



The EU Corporate Sustainability Reporting Directive (CSRD) has recently been finalized.

What do US-based controllers need to know?

- **My organization may have to comply at some level**
Reporting boundaries differ from financial reporting and may require group and/or subsidiary level reporting.
- **Topics are extensive and limited assurance is required**
Topics span governance, strategy, impact, and metrics—all subject to assurance and greater scrutiny from users.
- **Double materiality application lens is required**
Disclosures focus on multiple stakeholders including impact to value chain (external) and financial performance (internal).

Does my non-EU-based organization/ consolidated group have...

- 1 EU revenue €150M⁺ in each of the last 2 years?
AND
- 2 at least one EU subsidiary with at least 2 of the following?
 - 250⁺ employees
 - €40M⁺ revenue
 - €20M⁺ total assetsOR
at least one EU Subsidiary/branch with revenue €40M⁺ in the preceding financial year?
OR
listed securities in the EU and not a micro-company?

Micro-companies have up to
 - 10 employees
 - €700k revenue
 - €350k⁺ total assets

If you answered “YES” or are “UNSURE” to questions 1 and 2 reporting requirements may be accelerated. Proceed to questions 3–5.

Does my organization...

- 3 understand the scope, timing, and application of the CSRD?
- 4 have a plan to close data, process, control and assurance gaps?
- 5 have the capabilities and resources to meet the reporting needs?

If you answered “NO” or are “UNSURE” to the any of these questions further assessment of CSRD is warranted. See “Where do I to start?”

Where do I start?

The scope and breadth of reporting requirements under the CSRD can feel overwhelming to an organization regardless of ESG reporting maturity. The key to successful readiness activities is an intentional and informed approach. The following actions are designed to prepare controllers to meet reporting requirements.

Evaluate

- ✓ Applicability and reporting boundaries
- ✓ Disclosure gaps
- ✓ Current data collection and data management
- ✓ ESG reporting process and control gaps

Prepare

- ✓ Prioritize identified gaps
- ✓ Roadmap to close gaps, including assurance
- ✓ Determine governance needs

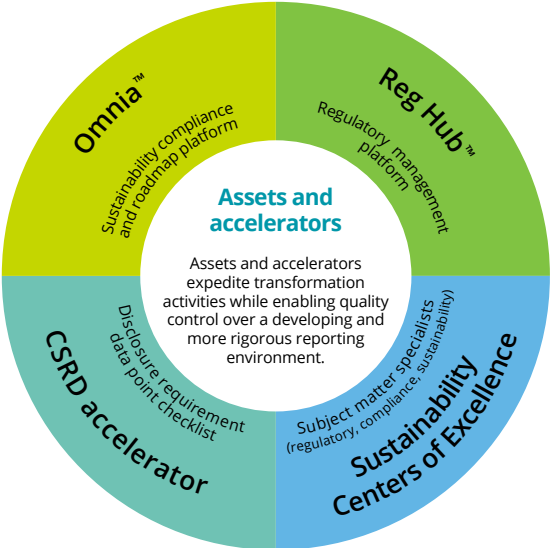
Mobilize

- ✓ Resources against roadmap
- ✓ Regular internal reporting against roadmap
- ✓ Reporting for CSRD

People. Purpose. Prosperity.

How we deliver

Deloitte brings years of transformation and implementation experience to the realm of ESG reporting. Our core controllership capabilities combined with deep subject matter knowledge, a global network of professionals, and technology alliances uniquely position Deloitte to support you through this transformation to transparent and reliable disclosure.




Specifically, Deloitte can help with...





- Report baselining**
 - Regulatory scan and report sensing
 - Market trends and peer benchmarking
 - Double materiality assessment for prioritized KPIs
 - Disclosure requirements gap analysis
- Governance and operating model**
 - Current state governance and operating model for ESG reporting evaluation including responsibilities, timelines, and governance frameworks
 - Recommendations and leading practices for future state
- Data transformation**
 - Current state data management
 - Future state data collection, transformation and management recommendation and enhancements
 - Automation evaluation for optimized reporting
- Process and controls design and implementation**
 - Design and recommend process and controls improvements to optimize reporting and improve reliance on reported data
 - Third-party assurance (limited or reasonable) assessment
- Go-forward strategy and roadmap**
 - Develop informed and strategic roadmap including data, process, people and technology to achieve reporting and operational priorities

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