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Benchmark Analysis of Belgian CSRD Sustainability Statements issued in 2026 with respect to 2025

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Executive Summary

This second edition of the benchmark analyses 54 sustainability statements published by Belgian companies under mandatory scope of the Corporate Sustainability Reporting Directive (CSRD) in 2025 (so Wave 1 companies), and using the European Sustainability Reporting Standards or ESRS as the reporting framework. The scope of our sample is therefore significantly bigger than in our first edition, where we covered 23 companies in scope of the CSRD. Consequently, comparisons between the two editions should be interpreted with some caution, as observed differences may be impacted by both the improved maturity of reporting practices and the impact of increasing the sample size. For certain characteristics in this study where we deemed it useful, we have therefore updated the 2024 benchmark for all 54 companies we have selected for the 2025 benchmark.

Considering the difference in population size between both years, the results of the benchmark nevertheless provide a useful external reference point for assessing how Belgian reporting practices have evolved in year 2 of the mandatory CSRD reporting. In addition, and where deemed relevant, selected findings are also compared with the European Financial Reporting Advisory Group (EFRAG)'s ESRS Reporting Insights database (the EFRAG State of Play 2026 Report) in order to provide additional context and identify similarities or differences between the Belgian market and broader European reporting trends.



Key observations of our 2025 benchmark study include the following observations:

- 100% of companies continue to rely on at least one ESRS phase-in provision. This was certainly stimulated by the Quick Fix Delegated Regulation of 11 July 2025, which extended (as from 1 January 2025) certain phase-in reliefs for Wave 1 companies reporting under the CSRD;
- 91% of the companies (49 out 54) in our sample modified or restated previously reported comparative information. When looking at the reasons for modifying the 2024 metrics more in detail, we noted that methodological improvements or improved data were the main drivers when these companies reported changes to their comparative information (38 of the 49 companies or 78%);
- the hybrid double materiality approach was the main approach with respect to the double materiality assessment (DMA) process, with 63% of companies using this approach, compared to 31% continuing to use the bottom up approach, and with the minority (6%) using only the top-down approach when preparing for their 2025 sustainability statements.
- companies identified, on average, approximately six material ESRS standards (meaning that at least one impact, risk, and opportunity was associated with a topical standard), compared to seven in the analysis of the 2024 CSRD reports;
- companies identified an average of just under 35 impacts, risks and opportunities (IRO's) compared to just over 35 in the analysis of the 2024 CSRD reports;
- nearly 67% identified entity-specific topics beyond the ESRS framework;
- 96% of the companies in scope of our sample (52 out of 54) received an unmodified limited assurance conclusion from their auditor. This is slightly better versus the previous year (when 3 non-standard assurance conclusions where noted among the 53 companies in scope for 2025 and 2024 as there is one company which became in CSRD scope for the first time in 2025), and remains also consistent with the trend we see in assurance conclusions issued in the EU overall with respect to 2025.

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1. Introduction and Context

This benchmark covers 54 sustainability statements published by Belgian companies subject to the CSRD. The sample includes 14 BEL20 constituents, 14 BEL ESG companies, 49 companies with more than 750 employees, 45 non-financial undertakings and 9 financial institutions. Accordingly, our sample of 54 covers a majority of the companies in mandatory scope of the CSRD for 2025, which consists of the large quoted companies (so having more than 500 employees on average) as well as financial institutions and insurance companies exceeding the criteria.

Unlike the first edition of the benchmark, which focused mainly on understanding how companies approached their first year of ESRS reporting, this year's analysis focuses on how reporting practices have evolved following an initial reporting cycle.

The reporting environment has also changed significantly. During 2025 and 2026 to date, several European regulatory initiatives introduced targeted simplifications, transitional relief measures and amendments affecting both ESRS and EU Taxonomy reporting. At the same time, companies gained practical experience in collecting, consolidating, and improving their internal controls when reporting on their sustainability information.

This second benchmark therefore seeks to understand how Belgian companies are responding to these developments and how sustainability reporting practices are evolving. As mentioned in the introduction, the scope of our sample is significantly bigger than in our first edition, where we covered 23 companies in scope of the CSRD. Consequently, comparisons between the two editions should be interpreted with some caution, as observed differences may be impacted by both the improved maturity of reporting practices and the impact of increasing the sample size. For certain characteristics in this study where we deemed it useful, we have updated the 2024 benchmark for all 54 companies we have selected for the 2025 benchmark.

To complement the findings of this benchmark, selected results are also compared with data published through *EFRAG's ESRS Reporting Insights initiative**. This public database (known as the EFRAG State of Play market study portal) analyses sustainability statements prepared under the ESRS framework across Europe and provides aggregated statistics on key reporting practices, including double materiality assessments, material ESRS topics, IROs, value chain disclosures and other aspects of sustainability reporting. Where relevant, comparisons are made both with EFRAG's Belgian sample (41 companies out of a total examined population of 905 companies in EU) and with its wider European dataset. These comparisons should also be interpreted with caution, as differences in sample composition, sector coverage and methodology may influence the results. Nevertheless, we believe that these provide a useful external reference point for assessing how Belgian reporting practices compare with broader European trends.

This brochure contains an appendix with a selection of key terms used.

EFRAG, ESRS Reporting Insights Dashboard (2025 reporting cycle), available at: EFRAG ESRS Reporting Insights

2. The Impact of Regulatory Simplifications impacting taxonomy reporting

The 2025 reporting cycle also marks the first application of the simplification measures introduced by Commission Delegated Regulation (EU) 2026/73, commonly referred to as the "Taxonomy Omnibus Delegated Act". These amendments simplify the EU Taxonomy disclosure requirements and certain technical screening criteria. Reporting practices remain heterogeneous, with a significant share of the companies analysed, explicitly discussing the impact of these changes on their Taxonomy disclosures in their sustainability statements.

Simplification measure explicitly mentioned	Number of companies	% of sample (n=54)
Reference to the simplified EU Taxonomy framework / Regulation (EU) 2026/73	14	26%
Early adoption of the amended Taxonomy framework for FY2025	11	20%
Explicit application of the 10% materiality threshold	7	13%
Use of simplified reporting templates	9	17%
Reference to non-material activities	7	13%
Explicit mention of simplified DNSH criteria	4	7%

These figures reflect only those companies which explicitly referred to these elements in their sustainability statements and may therefore understate actual adoption rates.

A review of the sustainability statements suggests that three aspects of the amended framework regarding taxonomy reporting merit some further attention.

Firstly, several companies referred to the newly introduced 10% materiality threshold, which allows undertakings to exclude economic activities representing less than 10% of the denominator of the relevant KPI (turnover, CapEx or OpEx), from detailed eligibility and alignment assessment. This change introduces a new concept of "non-material activities" within the EU Taxonomy framework and reflects a stronger application of the principle of proportionality.

Secondly, many companies adopted the revised reporting templates, including the new summary template introduced by the amended rules. The simplified templates reduce the number of required datapoints and allow companies to provide a more concise overview of Taxonomy-related disclosures while maintaining transparency regarding the scope of the assessment performed.

Finally, a number of companies highlighted the simplification of certain Do No Significant Harm (DNSH) criteria and technical screening requirements. These amendments are intended to reduce complexity and implementation costs without affecting the overall robustness of the Taxonomy framework.

While several companies chose to early-adopt the simplification measures introduced by Commission Delegated Regulation (EU) 2026/73, a number of other companies explicitly stated that they continued to apply the pre-existing Taxonomy reporting framework for the 2025 reporting cycle. These companies generally explained that the sustainability statements were substantially prepared before the amended framework was finalised (which was in early January 2026) and became fully applicable or before the simplification measures had been formally incorporated into their reporting processes. In many cases, maintaining comparability with previous reporting periods was also cited as the main reason for adopting this more comprehensive approach. Notwithstanding this, most companies indicated that they are closely monitoring the ongoing regulatory developments and expect to implement the simplified disclosure requirements in future reporting periods.

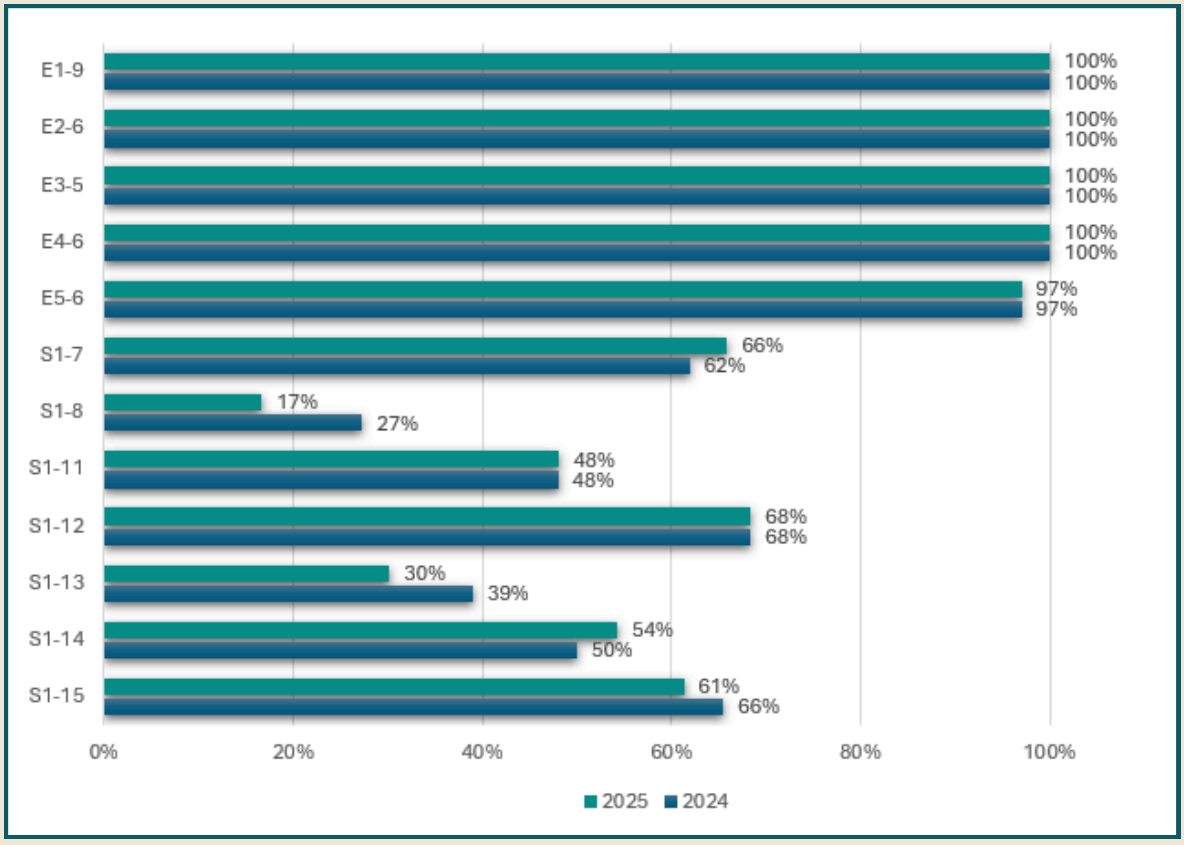
Overall, the benchmark suggests that Belgian companies have generally welcomed the simplification measures and view them as an opportunity to improve the proportionality and efficiency of EU Taxonomy reporting while maintaining an adequate level of transparency and comparability.



3. Use of Phase-in Provisions

Phase-in provisions remain a key feature of sustainability reporting in Belgium. Out of the 54 companies analysed, all of these made use of at least one phase-in provision, representing 100% of the benchmark population. The percentages below are each time the number of companies for which the particular standard was material (as denominator) and the number of companies out of this population, which made use of the phase-in available for that standard (numerator). For purposes of the analysis of the evolution in the use of the phase-in provisions, we analysed 54 companies for 2025 and 52 companies for 2024 (so updating the prior year benchmark which only related to 23 organisations).

Graph 1 – Illustration of the most frequently used phase-in provisions across the sample in 2024 and 2025.



The graph above shows that companies continued to make extensive use of phase-in reliefs in their 2025 sustainability reporting. As expected, the overall picture did not change significantly compared with 2024, apart from some modest differences in the social disclosures.

Reliefs remained particularly widely used for disclosures on the anticipated financial effects of environmental matters, and this for all environmental standards which have a requirement with respect to such anticipated financial effects.

We see more variation in the social standards, where some companies took benefit in 2024 from the phase-in, but no longer in 2025 as can be seen for the disclosures ESRS S1- 8 (collective bargaining and social dialogue), ESRS S1-13 (training and skills development), and ESRS S1-15 (work-life balance). The increase in disclosure ESRS S1-7 (non-employees in the own work force) is the combined effect of one entity giving the information in 2024 whilst referring to the phase-in, in 2025, and an entity which was in scope for the first time in 2025 and using this phase-in relief. The increase in use of the reliefs for ESRS S1-14 (health and safety) is mostly driven by one entity deeming lost working days not material in 2024, but evaluating it as material in 2025, and applying the phase-in, and the fact the entity which was for the first time in scope in 2025, applied this phase-in as well.

A further notable development in the 2025 reporting cycle, concerns the introduction of additional temporary reliefs for large first-wave undertakings. Under the quick fix delegated regulation framework, large companies (so companies with more than 750 employees on average) may temporarily omit the detailed disclosure requirements of certain topical standards, provided that they continue to disclose the information required under ESRS 2 regarding the basis of preparation and the outcome of their materiality assessment.

Seven large companies, 13% of the 2025 sample, used the extended quick fix available to defer reporting under one or more of the complete topical standards mentioned specifically for this purpose. Five out of these used this option for biodiversity (ESRS E4), five used it for workers in the value chain (ESRS S2), four companies used it for consumers and end-users (ESRS S4), and one company used it for affected communities (ESRS S3). Several of these seven companies used the relief for more than one standard.

4. Double Materiality Assessment

The double materiality assessment remains the cornerstone of sustainability reporting under the CSRD framework.

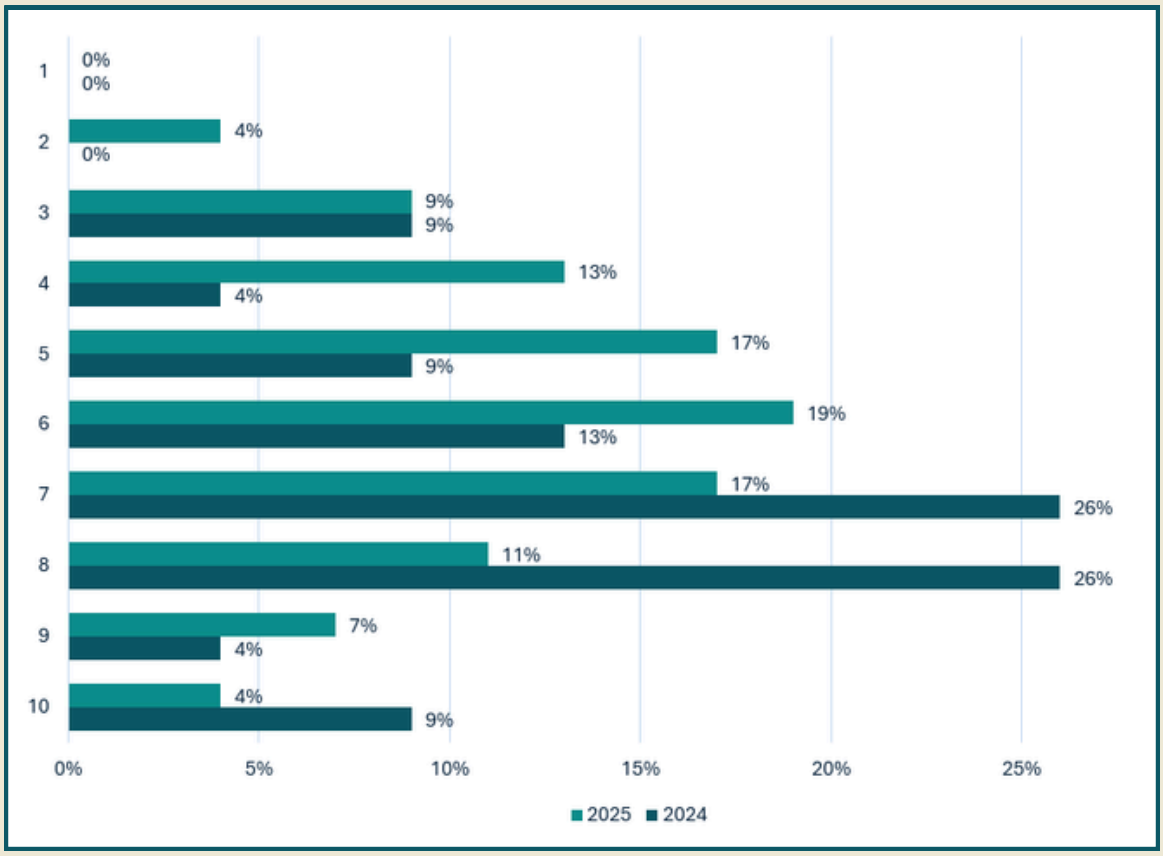
The benchmark reveals a clear preference for the so called hybrid-approach. This approach combines the top-down and bottom-up methodologies permitted under the revised ESRS (but already applied by companies in 2025). It allows companies to use a top-down route for sustainability topics (and decide on materiality or not at topic level) where these topics are already obvious or well understood through the specificities of the business, the sector, geographical aspects, and the value chain. Therefore, the associated IROs can also be considered material without the need for a detailed scoring. Conversely, it applies a granular, data-driven bottom-up method to systematically score individual factors/IRO's in areas where there is genuine uncertainty about whether a topic is material and where the topic is very much driven by specific conditions of a company. By blending, but not doubling, these two pathways, organisations can avoid the resource-heavy burden of detailed scoring every single baseline issue without compromising on regulatory rigor. Approximately 63% of companies in our sample used such a hybrid approach in their 2025 reporting, while 31% continued to apply a bottom-up assessments, and only 6% used already a predominantly on top-down approach. This observation is broadly consistent with the findings published by EFRAG in their 2026 State of Play Study, which revealed 67% of the 905 companies in scope of their study using a hybrid approach.

5. Material ESRS Standards

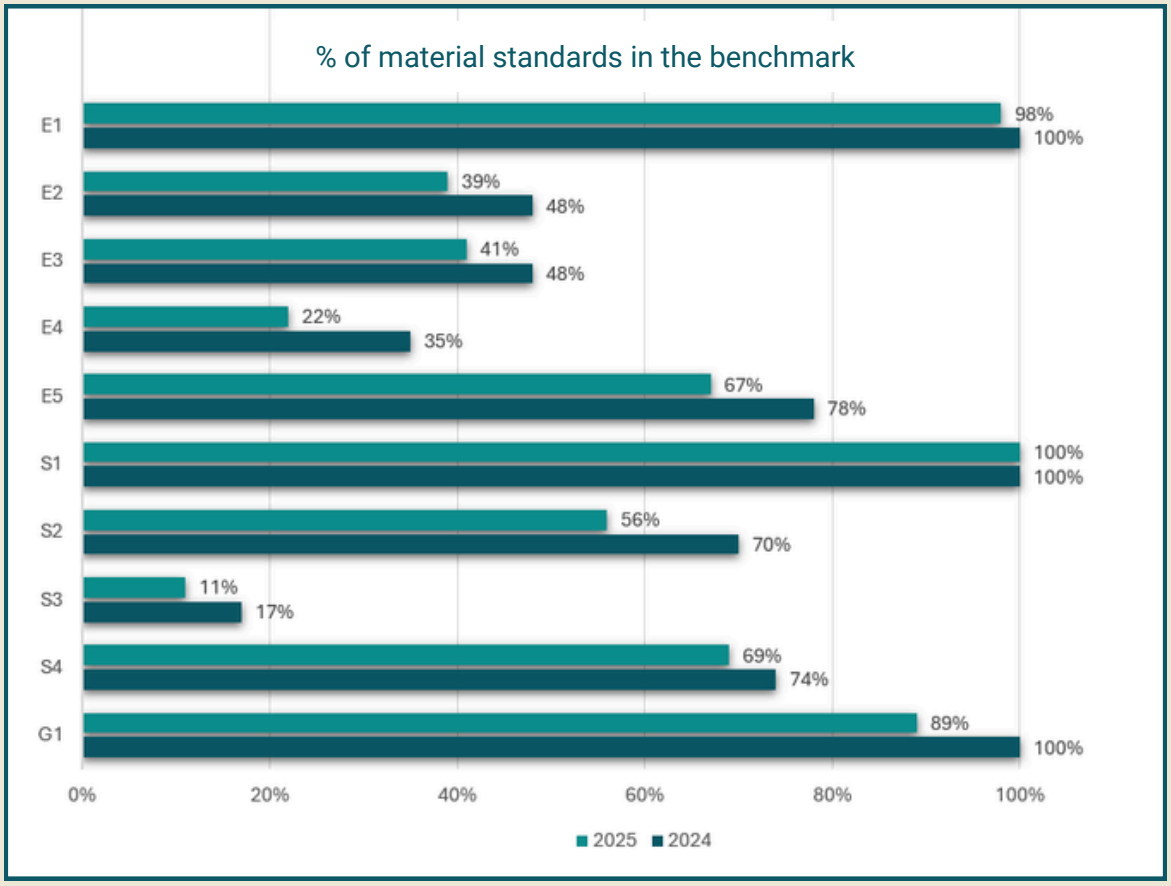
Companies identified an average of 5.9 (so rounded 6) of the 10 topical standards as material. So these are standards where companies identified at least 1 material IRO linked to these standards. This figure is lower than the average observed in the first edition of the benchmark, which was close to seven material standards. However, this comparison should be interpreted cautiously due to the significant expansion of the benchmark population.

We nevertheless believe that part of this observable decrease can be explained by more experience gained by companies and maturity observed in approaching their DMA and resulting material IRO's. This can reflect the movement, already visible in the 2025 reports, towards more focus on materiality as a filter in making the decision if a topic and associated IROs are truly material for the business and for the stakeholders and users of the sustainability statements.

Graph 2 – Distribution of the number of material topical standards selected by companies in the benchmark (2024 and 2025)



Graph 3 – Frequency with which each ESRS standard is identified as material by companies in the benchmark (2024 and 2025)



The results as shown in graph 3 are broadly consistent with EFRAG's ESRS Reporting Insights for both Belgium and the wider European market in their 2026 State of Play benchmark study. Similar to our findings, Climate Change (E1), Own Workforce (S1) and Business Conduct (G1) remain the most frequently identified material standards. This convergence across different samples suggests that companies are reaching a relatively consistent view of the sustainability matters that are most material in practice.

In terms of entity-specific topics, 67% of the companies in scope of our 2025 benchmark identified directly or indirectly entity-specific topics. This compares to 70% in our 2024 sample, but this was concluded based on 23 companies in scope. However, the trend is sufficiently clear that the importance and evolution of sector-specific sustainability topics that companies believe are not (sufficiently) captured within the ESRS topical standards, will not decrease over time. We believe that this will be further stimulated by the development of sector-specific guidance, topics, and metrics, by the various actors, including standard-setting organisations such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB).



We note the following recurring topics in the 2025 sustainability statements of Belgian companies in our sample, whereby the first three mentioned are those which come back several times (so 5 times or more) as an entity-specific topic:

- cybersecurity and IT security (including data protection);
- responsible investment;
- innovation, R&D, and digital technology / transformation;
- community building;
- engagement index (employees) and attracting talent;
- energy transition;
- network reliability and infrastructure resilience.

6. Impacts, Risks and Opportunities (IRO's)

In terms of identified IROs, the analysis for 2024 was expanded to include all the companies in scope of the 2025 benchmark. The companies analysed, identified an average of 34.9 impacts, risks and opportunities compared to 35.3 IRO's on average in 2024. The median number of IRO's is 33, while some companies identify still more than 60 individual IRO's. The average is also somewhat higher than the figures reported by EFRAG, which identified approximately 31 IRO's on average for both the Belgian sample and the European population as a whole. However, differences in methodology and sample composition should be considered.

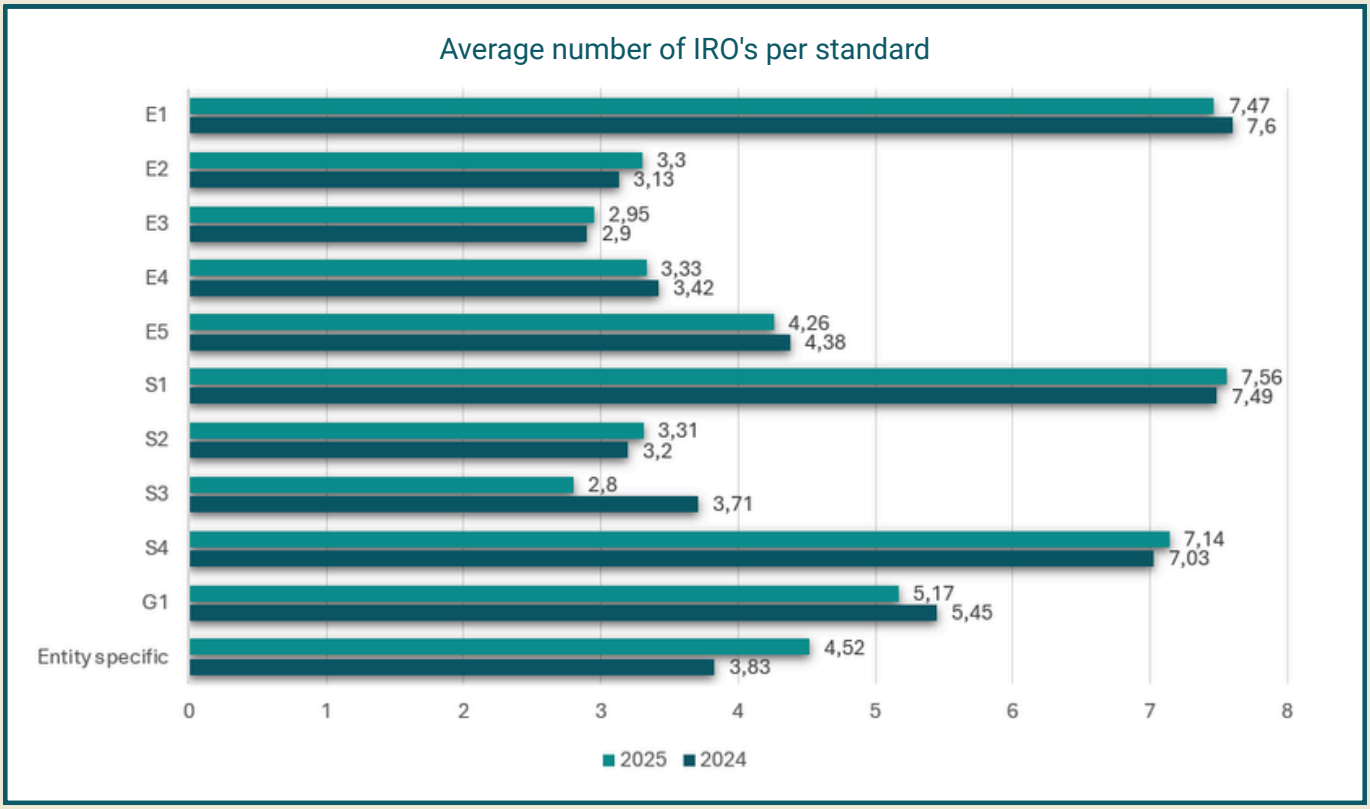
On average, in our benchmark, the IROs consist of:

- 18 impacts;
- 12 risks;
- 5 opportunities

As in the first year of reporting, impacts and risks overwhelmingly dominate over opportunities. This distribution is broadly consistent with EFRAG's findings, which also show that risks and impacts still represent the largest share of identified IROs. This may be an indication of a stronger focus on risk management and resilience considerations within the European and Belgian reporting landscapes and not fully embracing that opportunities can also be a distinguishing aspect of companies' added value in embedding sustainability into the broader company strategy and business model.



Graph 4 – Average number of IROs identified per topical standard (2024 and 2025)



The results in graph 4 show overall not that much change alongside broadly stable thematic priorities. The results confirm that climate-related, workforce-related and governance-related issues remain central to companies' sustainability strategies and risk management frameworks. Own workforce and climate change remained the largest categories in this respect, indicating continuity in the main areas covered by the materiality assessments. Entity-specific IROs increased from an average of 3.83 in 2024 to 4.52 in 2025, but this increase is impacted by an entity which was for the first time in scope of the CSRD in 2025 and which reported a high number of entity-specific IROs. Making abstraction of this, the number of entity-specific IRO's increased in 2025 to 3.96 on average, still higher than the average for 2024.

Changes in the number of identified IRO's also provide insight into the growing maturity of companies' double materiality assessments. Almost half of the companies changed their IRO total. Eleven companies identified more IROs and thirteen identified fewer, together representing 47.06% of the comparable population. However, the number of reductions tended to be more than the number of increases in terms of material IROs identified, equivalent to averages of 1.04 more and 1.76 fewer IROs across the companies in scope. These findings suggest that a number of companies used their second reporting cycle to refine and rationalise their materiality assessments, consolidating overlapping IRO's and focusing on the impacts, risks and opportunities considered most relevant.

Possible explanations to what can be derived from the results in number of IROs identified, include revised materiality judgements, changes in reporting boundaries, and adjustments to the aggregation or classification of IRO descriptions. The results indicate continuity in thematic coverage, accompanied by selective revisions in the number and presentation of IROs.

7. Evolution of Data Quality and Comparative Information

One of the most striking findings of the benchmark concerns the extent of changes made to comparative information. Approximately 91% of the companies in our sample, restated, recalculated, or otherwise revised information reported in the previous reporting cycle. The principal reasons cited include:

- methodological improvements and enhanced data quality (78%);
- correction of prior-period errors (47%);
- changes in definitions or assumptions (18%);
- changes in consolidation scope (20%);
- improved estimation techniques (20%).

The topics most frequently affected include:

- greenhouse gas emissions;
- Scope 3 categories;
- energy consumption;
- social and workforce metrics;
- EU Taxonomy KPIs;
- health and safety indicators.

The findings suggest that sustainability reporting remains a highly dynamic process and that companies continue to actively improve their calculation methodologies and internal controls.

Although many companies have made changes to comparative information in their 2025 sustainability statements, there has been no observable impact in the 2025 assurance conclusions. This likely means that none of the different type of changes indicated above, were deemed sufficiently material by the auditor to warrant either a qualification or specific mentioning in an emphasis of matter paragraph.



8. Value Chain Information

Value chain descriptions and stakeholder engagement disclosures are common across the sustainability statements of Belgian companies, but the extent of these disclosures and the clarity (i.e. explaining clearly what is truly material and relevant in the value chain) varies across companies and sectors. Although the widespread use of ESRS phase-in reliefs reflects valid efforts to reduce the reporting burden, it does pose challenges with respect to comparability and transparency, likely also in relation to value chain information.

A clear and comprehensive mapping of the value chain is an important feature of strong sustainability reporting. Leading practices seen in our sample include visual representations covering upstream activities, own operations, and downstream activities, extending from raw material sourcing and suppliers to customers, product use and end-of-life. Particularly noteworthy is the integration of value chain considerations into the double materiality assessment (DMA), with material IROs explicitly located at the different stages of the value chain. This helps readers understand where sustainability-related impacts and dependencies can likely arise.

The more robust sections relating to value chain also identify relevant stakeholders throughout the value chain and demonstrate how their interests and perspectives inform materiality assessments, due diligence processes, and sustainability strategies. Upstream value chain management is supported by structured supplier segmentation, sustainability risk assessments, supplier codes of conduct, certification schemes and traceability programs. Particular attention is given to high-risk commodities, geographical areas and business relationships, including suppliers beyond the first tier.

Other notable practices include linking supplier engagement to measurable sustainability targets, implementing supplier assessment programs and supporting suppliers in setting science-based emissions reduction targets.

For the financial institutions in our sample, good practices include comprehensive assessments of financed emissions and the environmental and social impacts associated with lending, investment, and insurance portfolios, supported by sector-specific methodologies and portfolio indicators.

Scope 3 greenhouse gas emissions are increasingly integrated into value chain assessments in 2025 (compared to the 2024 sustainability statements), accompanied by targets, supplier engagement initiatives and transparent explanations of calculation methodologies, data limitations, and estimation uncertainties.

Overall, the strongest approaches that we have seen in our benchmark, treat value chain analysis not merely as a reporting exercise, but as an integral component of sustainability strategy, risk management, and engagement with business partners.

9. Assurance

Assurance conclusions remain remarkably consistent across the benchmark population. Of the 54 sustainability statements reviewed:

- 52 received an unmodified limited assurance conclusion;
- one received a qualified conclusion but this related to the impact on the 2025 sustainability statements of not adjusting the 2024 comparative information for an acquisition which occurred in 2024, but which was not reflected in the 2024 sustainability statements ;
- one company received an adverse conclusion. This particular company also reported an adverse assurance conclusion in 2024. Although the company worked on improvement during 2025, and certain aspects of the 2024 adverse conclusion were resolved, the remaining lack of compliance with ESRS, still resulted in an adverse limited assurance conclusion over the 2025 reporting.

The fact that the number of modified assurance conclusions is very limited, is consistent with what see across Europe in similar benchmark exercises and/or studies. Several possible explanations can be provided, such as the general tendency of companies to adjust for all misstatements identified by the auditors during their assurance procedures. More broadly noted in certain European studies that "Other Matter", "Inherent Limitation", or "Emphasis of Matter" paragraphs are used to indicate uncertainty and provide context.

Approximately 7% of assurance reports contained an emphasis of matter (EOM) paragraph. The four EOMs observed relate the following situations:

- similar to last year, the auditors of a holding company reported an EOM to attract the attention of the reader to the structure of the sustainability statements and the build-up of the DMA so that readers can clearly understand the difference between company's role as a responsible company and its role as a responsible investor, and where a distinction is made between the consolidated level and the level of the controlled portfolio companies;

- the auditor of a bank described an EOM to emphasize the section where the bank explained its scope 3 financed emissions and why certain financial assets, notably loans to retail customers, were excluded from the calculation;

- significant estimation uncertainty associated with the measurement of a particular greenhouse gas, and the resulting impacts on reported Scope 1 and 2 GHG emissions;

- finally, an auditor of one group included an EOM emphasizing the fact the group had not included the impact of an acquisition in December 2025 into the 2025 consolidated sustainability statement, and whereby the company justified this by referring to the draft revised ESRS, which, although not applicable yet for 2025, allows the impact of an acquisition to be reflected in the year following the acquisition. The fact that the acquisition only happened in December can explain why the auditor resorted to an EOM.

For 7 companies (13% of our sample), the auditor included an "Other Matter" in the assurance conclusion. The information and wording included in such paragraph, covered the following situations:

- when the scope of the limited assurance engagement was confined to the consolidated sustainability statements of the group and the auditor of the sustainability statements was different than the auditor responsible for auditing the consolidated financial statements;
(2 times);

- comparative information related to years prior to 2024 which was excluded from the scope of the 2025 limited assurance engagement;
(3 times);

- when another auditor had audited the 2024 sustainability statements;

- when comparative information was excluded in those instances where 2025 was the first year the company was in scope of the CSRD;

We also noted that all of the assurance conclusions on the sustainability statements in our sample contained the standard inherent limitations wording.

Finally, several assurance reports describe additional procedures beyond the standard approach. Consistent with the observation we had included in our review of the 2024 assurance conclusions, the most common noted additional procedures included:

- site-level testing where the auditors explained that they carried out limited detailed testing of the data collection and calculation processes, as well as validation procedures related to the quantitative information in question, either on site or through remote connection, based on professional judgement and on a sample basis;

- enhanced EU Taxonomy procedures where auditors confirmed that on a sample basis, they reconciled the economic activities with supporting documentation that substantiates the substantial contribution, the do not significant harm contribution, and the minimum safeguard requirements. Auditors also frequently added that they reconciled inputs to revenue, capital expenditure, and operating expenses, with underlying information of the entity;

- reconciliation between sustainability and financial information, thereby comparing the disclosures in the sustainability statement with the corresponding disclosures in the financial statements and the annual report/management report.

These developments suggest a gradual strengthening of assurance practices alongside the increasing maturity of sustainability reporting itself.



10. Conclusions

The findings of this second benchmark indicate that Belgian companies have entered a new phase in the implementation of CSRD reporting. While the first reporting cycle focused primarily on establishing governance structures, data collection processes and reporting frameworks, the 2025 reporting cycle is characterized by refinement, consolidation, more focus on what material is, and continuous drive for improvement in the reported information.

Companies continue to make extensive use of transitional provisions, but companies are simultaneously investing significant efforts in improving methodologies, enhancing data quality and strengthening internal controls.

The widespread restatements to comparative information observed throughout the benchmark, is in line with expectations, and illustrates an increased commitment to reliability and comparability rather than mere regulatory compliance.

Companies disclosed (marginally) fewer material IRO's on average compared to 2024, and equally, on average, less topics within the standards where identified as material.

Furthermore, the emergence of regulatory simplifications, particularly in relation to the revised ESRS and anticipated use of some of these revisions, already in 2025, and with respect to EU Taxonomy reporting, is already shaping reporting practices and encouraging companies to reassess the balance between reporting burden and informational value.

Finally, climate change, own workforce matters and business conduct continue to emerge as the fundamental pillars of sustainability reporting in Belgium. Together with the growing importance of sector-specific and entity-specific topics, a double materiality assessment driven by business logic instead of a checklist compliance mindset, and more mature IRO frameworks, suggest that Belgian companies have now established a solid foundation for the next stage of CSRD implementation.



Appendix of a selection of key terms

Bottom-up approach:
Starts by assessing individual IROs to determine which sustainability topics are material.

CSRD:
Corporate Sustainability Reporting Directive (EU) 2022/2464. Requires sustainability reporting and limited assurance. Transposed in Belgium by the Law of 2 December 2**024.**

Double materiality assessment (DMA):
Assessment of impacts on people and the environment (impact materiality) and financial risks and opportunities (financial materiality). Either dimension can make a matter material.

EFRAG:
The European Financial Reporting Advisory Group. Independent organisation advising the European Commission on financial and sustainability reporting. It develops draft ESRS and supports their implementation. The Commission adopts the legally binding standards.

Entity-specific disclosures:
Information about material IROs not covered, or insufficiently covered, by the ESRS.

ESRS:
European Sustainability Reporting Standards in Delegated Regulation (EU) 2023/2772.

EU Taxonomy:
Regulation (EU) 2020/852 classifies environmentally sustainable activities. Delegated Regulation (EU) 2021/2178 specifies associated disclosures and key performance indicators (KPIs).

Hybrid approach:
Combines top-down identification of material topics with bottom-up assessment of individual IROs, using detailed assessment where needed.

IROs:
Impacts, risks and opportunities: actual or potential positive or negative effects on people or the environment, and sustainability-related financial risks and opportuni**ties.**

Limited assurance:
A meaningful level of assurance below reasonable assurance, with a conclusion framed around whether material misstatements came to the practitioner's attention.

Phase-in provisions:
Temporary permission to defer specified disclosures, subject to conditions. A deferred topic can still be material. Some summarised disclosures remain required.

Quick Fix:
Delegated Regulation (EU) 2025/1416, which extends the specified phase-ins for Wave 1 companies (first subject to CSRD for FY2024) for FY2025 and FY2026.

Revised ESRS:
Revised standards under Delegated Regulation (EU) 2026/1563, applicable as from FY2027, with optional application for FY2026. These did not apply to FY2025.

Taxonomy eligibility, alignment and DNSH:
Eligibility means an activity is covered. Alignment requires substantial contribution, do no significant harm (DNSH) to other environmental objectives, minimum safeguards, and compliance with technical screening criteria.

Taxonomy Omnibus Delegated Act:
Delegated Regulation (EU) 2026/73 simplifies Taxonomy disclosures and certain Do No Significant Harm (DNSH) criteria, while allowing the previous framework to be retained for FY2025.

Top-down approach:
Starts from the business model and operating context to identify material topics.

Value chain:
Activities and relationships from sourcing to product use and end-of-life, including own operations and upstream and downstream business relationships.

