



Corporate Sustainability Responsibility Directive (CSRD)
Value creation services

Sustainability reporting requirements

The introduction of the Corporate Sustainability Responsibility Directive (CSRD) signals a significant step change in mandatory sustainability reporting for companies in the EU, expected to impact more than 50.000 companies



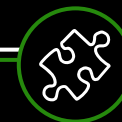
What is the change?

- The reach and scope of what is currently required under sustainability reporting is substantially expanded. Introduces concepts such as:
 - Double materiality, which requires companies to take both an inside-out/outside-in view of sustainability matters related to their organisation
 - Value chain, requiring companies to report on the sustainability impact across its entire value chain, whether directly or indirect
 - Sustainability due diligence, establishing the duty on companies to identify, end, prevent, mitigate and account for negative human rights and environmental impacts in the company's own operations, their subsidiaries and their value chains
- Introducing a standard set of reporting standards, i.e., the European Sustainability Reporting Standards (ESRS), applicable to all in-scope companies
- Limited assurance will initially be required over sustainability reporting and later elevated to reasonable assurance



Who will this apply to?

- Large listed companies (>500 employees)
- Companies that meet two of the following three criteria:
 1. Revenue > EUR40m
 2. FTEs > 250
 3. Total assets greater than EUR20m
- Listed small/medium SMEs and certain non-EU companies with presence in EU

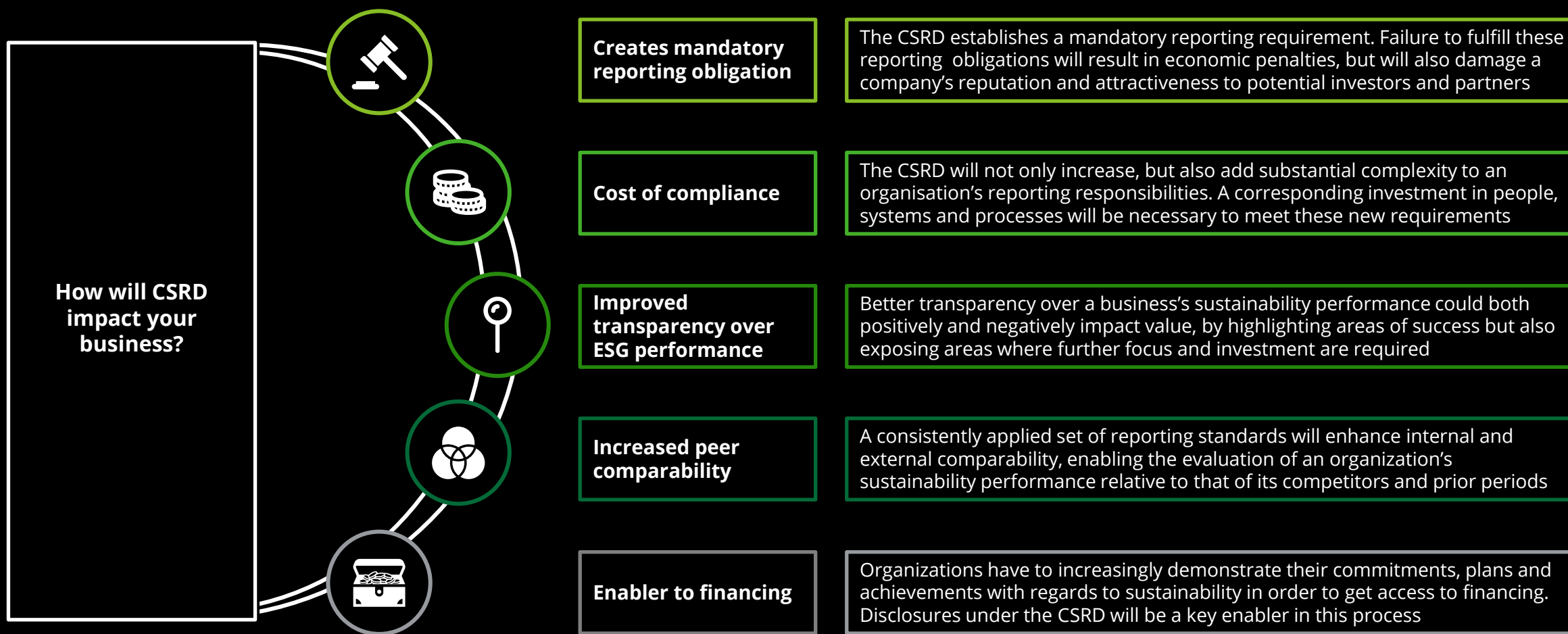


What will this mean for each business?

- Developing a sustainability strategy, approach and framework that are aligned to the requirements of the CSRD
- Identifying and reporting on material sustainability topics by applying the concepts as described in the ESRS
- Allocating the necessary resources and aligning systems and processes to respond to the reporting requirements

Sustainability reporting requirements

The requirements introduced by the CSRD will support the assessment and improvement of an organization's value by enabling a consistent, comparable and transparent reflection of its sustainability performance





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