material. Belgian companies in our sample also identify a notably high number of impacts, risks and opportunities (IROs) (around 40 on average per report).

Climate transition planning stands out as a particular strength of Belgian preparers. Almost four out of five companies report having a climate transition plan, of which the majority also include Scope 3 in their climate related targets. These proportions are higher than those observed at EU level in EFRAG's benchmark study, where transition plans are only explained in just over half of companies' sustainability statements.

As expected for a first CSRD cycle, all companies rely on estimates and make use of phase-in options. This is fully consistent with the EU-wide landscape and reflects the complexity of gathering high-quality sustainability data across the value chain. Only a minority disclose omissions of material information.

Stakeholder engagement and value chain transparency are consistently addressed. Belgian companies engage a broad spectrum of stakeholders: employees, investors, customers, suppliers and, increasingly, communities and NGOs. Their value chain descriptions are generally well developed.

EU Taxonomy disclosures show eligibility levels in the range of 40 to 50% depending on the KPI, while alignment typically remains around 16%. This mirrors the broader European pattern, where many activities are eligible but still few meet the stringent technical criteria for alignment.

Overall, Belgian CSRD reporters demonstrate a high degree of preparedness, strong alignment with ESRS requirements and, in several areas, such as climate transition planning and the articulation of double materiality, a level of maturity that compares even slightly favorable against the EU-wide benchmark.

For explanation of certain terms and abbreviations used in this document, we refer to the **appendix**.

1. Introduction and general context

The analysis covers 23 sustainability statements published in 2024 by Belgian companies falling under the scope of the CSRD. 14 of these companies are constituents of the BEL20 index and two belong to the financial services sector, which provides a representation of the Belgian listed and financial landscape (Public Interest Entites or PIE's).

Some of the results presented in this report are compared with, or complemented by, the findings of EFRAG's benchmark study called *State of Play 2025 – Implementation of the European Sustainability Reporting Standards (ESRS): Observed Practices based on statements issued in July 2025*. This allows us to further contextualize our analysis and assess emerging reporting trends both at the EU level and among the 33 Belgian companies included in the EFRAG benchmark study.

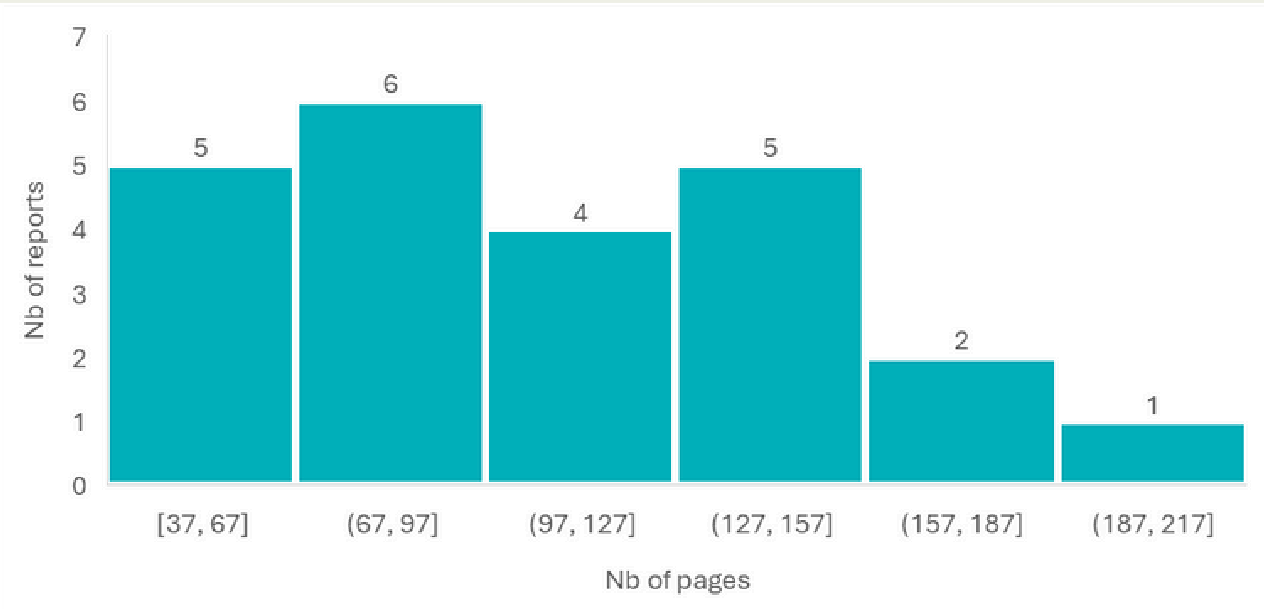
This first year of CSRD application marks a turning point in the European corporate reporting landscape. The new reporting standards (ESRS) substantially raise the bar in terms of transparency, structure and justification of sustainability information. Companies are expected not only to disclose data, but also to explain their materiality judgements, to describe their value chains and quantify IROs in this respect, to present their IROs in a coherent framework, and explain how sustainability is embedded in their strategy and business model.

In addition, companies are expected to explain how sustainability information is connected with their financial reporting in terms of revenues, capital expenditures (CAPEX) of the year and planned for the future, certain operating expenditure (OPEX), risks, and contingencies. The benchmark provides a comprehensive view of how Belgian companies approached these challenges in their first CSRD reporting year and highlights the trends, strengths and remaining gaps that emerge from the analysis.

2. Overall presentation characteristics of the sustainability statements

On average, the sustainability section of the annual reports reaches approximately 106 pages. This confirms that companies have devoted significant efforts to explaining their sustainability strategy, governance, policies, actions, targets and metrics, as well as to document their double materiality assessment, stakeholder engagement, due diligence, and value chain considerations. This order of magnitude is close to the EU-wide results from the EFRAG benchmark study, which recorded an average length of around 115 pages for the sustainability section of the annual reports. This suggests that Belgian companies are broadly aligned with European practice in terms of volume of sustainability information, with an average of 95 pages for the Belgian companies (which did not include any financial services organisations) in the EFRAG benchmark study and 110 pages for the non-financial services companies in the overall EU-wide benchmark study (which included a total of 656 companies).

Graph 1 – Distribution of the length (in pages expressed in a certain bandwidth) of the sustainability statements analysed



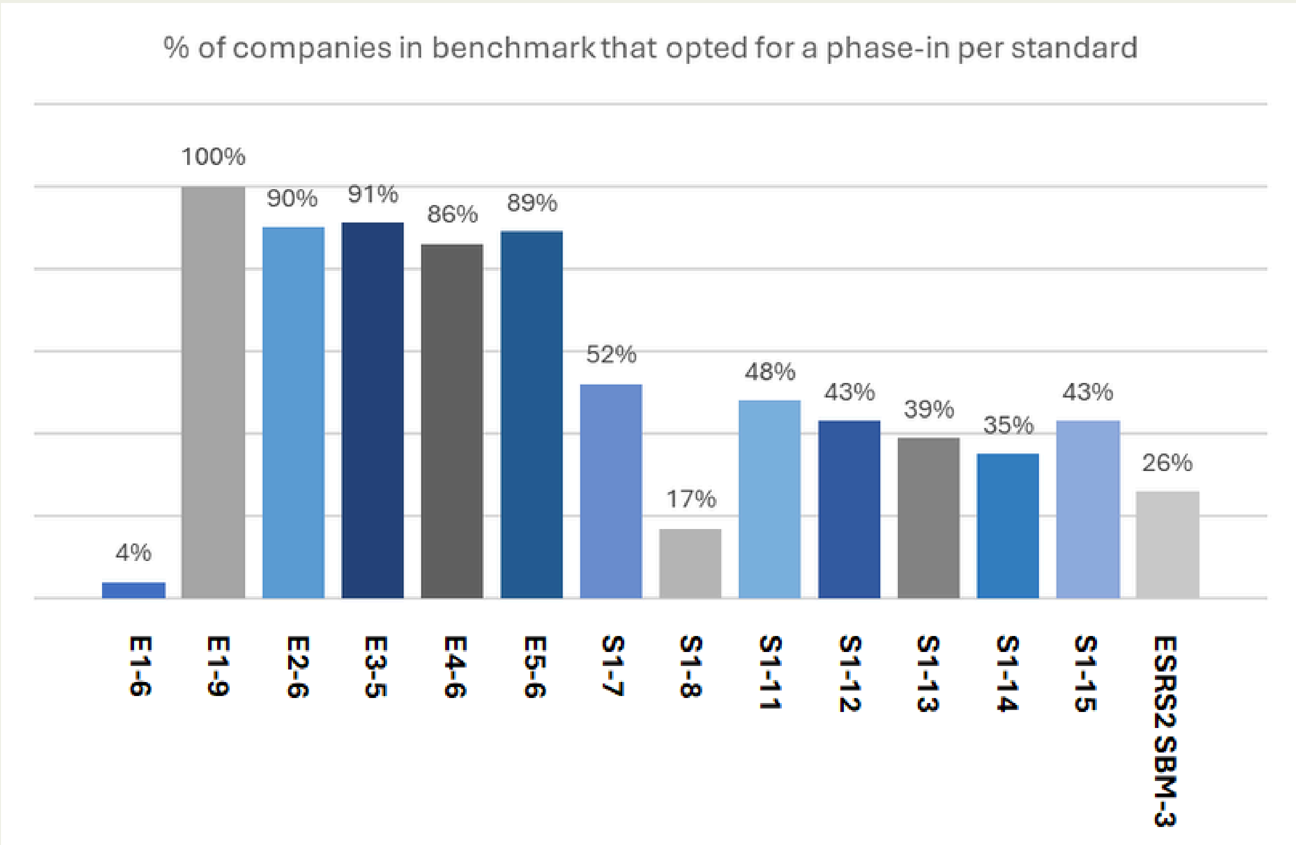
The structure of the reports is generally coherent with the ESRS architecture. Most statements include sections on governance, strategy, impacts, risks and opportunities, policies and actions, and targets and metrics. Within this structure, the double materiality assessment often plays a central organising role, as this assessment determines which topical standards and which topics, sub-topics, or sub-sub-topics, and related disclosures are actually reported.

2.1. Use of phase-in options

Our analysis confirms that all companies in the benchmark made use of at least one phase-in option in 2024, relying on the transitional provisions provided by the ESRS. This is hardly surprising in a first reporting year, given the complexity of certain of the information requested and the current level of maturity of data capturing systems within companies.

As indicated in the graph below, the phase-in mechanisms are particularly used in relation to anticipated financial effects in the environmental standards (in all the 5 E's Standards, being ESRS E1-9, ESRS E2-6, ESRS E3-5, ESRS E4-6, and ESRS E5-6), and for certain detailed datapoints in the social standards, for instance regarding "non-employees" (ESRS S1-7) or "social protection" coverage (ESRS S1-11), as well as to some information related to material impacts, risks and opportunities and their interaction with the strategy and business model (ESRS 2-SBM3). These are precisely the areas where data collection is often the most demanding, where methodologies and experiences are still evolving, and where companies need more time to build robust processes and controls.

Graph 2 – Illustration of the most frequently used phase-in provisions across the sample



2.2. Estimation and uncertainties

All of the sustainability statements examined explicitly acknowledge the use of estimates and the existence of uncertainties. Companies refer to the value chain information (outside of the own operations) as a main domain for estimates. This is particularly true for all companies regarding greenhouse gas emissions, and more specifically for Scope 3, where companies depend on external data, industry averages and proxies, and where complete and precise information is not yet systematically available.

The analysis shows that companies are generally transparent about these limitations and that they often devote a dedicated subsection, within the basis of preparation (section ESRS 2), to explain where and why estimates are necessary.

2.3. Omission of material information

A smaller subset of companies goes one step further and explicitly acknowledges the omission of material information. 3 companies out of the 23 indicate that they have omitted certain material datapoints, and they justify this decision by referring to the omissions permitted under the ESRS, such as those related to intellectual property, know-how, or innovation results for confidentiality reasons, as well as omissions linked to confidential quantitative data on sourced, reused, or recycled materials.

2.4. Cross-referencing and connectivity with other parts of the annual report

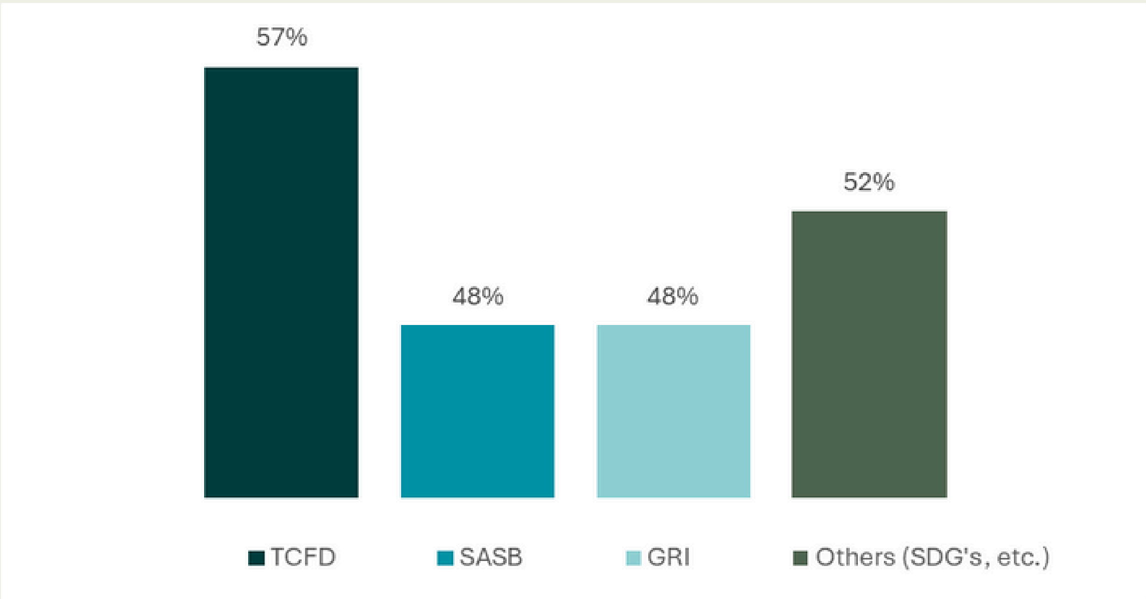
Cross-referencing to other sections of the annual report is a very common feature of the sustainability statements analysed. This avoids duplication of information when certain topics are already described in depth elsewhere. Around 20 of the 23 companies, which corresponds to roughly 83% of the sample, use explicit links from the sustainability section to other parts of the annual report. Most often, the cross-references point to the management report (in particular to the presentation section of the company, to the section where the strategy of the company is explained, and the risk management chapter – 17 companies), to the corporate governance chapter (18 companies), to the remuneration report (12 companies) or to the financial information (7 companies).

With respect to direct reference between the sustainability statements and the financial information, for of all the CSRD companies in our sample, there is no specific connectivity indicated between the two sections of the annual report, except for the Taxonomy section where cross-reference is done with varying degree of detail (some companies at very high level, while other companies with very punctual cross-referencing to the exact footnote of the annual report) for the definitions of revenues, capital expenditure and operating expenditure, as these are explained in the respective footnotes for revenues, CAPEX, and R&D expenses in the financial statements.

2.5. Use of other reporting frameworks

Although CSRD and ESRS now constitute the primary framework references for sustainability reporting in the EU, many companies continue to refer to other frameworks as well with which investors and stakeholders are familiar. The analysis shows that a majority of companies include disclosures that are clearly inspired by or structured around the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). A significant share of companies also continue to refer to the standards of the Global Reporting Initiative (GRI) and to those of the Sustainability Accounting Standards Board (SASB). In contrast, explicit references to the two standards (IFRS S1 and S2) of the International Sustainability Standards Board (ISSB) are not yet widespread in this first reporting year.

Graph 3 – Proportion of companies in our sample referencing to or including disclosures aligned with TCFD, GRI, SASB and others

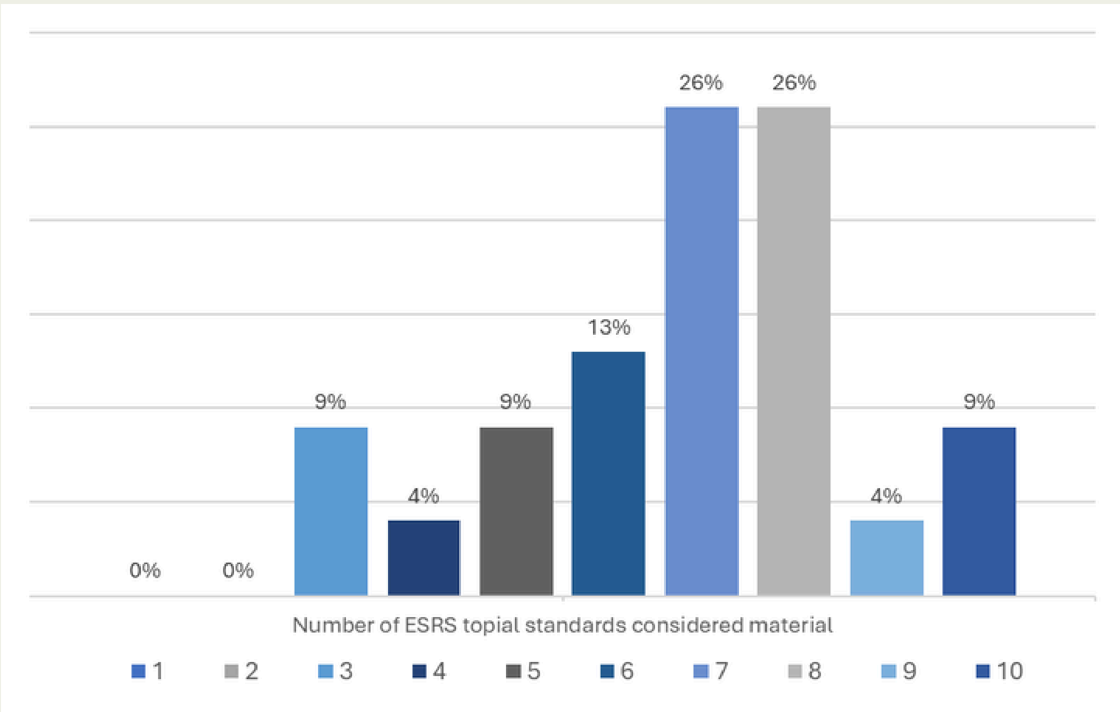


3. Double Materiality and Material ESRS Standards

A central element of the CSRD framework is the double materiality assessment, which combines impact materiality and financial materiality. The analysis reveals that companies adopt a variety of formats to present their double materiality results. Many use a matrix (14/23), where topics are plotted along axes corresponding to the significance of impacts and financial effects. Others use tables (5/23) summarising the main impacts, risks and opportunities associated with each topic, sometimes accompanied by narrative explanations. A smaller number of companies still prefer a bullet-list-based approach (2/23). Finally, 2 companies did not explicitly show the results of their DMA.

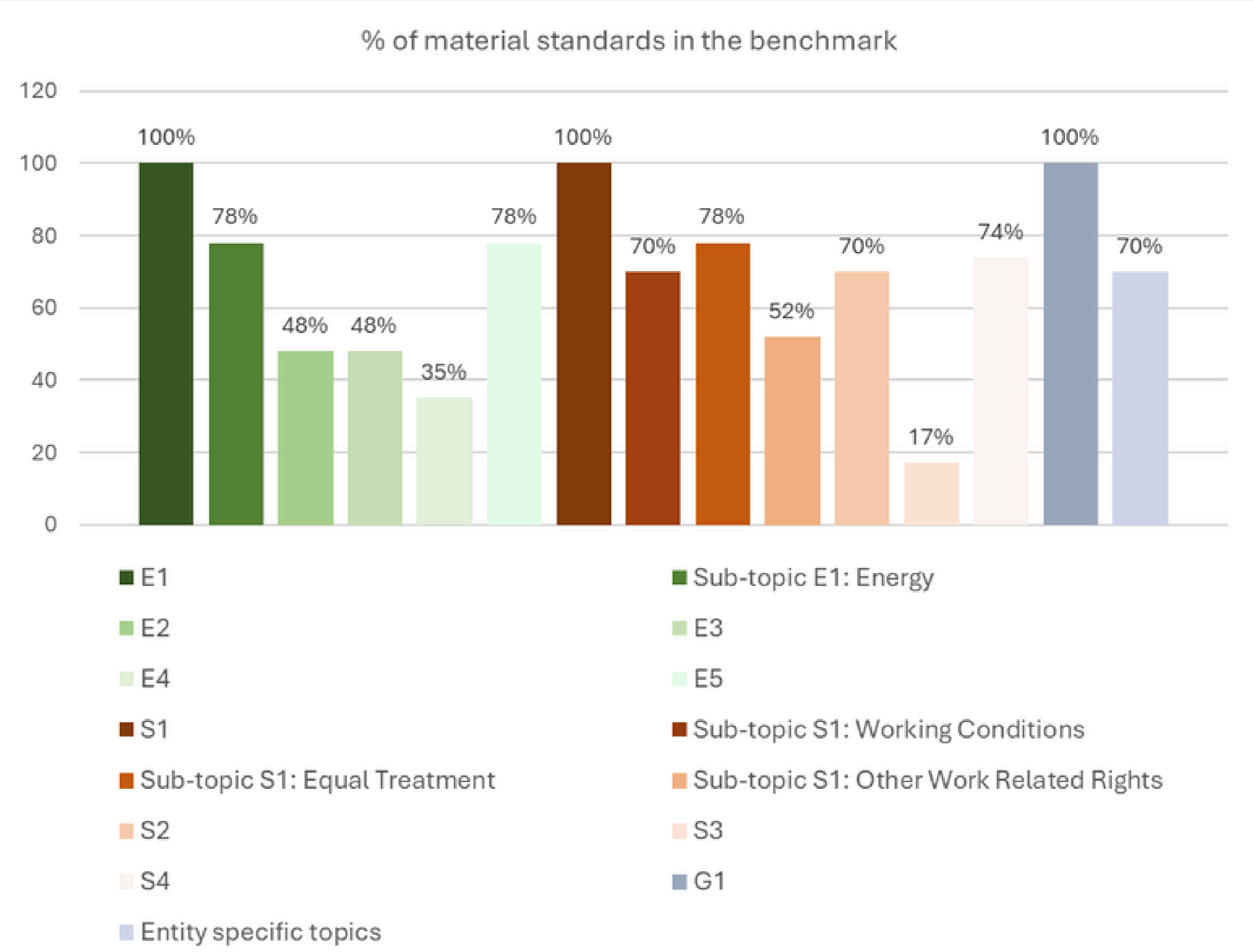
In quantitative terms, companies identify on average just under 7 ESRS topical standards as material, with a minimum of 3 material standards and a maximum of 10 material standards (so all standards in scope of the sustainability section of the annual report) across the sample. This average is very close to that observed in the Belgian and EU-wide benchmarks study of EFRAG (6 material topics on average in scope for both the Belgian and the other companies in the EFRAG benchmark study). This demonstrates neither an excessively narrow nor an excessively broad interpretation of materiality at the topic level. In our benchmark, 2 companies (9%) identified topics, sub-topics, or sub-sub-topics as material in all 10 topical standards (this represents 10% of the companies in scope in the EU-wide benchmark study of EFRAG).

Graph 4 – Distribution of the number of material topical standards selected by companies in the benchmark



Climate change (ESRS E1) appears as material for all companies. Topics related to own workforce (ESRS S1) and business conduct (ESRS G1) are likewise considered material for all companies. Those results are similar as those of the EFRAG benchmark study. On the other hand, for certain topics covered by other ESRS (i.e. ESRS E5, 78% in our benchmark and 65% in the EFRAG benchmark, ESRS E3, 48% in our benchmark and 33% in the EFRAG benchmark, ESRS S3, 17% in our benchmark and 30% in the EFRAG benchmark) the results are more different.

Graph 5 – Frequency with which each ESRS standard is identified as material by companies in the benchmark



We also compared the % of standards in scope of the sustainability between the companies in our sample and the Belgian companies included in the EFRAG benchmark study. The results are overall in line, likely because of a likely partial overlap between the companies in our sample and the Belgian entities in the scope of the EFRAG benchmark study.

Table 1 – Comparison between our benchmark and the one of EFRAG for Belgium - % of material standards

	E1	E2	E3	E4	E5	S1	S2	S3	S4	G1
EFRAG benchmark (%)	100%	45%	42%	26%	71%	100%	61%	16%	81%	90%
EFRAG benchmark (nb companies)	33	14	14	9	22	33	19	5	27	30
IBR-IRE benchmark (%)	100%	48%	48%	35%	78%	100%	70%	17%	74%	100%
IBR-IRE benchmark (nb companies)	23	11	11	8	18	23	16	4	17	23

Graph 6 – Frequency of terms used in identified material topics by companies in the benchmark

IIt can be seen from the visual depicture above that the material topics identified by companies very often include 'climate change', mainly driven by 'climate change mitigation' and, to a lesser extent, 'climate change adaptation'. Other frequently selected material topics include terms like 'health', 'diversity', 'safety', 'water', 'human rights', 'corporate culture', and 'inclusion'.

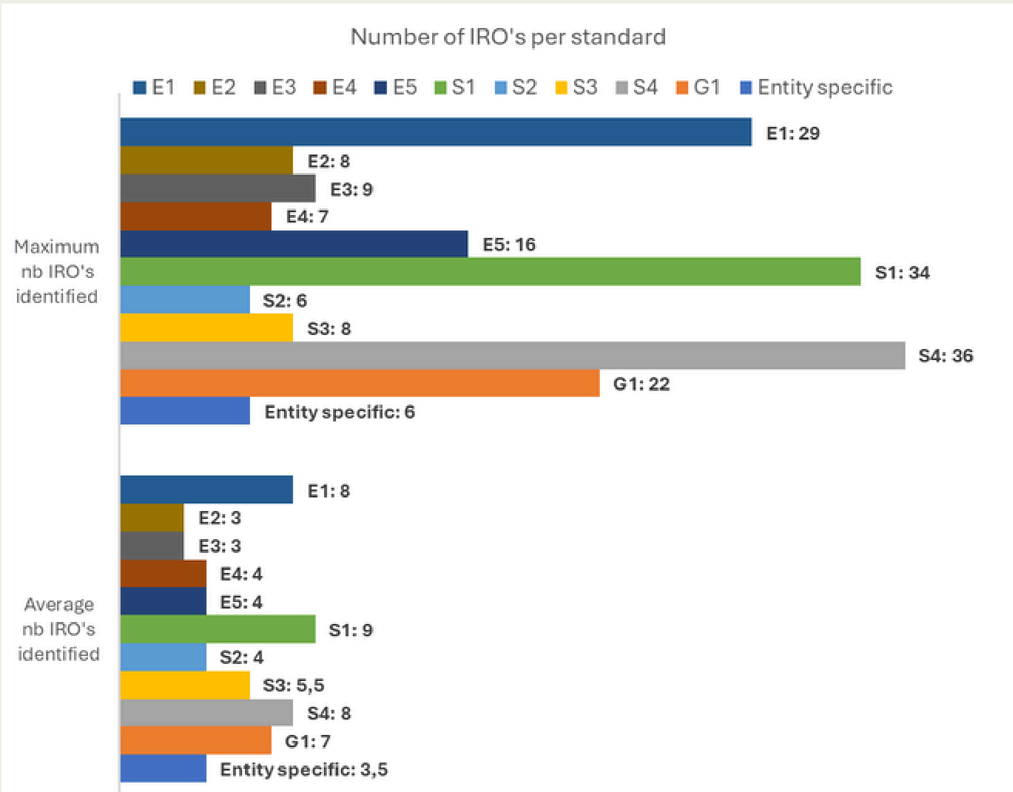
4. Impacts, Risks and Opportunities (IROs)

Beyond the identification of material topical in the standards, companies are required to describe the IROs associated with their activities and value chains. The analysis shows that companies identify on average around 42 IROs, with a wide range between the least and the most granular reports in this particular area. Some companies identify only a handful of IROs, focusing on the most salient issues, while others provide very extensive lists exceeding 60 IROs.

A striking observation is that the majority of the IROs disclosed are impacts and risks, whereas opportunities represent a smaller proportion, estimated at around 15%. This suggests that, at this stage, the perspective adopted by many companies is still largely risk-oriented, even if more opportunity-focused narratives are beginning to emerge. Where opportunities are identified, they tend to relate to climate change mitigation and adaption, employee retention, and new product and service offerings. These opportunities are common for those companies which also report high eligibility and alignment percentages in their Taxonomy disclosures.

The most common presentation mode is a combination of a graph to indicate the material topics and a table to indicate the IRO's. Often such table is presented in the specific topic section of the topical standard to which the impact, risk, or opportunity relates to.

Graph 7 – Average and maximum number of IROs identified per topical standard



5. Value Chain Disclosures

The CSRD in its 2022 version requires companies to consider their entire value chain when assessing impacts, risks and opportunities, and this is reflected in the sustainability statements analysed.

All companies provide a description of the value chain, even if the level of detail and the presentation format differ significantly. Some reports present detailed diagrams showing the main upstream, operational and downstream segments and mapping key actors across the value chain. Others split the value chain into more granular categories that reflect the different types of activities within the company or group, offering a more operationally focused breakdown. Some others provide more concise narrative descriptions of the value chain, sometimes supported by simple visuals. Finally, a number of companies provide only a brief reference to another section of the annual report, typically the management report or business overview, where the main operations of the company or group are described.

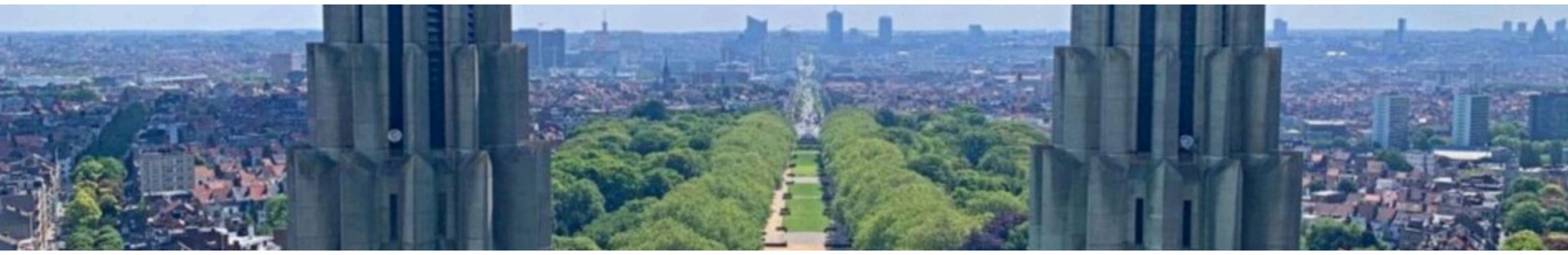
This focus on the value chain is crucial in understanding Scope 3 emissions, social impacts in supply chains, and dependencies on customers, suppliers or other partners. Companies that describe more granular and structured value chain are generally better able to explain how impacts, risks and opportunities originate and behave across their ecosystem, and how their strategies and actions aim to address them.

6. Stakeholder Engagement

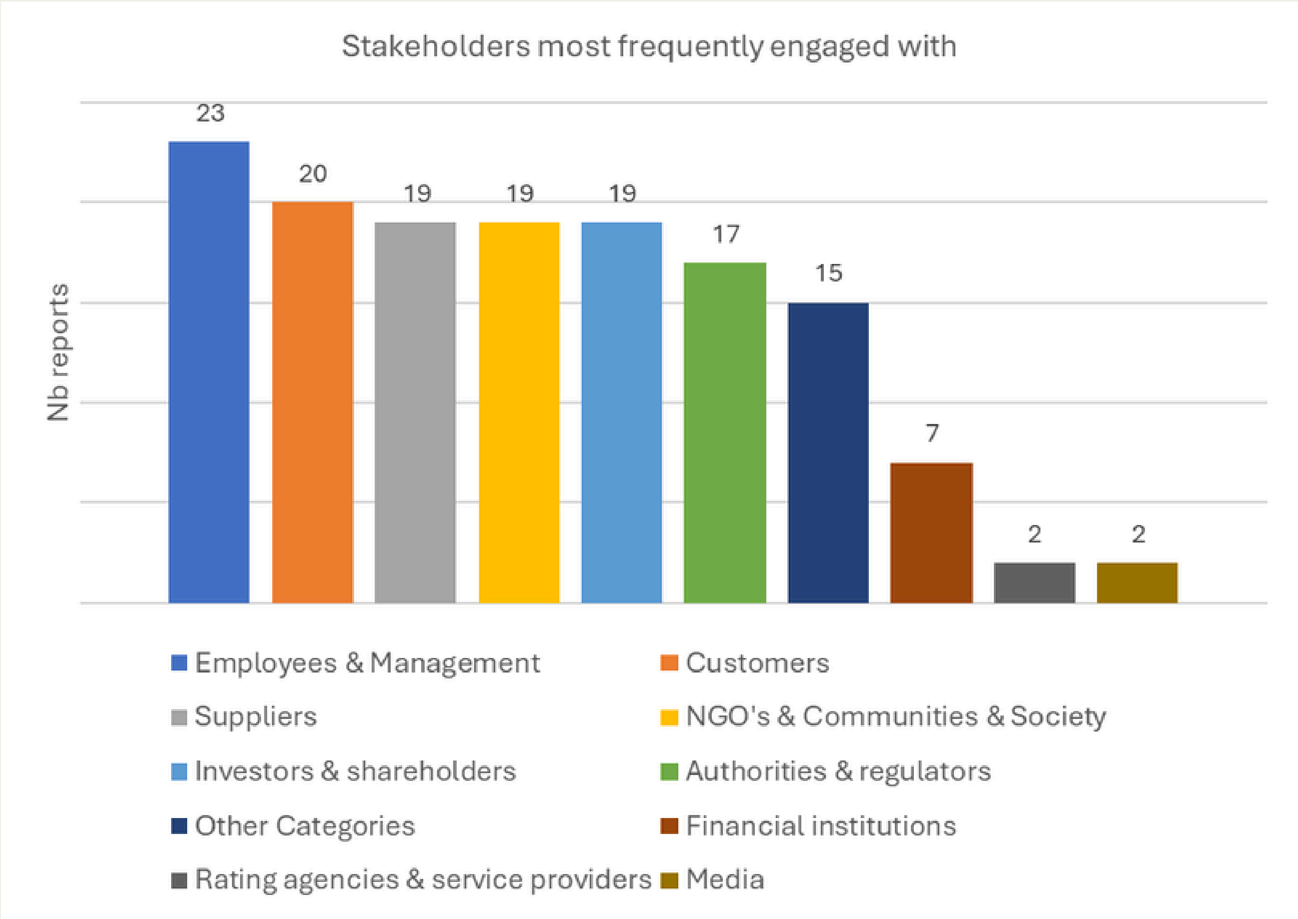
Stakeholder engagement is a recurring theme in all reports reviewed. Every company in the benchmark describes the categories of stakeholders it engages with and the main channels through which engagement takes place. The analysis shows all companies engaged with employees and other internal stakeholders. This result is consistent with the observations of the EFRAG benchmark study. Moreover, the analysis shows that almost all companies involve external stakeholders, such as customers, suppliers, investors, local communities or NGOs. Only one company restricts engagement strictly to internal stakeholders, which remains an exception.

The range of engagement methods is broad. Companies use surveys, interviews, focus groups, workshops, consultations with expert panels, and increasingly, digital platforms and data-driven tools. These engagement processes often feed directly into the double materiality assessment by helping to validate the relevance and the degree of importance of topics from the perspective of affected stakeholders and users of the sustainability information.

However, it can be seen that some companies still refer to a generic overview of types of engagements that they have with a variety of stakeholders without being specific on which basis they have been able to capture specific information as part of the DMA process or how these have influenced the outcome of the DMA.



Graph 8 – Overview of the most frequently engaged stakeholder categories



7. Specific topics

7.1. Target setting

The data shows significant variation in the extent to which companies have set targets for the metrics included in the different topical standards, when those standards are deemed material. Overall, environmental and social topics display mixed levels of target-setting.

The strongest performance is observed under E1 (Climate Change), where 91% of companies have defined specific targets. This is consistent with the central role of climate in the CSRD and the fact that climate reporting is often more mature, supported by existing frameworks such as the GHG Protocol, TCFD or SBTi.

Other environmental topics show more variability. E5 (Resource Use and Circular Economy) stands relatively strong with 61% of the companies in scope of our sample having set targets, while E4 (Biodiversity) lags behind (with 50% of the companies in our sample having set targets). This suggests that companies may still struggle with methodologies, data availability, or the complexity of biodiversity measurement. Similarly, E2 (Pollution) and E3 (Water and Marine Resources) show rather moderate levels of target-setting, at 45% and 55%, respectively.

On the social side, performance is generally solid for S1 (Own Workforce) and S2 (Workers in the Value Chain), with 78% and 75% of companies having set targets. This indicates that companies are more comfortable addressing labour-related issues, likely due to existing HR reporting processes and regulatory expectations. In contrast, among the 4 companies which identified a material topic related to S3 (Affected Communities), only one identified a target relating to S3 metrics, making it one of the lowest scores at 25%.

Finally, G1 (Business Conduct) shows the weakest performance overall, with only 35% of companies setting targets. This suggests that while governance policies are widely implemented, companies may be less accustomed to expressing business conduct objectives, such as anti-corruption efforts or ethics training, in the form of measurable, time-bound targets.

Table 2 – summary table of % companies having set targets for metrics in topical standards

Topical standard	% companies having set targets for metrics in topical standards (only if standard material)
E1 – climate change	91%
E2 - pollution	45%
E3 – water and marine resources	55%
E4 – biodiversity and ecosystems	50%
E5 – resources use and circular economy	61%
S1 – own workforce	78%
S2 – workers in the value chain	75%
S3 – affected communities	25%
S4 – consumers and end-users	59%
G1 – business conduct	35%

7.2. Climate Transition Plans

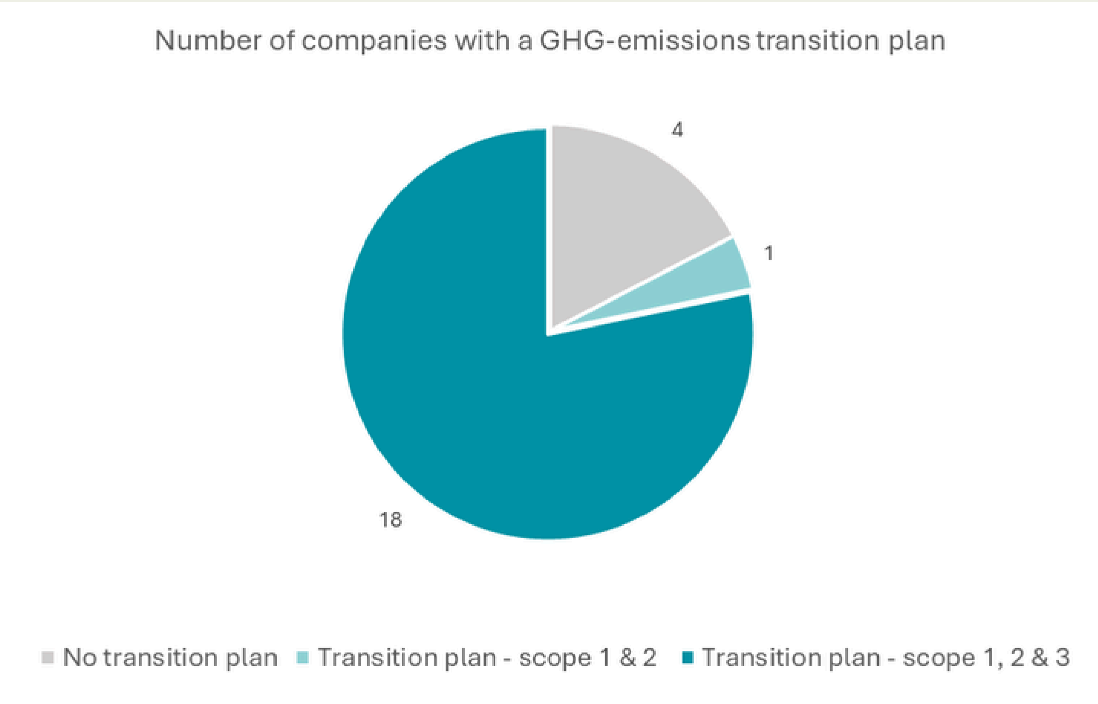
One of the most notable insights from the analysis concerns climate transition plans (CTP). A very high proportion of companies in the benchmark, 19 out of 23, indicate that they have a CTP in place. This corresponds to nearly 83% of the sample which is higher than indications from the broader European benchmark study of EFRAG which indicates 67% of their sample of companies, reported that they have a CTP. It is equally interesting to note that the same number of companies (19) in scope of the benchmark explicitly claim that their targets are "compatible" with limiting global warming to 1.5°C.

Furthermore, 18 companies out of the 19 companies that reported that they have à CTP, state that their climate targets cover all three scopes of greenhouse gas emissions: Scope 1, 2 and 3. This means that a majority of companies in the sample do not limit their ambition to their direct emissions or purchased energy, but also include emissions along their value chains.

The majority (14 out of 19) indicated that they performed a climate risk assessment to identify physical and transition risks and opportunities by considering the Shared Socio-economic Pathways (SSPs) climate scenarios provided by the Intergovernmental Panel on Climate Change (IPCC). In this respect, between 2 and 4 scenarios were selected. 5 out of 19 companies indicated that no scenario modelling was done yet, but that it is the intention to do this in the future.

Scenario analysis is still unevenly mature across the sample, but its broad presence in the benchmark suggests that forward-looking climate risk assessment is gradually becoming part of mainstream practice.

Graph 9 – Proportion of companies with climate transition plans and coverage of Scopes 1, 2 and 3



7.3. EU Taxonomy Disclosures

The analysis of Taxonomy disclosures, excluding banks and insurance companies, reveals an interesting pattern. On average, companies report that approximately 46% of their turnover, 52% range of their capital expenditure, and 41% of their operating expenditure are Taxonomy-eligible. However, alignment levels are significantly lower, with averages of roughly 17% for turnover, 16% for capital expenditure and 16% for operating expenditure.

The higher-than-expected eligibility percentages can be explained by the fact that a number of companies in the sample exhibit very high eligibility percentages, particularly in sectors such as real estate, energy, metals or pharmaceuticals (with 2 reporting 100% eligibility for turnover and 1 reporting 99% of eligibility for this KPI), whereas others present relatively low or even zero eligibility.

This trend is less visible in the alignment percentages because the effect of the high alignment percentages reported by companies with high eligibility is more than offset by the low alignment percentages reported by many other companies in the sample, including 9 companies that reported zero alignment for all three KPIs.

The aggregated picture thus masks considerable diversity in the degree of eligibility and alignment.

Table 3 – EU taxonomy eligibility and alignment for each company in the benchmark

Companies in Benchmark	% Eligibility Turnover	% Eligibility Capex	% Eligibility Opex	% Alignment Turnover	% Alignment Capex	% Alignment Opex
Asset management Co. 1	22%	16%	4%	6%	5%	2%
Asset management Co. 2	12%	72%	32%	1%	6%	1%
Asset management Co. 3	50%	45%	0%	36%	41%	0%
Chemicals Co. 1	37%	46%	37%	0%	0%	0%
Chemicals Co. 2	33%	45%	53%	0%	0%	0%
Construction Co. 1	90%	90%	90%	2%	10%	9%
Construction Co. 2	100%	72%	82%	89%	72%	82%
Energy Co. 1	99%	100%	99%	99%	100%	99%
Financial Co. 1	Bank specific	Bank specific	Bank specific	Bank specific	Bank specific	Bank specific
Financial Co. 2	44%	Assurance specific	Assurance specific	5%	Assurance specific	Assurance specific
Food & drinks Co. 1	0%	2%	2%	0%	1%	1%
Food & drinks Co. 2	0%	27%	0%	0%	0%	0%
Food & drinks Co. 3	0%	40%	0%	0%	0%	0%
Materials Co. 1	50%	64%	52%	45%	41%	38%
Materials Co. 2	5%	55%	37%	5%	55%	37%
ICT Co. 1	89%	100%	76%	42%	6%	50%
Pharma company 1	93%	95%	23%	0%	0%	0%
Pharma Co.2	47%	54%	37%	0%	0%	0%
Pharma Co. 3	100%	6%	99%	0%	0%	0%
Services Co. 1	46%	24%	0%	10%	6%	0%
Services Co. 2	89%	99%	75%	38%	3%	27%
Services Co. 3	0%	41%	34%	0%	0%	0%
Telecom Co. 1	2%	7%	21%	0%	0%	0%
Average	**46%**	**52%**	**41%**	**17%**	**16%**	**16%**

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7.4. Assurance

The Institute of Registered Auditors (IBR-IRE) previously analysed 41 limited assurance reports (from companies of the first wave CSRD) issued by statutory auditors to understand how these new obligations were applied in practice and to identify the first trends in reporting.

A separate technical article have been prepared on this topic and published on the **IBR-IRE** website.

The review showed that almost all auditors issued standard, positive conclusions. Only 3 (out of 41) reports deviated from this: one contained a negative conclusion due to shortcomings such as an incomplete double materiality assessment and non-compliance with EU reporting rules, and two included qualifications linked to missing data for certain subsidiaries or in respect of recent acquisitions. A few reports also contained emphasis of matters paragraphs, mainly concerning uncertainties in Scope 3 GHG calculations, inconsistencies between the 2024 figures and baseline data, or the complexity of group structures.

In nearly all cases, the same auditor verified both the financial statements and the sustainability information, ensuring strong coherence between the two. Overall, auditors applied the IBR-IRE's limited assurance model consistently.

7.5. Due Diligence statement

With respect to due diligence, most companies (19 out of 23) have used a table format to present the core elements of the group's/company's due diligence processes. Within this overview table, each important element is linked to the corresponding topical disclosures in the sustainability statements. The other companies (4) chose to describe their due diligence in a narrative format, with varying levels of detail.

Following a detailed reading, we observed that most disclosures for the moment remain mostly principle-based, with frequent references to international frameworks such as the OECD Guidelines and International Labour Organization (ILO) Conventions. The actual relationship with the double materiality process and outcome, remains often still vague, and concrete data on monitoring outcomes and details on remediation of negative impacts, remains limited.

8. Conclusions

Overall, the findings of the benchmark suggest that Belgian companies have engaged seriously and constructively with the first cycle of CSRD reporting. They have produced long, structured, and reasonably comprehensive sustainability statements that address the core ESRS requirements and demonstrate a genuine effort to explain their sustainability approach. They have recognised the importance of estimates and uncertainties, made appropriate use of cross-referencing to ensure internal coherence within the annual report, and maintained continuity with pre-existing frameworks valued by investors.

The analysis of material topics and of impacts, risks and opportunities indicates that companies are increasingly capable of articulating how sustainability issues affect them and how they affect people and the environment. At the same time, the relatively low share of opportunities among IROs and the still modest alignment levels under the EU Taxonomy show that the journey towards a more opportunity-driven and Paris-aligned business model is still very much work-in-progress.

Future reporting cycles will likely bring higher expectations, reduced reliance on phase-ins, and stronger digitalisation of data and processes. Yet this first year already reveals a strong foundation on which Belgian companies can build. The benchmark shows a landscape that is well aligned with European practices, while also exhibiting some distinctive strengths, such as the strong presence of climate transition plans among the companies covered in our benchmark.

Appendix of Explanatory Terms

1. European Regulatory Framework

CSRD – Corporate Sustainability Reporting Directive
European directive requiring companies to publish standardized sustainability (non-financial) disclosures.

Due Diligence Declaration
European legal obligation provided by European Directive 2024/1760 (CS3D), requiring large companies to identify, prevent, and mitigate severe risks to human rights, health, safety, and the environment in their own activities as well as in those of their subsidiaries, subcontractors, and suppliers.

EFRAG – European Financial Reporting Advisory Group
Body responsible for developing the ESRS (European Sustainability Reporting Standards) and advising the European Commission on sustainability reporting rules.

Phase-in options
A temporary relief period allowing companies to postpone certain ESRS reporting requirements during the first years of CSRD implementation.

EU Taxonomy (eligibility / alignment)
European classification system established by European Regulation 2020/852 assessing economic activities based on their contribution to environmental objectives.

- % eligibility: Share of the company's activities falling within the scope of the Taxonomy.
- % alignment: Share of activities that actually meet all the Taxonomy's technical screening criteria.

2. International Reporting Standards and Frameworks

GRI – Global Reporting Initiative
International ESG reporting standards focusing on the company's impacts on society and the environment.

IFRS S1 – International Financial Reporting Standard S1 (General Requirements)
Global sustainability reporting standard focusing on information relevant for investors regarding a company's sustainability-related risks and opportunities.

IFRS S2 – International Financial Reporting Standard S2 (Climate-related Disclosures)
Global standard specifying required climate-related information (risks, opportunities, strategy).

ISSB – International Sustainability Standards Board
Body developing global sustainability standards, including IFRS S1 and S2.

SASB – Sustainability Accounting Standards Board
Body developing U.S. sector-specific standards, focusing on financially material ESG issues for investors.

TCFD – Task Force on Climate-related Financial Disclosures
Framework recommending disclosures on climate-related risks and opportunities (governance, strategy, scenario analysis), widely used as a reference for climate reporting.

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3. ESRS Standards (European Sustainability Reporting Standards)

3.1. Cross-cutting standards

ESRS – European Sustainability Reporting Standards
Mandatory standards guiding how companies must disclose sustainability information.

ESRS 2 – General Disclosures
Standard specifying mandatory disclosures on governance, strategy, risks and double materiality. It forms the common core before reporting on environmental, social and governance topics.

- ESRS2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

3.2. Environmental Standards (E-series)

E1 – Climate Change
Covers greenhouse gas emissions, transition plan, adaptation, and decarbonisation pathways.

- E1-6: Gross Scope 1, 2, 3 emissions and total GHG emissions
- E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

E2 – Pollution
Air, water and soil pollution; hazardous substances; noise.

- E2-6: Anticipated financial effects from pollution-related impacts, risks, and opportunities

E3 – Water and Marine Resources
Use, consumption, discharge and protection of aquatic ecosystems.

- E3-5: Anticipated financial effects from water and marine resources-related impacts, risks and opportunities

E4 – Biodiversity and Ecosystems
Impacts on living nature, habitats and sensitive areas.

- E4-6: Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities

E5 – Resource Use and Circular Economy
Raw materials, waste, recycling, and circularity.

- E5-6: Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities

3.3. Social Standards (S-series)

S1 – Own Workforce
Working conditions, equality, health and safety, compensation.

- S1-7: Characteristics of non-employee workers in the undertaking's own workforce
- S1-8: Collective bargaining coverage and social dialogue
- S1-11: Social protection
- S1-12: Persons with disabilities
- S1-13: Training and Skills Development metrics
- S1-14: Health and safety metrics
- S1-15: Work-life balance

S2 – Workers in the Value Chain
Social conditions among suppliers and business partners.

S3 – Affected Communities
Socio-economic impacts and human rights of local communities.

S4 – Consumers and End-users
Product safety, data protection, responsible marketing

3.4. Governance Standards (G-series)

G1 – Business Conduct
Ethics, anti-corruption, compliance, whistleblowing.

4. Methodological and Technical Concepts

Double Materiality
Fundamental concept in the ESRS standards and the CSRD for identifying IROs (Impacts, Risks and Opportunities). It includes both impact materiality (the company's impacts on people and the environment) and financial materiality (sustainability matters that create risks or opportunities for the company).

Scope 1, Scope 2 and Scope 3 Emissions
Categories of greenhouse gas emissions defined by the GHG Protocol.
Scope 1 = direct emissions; Scope 2 = purchased electricity, heat or steam; Scope 3 = all other value-chain emissions.

GHG Protocol – Greenhouse Gas Protocol
International reference methodology for measuring and classifying GHG emissions.

IRO's – Impacts, Risks and Opportunities
Core concept in double materiality, used to assess how a company affects its environment (impact materiality) and how sustainability issues create risks or opportunities for the company (financial materiality).

CTP – Climate Transition Plan
Plan detailing how the company aligns with low-carbon pathways.

SBTi – Science Based Targets initiative
Organisation validating science-based GHG reduction targets and assessing whether a company's climate objectives are aligned with climate science.

SSP – Shared Socioeconomic Pathways
Global socio-economic scenarios used for climate modelling (e.g., 1.5°C, 2°C trajectories).

Companies of the first wave CSRD: companies covered by Article 5 of the CSRD, namely:

- Large companies qualifying as public-interest entities (PIEs) under Article 2(1) of Directive 2013/34;
- Parent companies of large groups qualifying as public-interest entities (PIEs) under Article 2(1) of Directive 2013/34;
- Large companies qualifying as issuers of securities on a regulated market under Article 2(1)(d) of Directive 2004/109;
- Parent companies of large groups qualifying as issuers of securities on a regulated market under Article 2(1)(d) of Directive 2004/109.