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EFRAG Sustainability Reporting Board Consultation Survey 1

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EFRAG Sustainability Reporting Board Consultation Survey 1A - 1C, 2

Consultation survey structure

1. Overall European Sustainability Reporting Standards (ESRS) Exposure Drafts' relevance (Survey 1)

- 1A. Architecture
- 1B. Implementation of Corporate Sustainability Reporting Directive (CSRD) principles
- 1C. Exposure Drafts' content

2. European Sustainability Reporting Standards (ESRS) implementation prioritisation / phasing-in (Survey 1)

3. Adequacy of Disclosure Requirements (Survey 2)

- 3A. Cross cutting standards
- 3B Environmental standards
- 3C Social standards
- 3D Governance standards

Respondent Profile

1. Personal details

* Organisation name

50 character(s) maximum

Finance Denmark

* First name

50 character(s) maximum

Martin

* Surname

50 character(s) maximum

Thygesen

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50 character(s) maximum

mat@fida.dk

* Country of origin

50 character(s) maximum

Denmark

*** 2. Type of respondent**

- ◯ Academic / research institution
- ◯ Audit firm, assurance provider and/or accounting firm
- ◉ Business association
- ◯ Consumer organization
- ◯ ESG reporting initiative
- ◯ EU Citizen
- ◯ Financial institution (Bank)
- ◯ Financial institution (Other financial Market Participant, including pension funds and other asset managers)
- ◯ Financial institution (Insurance)
- ◯ National Standard Setter
- ◯ Non-governmental organisation
- ◯ Non-financial corporation with securities listed on EU regulated markets
- ◯ Non-financial corporation with securities listed outside EU regulated markets
- ◯ Public authority/regulator/supervisor
- ◯ Rating agency and analysts
- ◯ Trade unions or other workers representatives
- ◯ Unlisted non-financial corporations
- ◯ Other

*** 3. Size**

- ◯ Micro (1 to 9 employees)
- ◯ Small (10 to 49 employees)
- ◉ Medium (50 to 249 employees)
- ◯ Large (250 or more employees)
- ◯ Not relevant

* **4. User/Preparer perspective**

- User
- Preparer
- Both (selected)
- Neither

* **5. Subject to CSRD**

Separate non-financial corps subject to CSRD from those not subject to CSRD?

- Yes (selected)
- No

EFRAG Sustainability Reporting Board Consultation Survey 1A - 1C, 2

1A. Overall ESRS Exposure Drafts' relevance – Architecture

Cross-cutting and topical standards

To facilitate a coherent coverage of the CSRD topics and reporting areas (as per Article 19a paragraph 2 and Article 19b paragraph 2 – see Appendix II) the Exposure Drafts ("EDs") submitted for public consultation are based upon two categories of standards:

• **Cross-cutting ESRS** which:

1. Establish the general principles to be followed when preparing sustainability reporting in line with the CSRD provisions
2. Mandate Disclosure Requirements ("DRs") aimed at providing an understanding of (a) strategy and business model, (b) governance and organisation, and (c) materiality assessment, covering all topics.

• **Topical ESRS** which, from a sector-agnostic perspective:

1. Provide topic-specific application guidance in relation to the cross-cutting DRs on strategy and business model, governance, materiality assessment
2. Mandate DRs about the undertaking's implementation of its sustainability-related objectives (i.e. on its policies, targets, actions and action plans, and allocation of resources)
3. Mandate performance measurement metrics.

A full list of standards and whether they are cross-cutting standards or topical standards can be found in Appendix I.

Q1: in your opinion, to what extent do the structure and articulation of cross-cutting and topical standards adequately support the coverage of CSRD topics and reporting areas?

- Not at all

- To a limited extent with strong reservations
- (selected) To a large extent with some reservations
- Fully
- No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We fully support the regulations put in place in order to secure to the transition to a more sustainable economy and to tackle climate change. We strongly support the objective of transforming Europe into the first climate-neutral continent in the world by 2050 and we are ready to contribute. We also acknowledge that the standards lay out disclosure requirements which will enable financial market participants to fulfil their reporting requirements in SFDR. This is essential.

We believe, however, that adjustments should be made to the draft ESRS. It is in our view imperative that the standards are adapted to avoid ending up in a "compliance exercise".

First of all, the sheer volume of the disclosure requirements and the complexity of the proposed standards create a significant challenge for preparers and users. Further, while certainly a great number of the diclosure requirements entail KPI's which rest on fairly well
proven methods of measurement (eg. in ESRS E1, ESRS S1 and others), there are also many requirements which entail KPI's and/or information where the methodology to measure and report is much less proven and mature. This is the case in eg. ESRS E2 and ESRS E4 among others. In some instances the disclosure requirements are formulated in quite vague terms, leaving a risk that reportings will be all over the place and make it virtually impossible to compare. We therefore see a genuine risk that in some areas the standards will lead to useless - or even detrimental - information overload.

In addition a significant issue for banks and other financial institutions is how to apply the concept of value chain and boundaries in the draft standards. Down stream value chain of banks will be very extensive with thousands of customers in all industries and millions of affected stakeholders. To ensure meaningful disclosures from the financial sector the value chain concept for banks and other financial institutions must therefore be clarified and above all limited and it should be made clearer which ESRSs/disclosure requirements apply only for own activities and which apply for undertakings in the value chain. Please also refer to our answers to Q18-Q21 regarding the too broad definition of impact materiality/double materiality and stakeholders and our concerns expressed in Q16 regarding verifiability of data from undertakings you do not have a contracutal relationship with and/or undertakings not in scope of CSRD.

For these reasons we see a risk that the standards will fail to achieve their main purpose, which is to make it easier for investors, lenders and other users to be able to access relevant and reliable sustainability disclosures from the companies. Overall, we call for shortened and more focused standards and see a need for prioritization/phasing-in.

As regards the structure we notice EFRAG has envisioned a structure and articulation of cross-cutting and topical standards which support the coverage of CSRD topics and reporting areas. There are, however, concerns that the draft standards may be too extensive, complex and lack prioritisation.

More precisely, the topic of corporate due diligence is scattered amongst multiple standards, i.e., ESRS 2, G1 and G2. Although the ESRS 2 intends to target the governance of sustainability, while G1 and G2 aim at governance more broadly. In practice there will likely be an overlap between reporting under the three standards. In addition, there is an overlap between the disclosure requirements under G1 and requirements stemming from the existing Accounting Directive . For those entities reporting under the latter, it should be possible to reference the corporate governance statement as to avoid the duplication of disclosure requirements.

In general, we encourage EFRAG to provide templates, examples and more guidance to ensure consistency in the undertakings' reportings.

Finally, we refer to our answer to Q29 regarding the need for a proper time lag for the financial sector which depend on data from the non-financial undertakings, our call in Q39 for a phased approach prioritizing the financial sectors' information needs due to SFDR, CRR, EBA pillar 3 etc. and comments to Q41-44 regarding relocation of requirements from the sector agnostic part to the sector specific parts.

Please also see the attached cover letter from the Danish National EFRAG Funding Mechanism in which we participate.

Alignment and interoperability with international standards and frameworks

- Article 19b paragraph 3a of the CSRD requires that “When adopting delegated acts pursuant to paragraph 1, the Commission shall take account of the work of global standard-setting initiatives for sustainability reporting, and existing standards and frameworks for natural capital accounting, responsible business conduct, corporate social responsibility, and sustainable development.”
- ESRS EDs were drafted accordingly, with the objective of fostering as much alignment as possible considering the constraints imposed by other provisions included in articles 19a and 19b as per the CSRD proposal. Details of these provisions and how they are covered by the ESRS EDs can be found in Appendix I.
- The structure and organisation of the reporting areas was one aspect of alignment to which particular attention was paid. Thus, the two categories of standards are organised to cover the reporting areas in relation to governance, strategy, assessment/management of impacts, risks and opportunities, and targets/metrics (as considered by the Task Force on Climate-Related Financial Disclosures - TCFD and source of inspiration for the IFRS Sustainability standards). A detailed mapping of the ESRS EDs disclosure requirements with TCFD recommendations and with IFRS Sustainability Exposure Drafts can be found in Appendices 5 and 6.

Q2: in your opinion, to what extent is the TCFD framework of reporting areas (governance, strategy, risk management and metrics/targets) compatible with the structure of the ESRS?

- ( ) Not at all
- ( ) To a limited extent with strong reservations
- (x) To a large extent with some reservations
- ( ) Fully
- ( ) No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We appreciate the compatibility of the structure of the ESRS with the TCFD although we also have some reservations since the TCFD framework is principle-based, whereas the ESRS's are more rule-based.

We would also see benefit in adopting a similar approach of alignment between the biodiversity standard and the upcoming final TNFD.

Q3: in your opinion, to what extent does the approach taken to structure the reporting areas promote interoperability between the ESRS and the IFRS Sustainability Exposure Drafts?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

The ESRS exposure drafts reflect EU ambition exceeding the ISSB exposure drafts in terms of scope and detail. In terms of facilitating interoperability on issues covered in both drafts differences emerge e.g. on definition of materiality (double - vs. financial materiality) and users vs. stakeholders.

In addition the IFRS Sustainability ED's are principle-based, while the ESRS's are rule-based. In the ESRS, everything included in the cross-cutting and topical standards is considered material depending on the rebuttable presumption, whereas the ISSB definition of materiality focuses on what is considered material and specifically relevant for a particular entity and the users of the reporting. Under the approach proposed under the ESRS, there is a risk that efforts will be unduly directed towards providing evidence of what is not deemed to be material for the entity.

For both users and preparers alignment between ESRS and ISSB is crucial due to both subsidiaries in third countries as well as international alignment for investing and competitive purposes. In that perspective, it is crucial to establish a framework on EU alignment and convergence. As the ISSB is developing work, one can only assess the EFRAG-ISSB work in parallel if a clear EU framework is provided on how alignment and convergence is envisaged.

We appreciate that EFRAG provided an IFRS Sustainability Standards and ESRS reconciliation table (Appendix V of the Cover Note) to facilitate the comparison of both initiatives. Nevertheless, the reconciliation seems to be not sufficient to determine alignment between the standards. To facilitate alignment, it is important that EFRAG provides a clear mapping identifying which of the draft ESRS cover which of the draft ISSB standards and which, if any, ISSB standards are not covered by the draft ESRS. Any ISSB requirement not covered by the ESRS and any extension going beyond the global baseline (e.g., for SFDR or to cover the double materiality perspective) should be easily identifiable.

In general, we call for close cooperation between ISSB and EFRAG and alignment of the standards to the greatest extend possible to avoid unnecessary burdens for issuers and preparers operating globally.

Consideration given to EU policies and legislation

Article 19b paragraph 3 of the CSRD also requires that "When adopting delegated acts pursuant to paragraph 1, the Commission shall take account of:

1. the information that financial market participants need to comply with their disclosure obligations laid down in Regulation (EU) 2019/2088 and the delegated acts adopted pursuant to that Regulation - **Sustainable Finance Disclosure Requirements**;
2. the criteria set out in the delegated acts adopted pursuant to Regulation (EU) 2020/852 - **Taxonomy Regulation**;
3. the disclosure requirements applicable to benchmarks administrators in the benchmark statement and in the benchmark methodology and the minimum standards for the construction of EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks in accordance with Commission Delegated Regulations (EU) 2020/1816*8, (EU) 2020/1817 and (EU) 2020/1818 - **Benchmark Regulation**;
4. the disclosures specified in the implementing acts adopted pursuant to Article 434a of Regulation (EU) No 575/2013; **Prudential requirements for Credit Institutions and Investment Firms**;
5. Commission Recommendation 2013/179/EU; **European Commission recommendation on the life cycle environmental performance of products and services**;
6. Directive 2003/87/EC of the European Parliament and of the Council; **GHG allowance Directive**;
7. Regulation (EC) No 1221/2009 of the European Parliament and of the Council; **EMAS regulation**.

Q4: in your opinion, have these European legislation and initiatives been considered properly?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ◉ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> We recognise that EFRAG has taken existing sustainability requirements into account when drafting the standards, and welcome that they have all been integrated into the draft standards. We regret, however, that they are disseminated throughout the standards which increases complexity for users and preparers alike.
>
> Further, new requirements for SIFI's are not fully considered, eg. EBA's pillar 3 (Q5), and some disclosure requirements go beyond other legal frameworks and CSRD-requirements.

Q5: are there any other European policies and legislation you would suggest should be considered more fully?

First and foremost, there seem to be inconsistencies from the perspective of financial institutions and the data required for the implementation of EBA's Pillar 3. While the CSRD requirements cover the information needed by financial institutions from their clients to report under the EBA's Pillar 3, according to the latter banks will also have to provide data regarding entities not required to report under the CSRD (notably non-listed SMEs). From this perspective it will be crucial to have a voluntary standard for SMEs (in addition to the simplified reporting standard for listed SMEs) as to allow banks to interact with smaller clients under a feasible and practical format which will lead to a standardized approach across the industry (fundamental for the comparability of data).

Moreover, there does not appear to be a link with the Accounting Directive, which would be particularly relevant in light of the link to the management report (covered by the Accounting Directive, which provides the financial materiality concept). It should be made clear that listed companies do not need to double report the issues already disclosed under the Accounting Directive but can use cross-referencing instead.

The ESRS should also consider and leave flexibility to integrate upcoming EU legislation introducing new sustainability reporting requirements (including the upcoming directive on corporate sustainability due diligence). This should also be the case when existing legislation is amended, such as the PAI indicators under SFDR. Cross-referencing similar to the cross-referencing to the Taxonomy Regulation could be considered. With regards to due diligence requirements, these will have to reflect the future Corporate Sustainability Due Diligence Directive.

Coverage of sustainability topics

Article 19b paragraph 2 of the CSRD proposal defines the sustainability subject matters (referred to as sustainability topics or subtopics in the ESRS) that the sustainability reporting standards shall address when defining the sustainability information required by article 19a paragraphs 1 and 2 of the CSRD.
The ESRS architecture was designed to cover all the detailed subject matters listed in article 19b paragraph 2 for environment-, social- and governance-related matters and to ensure that sustainability information is reported in a carefully articulated manner.
In terms of timing of adoption of European sustainability reporting standards, article 19b paragraph 1 of the CSRD requires the Commission to adopt:

- a first set of sustainability standards covering the information required by article 19a and at least specifying information needed by financial market participants subject to the SFDR reporting obligations
- a second set of standards covering information that is specific to the sector in which undertakings operate.

Also, article 19c of the CSRD proposal on sustainability reporting standards for SMEs requires the Commission to adopt SME-proportionate standards in a second set.
As a consequence, as per article 19b paragraph 1, are only included in this first set of ESRS Exposure Drafts:

1. the two cross-cutting standards on General principles (ESRS 1) and on General, strategy, governance and materiality assessment (ESRS 2);
2. the eleven topical (sector-agnostic) standards covering environment- (ESRS E1 to E5), social- (ESRS S1 to S4) and governance-related (ESRS G1 and G2) sustainability topics.

A detailed list of ESRS EDs can be found in Appendix I. And the detailed provisions of the CSRD and how they are covered by the ESRS EDs can be found in Appendix II.

Q6: in your opinion, to what extent does the proposed coverage of set 1 adequately address CSRD sustainability topics?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ◉ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have.

> First, we would like to stress the importance that the scope of the reporting requirements remains defined only by the CSRD level 1 text. We believe that eg. in relation to opportunities arising in connection with sustainability matters the standards extend the scope reporting beyond the CSRD text. A thorough assessment needs to be made to ensure that such extensions beyond the CSRD are removed from the standards.
>
> Regarding the proposed coverage of the first set, it seems to cover adequately sustainability topics currently under the CSRD.
>
> In addition, we support the EC proposal to have a simplified version of the standards for SMEs as part of the second set, and for this to apply to listed SMEs for mandatory reporting and for voluntary reporting from other SMEs.
>
> We would like to emphasize, however, that the standard definition of SME does not work for small financial undertakings, including small banks, because of large balance sheet total numbers due to their lending and deposit activities. We acknowledge the inclusion of the small and non-complex institution definition from CRR into CSRD but many smaller Danish banks will not fall into this category due to their large mortgage bonds portfolios (a consequence of the Danish mortgage system).
>
> We call on this basis for inclusion of additional proportionality measures into the standards to avoid overburdening smaller entities not fulfilling the SME/small and non-complex definition.

Q7: in your opinion, to what extent does the proposed coverage of set 1 (see Appendix I) adequately address SFDR reporting obligations?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ◉ To a large extent with some reservations
- ○ Fully
- ○ No opinion

If you think this coverage and its implementation could be improved in any way, please specify how and to what specific SFDR indicator your comment relates

We welcome that the draft standards cover the SFDR mandatory indicators (PAIs) to allow financial market participants to access the data they need for their regulatory reporting requirements. The 14 mandatory SFDR PAIs are obviously essential for financial market participants, and businesses should therefore report on these items under all circumstances - i.e. the rebuttable presumption should not apply for the mandatory PAIs.

In our view it's important to recognise that while for each investee company of an investment product immateriality may be a reason for not reporting on one or more of the 14 PAIs, but when added together across all investee companies in an investment product, the sum may and will in many cases be material. For this reason, too, financial market participants need information on all 14 PAIs.

The remaining 41 voluntary PAI's (where it's mandatory for financial market participants to report on at least two) are also important for financial market participants. Here, however, we believe a balance should be struck between financial participants' needs and the burden on preparers.

We regret that the PAI indicators are spread throughout the standards, as this increases complexity for users and preparers alike. Incorporation of an overall overview of the PAI-requirements in the standards would be helpful for both preparers and users.

Further, we regret that the draft does not include a disclosure requirement for "sustainable revenue" linked to the definition of "sustainable investment" as per the SFDR. Currently, the EU taxonomy is too narrow to serve as the sole definition of sustainable investment. Without this disclosure requirement, the financial industry will be left with the task to calculate which share of each company's turnover constitutes a sustainable investment.

Sustainability statements and the links with other parts of corporate reporting

For clarity and ease of use, standardised sustainability reporting shall be easily identifiable within the management report (MR). To that effect, ESRS 1 – General principles (paragraphs 145 to 152) prescribes how to organise the information required by ESRS. It offers three options (paragraphs 148 and 149) for undertakings to consider when preparing their sustainability reporting:

- a single separately identifiable section of the MR;
- four separately identifiable parts of the MR:

1. General information;
2. Environment;
3. Social;
4. Governance

- one separately identifiable part per ESRS in the MR.

The first option is the preferred option. When applying the other two options the entity shall report a location table to identify where disclosures are presented in the MR.
In order to foster linkage throughout the undertaking's corporate reporting, ESRS 1 also:

- prescribes that the undertaking adopts presentation practices that promote cohesiveness between its sustainability reporting and: (a) the information provided in the other parts of the management report,

(b) its financial statements (FS), and (c) other sustainability-related regulated information (paragraphs 131 to 134)

- promotes the incorporation of information by reference to other parts of the corporate reporting in order to avoid redundancy (paragraphs 135 and 136)
- organises connectivity with the financial statements by prescribing how to include monetary amounts or other quantitative data points directly presented in the financial statements (paragraphs 137 to 143).

Q8: Do you agree with the proposed three options?

- ○ Yes
- ◉ No
- ○ No opinion

Q9: would you recommend any other option(s)?

If so, please describe the proposed alternative option(s)

We believe the options are too restrictive and undermine Danish Reporting practices in terms of flexibility and catering for the users of the reporting. Even though we appreciate the flexibility incorporated under the three options, we would suggest the following, if possible under final CSRD:
1) Allow -– or even encourage – certain descriptions to be provided in one section across all areas – the cross-cutting, E, S and G areas – for the descriptive disclosures of a) strategy, b) value chain, c) policies and d) processes. We believe this would – for many companies – allow a better communication to users as well as this is better aligned with the requirement in the CSRD.
2) Allow for certain information to be included in a notes-section within the sustainability report (for instance tables with CO2-emissions etc). It would still be digital available due to XBRL-tagging.
3) Allow for more flexibility in terms of location of information in and referencing to other sections in the management report as much a possible within the CSRD. Since all data is individually marked under XBRL, the user wishing to read the sustainability reporting will be able to extract this using the XBRL-data
4) Allow for full or partial reporting on the website as this should also be considered to be part of the management report, if possible under final CSRD.

Q10: in your opinion, to what extent do you believe that connectivity between the sustainability reporting and other parts of the management report has been appropriately addressed?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We believe the lack of flexibility encourage separation of sustainability reporting and financial reporting and thus encourages separation of the information instead of connecting the information with the financial elements. The current framework will undermine current, Danish reporting practice and will be considered as a set-back from a readability perspective.

As mentioned above, connectivity could be further enhanced by allowing a full integration of disclosures required by the ED into the MR in combination with a location table.
Even if referencing is allowed, this will lead to fragmented information. Connectivity is not only a matter of how to solve the problem of redundant information in ESRS by allowing referencing, but as well a matter of what degree of connectivity there is content-wise between disclosures required by all ESRS standards vs. other disclosure requirements. For example, the assessments and judgements underlying future oriented information, description of principle risks or description of business models.

Given the revised CSRD, more emphasis needs to be given to flexibility within the sustainability reporting section to allow the reporting entities to structure their reporting most appropriately given their other reporting obligations. EFRAG could provide illustrative examples, but should not prescribe a format.

Q11: in your opinion, to what extent does the incorporation of information in the Sustainability section by reference to other parts of the management report support cohesiveness throughout corporate reporting?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ● To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We agree that information should not be duplicated, and thus it is important to allow incorporation by reference. It should be noted that the XBRL-tagging should allow users to identify sustainability data independently of where its disclosed in the report.
We therefore believe that only allowing incorporating through reference to other elements in the management report and thus not allowing referencing to (for instance) the financial statements is too restrictive.

Q12: in your opinion, to what extent do the requirements and provisions on how to include monetary amounts and other financial statement-related quantitative data into sustainability reporting support connectivity with the financial statements?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> The proposed requirements (paragraphs 137 to 143) are mostly inapplicable as financial information required in sustainability disclosures usually cover a broader temporal (prospective) and organizational (upstream and downstream value chain) scope than the financial statements. It is therefore not possible for companies to make precise reference for each single datapoint with consistent information in the financial statements.
> In addition, we believe the amount of additional information required to comply would go against CSRD characteristics of information quality i.e. paragraph 38 when information is “clear and concise”.

1B. Overall ESRS Exposure Drafts relevance – Implementation of CSRD principles

Characteristics of information quality

Article 19a paragraph 2 of the CSRD proposal states that “the sustainability reporting standards referred to in paragraph 1 shall require that the information to be reported is understandable, relevant, representative, verifiable, comparable, and is represented in a faithful manner.”
As a consequence, ESRS 1 - *General principles* defines how such qualities of information shall be met:

- Relevance is defined in paragraphs 26 to 28
- Faithful representation is defined in paragraphs 29 to 32
- Comparability is defined in paragraphs 33 and 34
- Verifiability is defined in paragraphs 35 to 37
- Understandability is defined in paragraphs 38 to 41

Q13: to what extent do you think that the principle of relevance of sustainability information is adequately defined and prescribed?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> The definition of relevance should, as we see it, mention the fact that some disclosure requirements are relevant, eg. due to the fact that they are listed as PAI's in the SFDR. Even if a preparer believes that certain information (eg. GHG scope 1 emission) is not relevant/is immaterial in the case of the individual undertaking the fact that financial market participants are required to disclose the information as part of their PAI's (eg. total GHG scope 1-emissions) makes the information material from the point of view of financial market participants. In our view this relevance/materiality aspect is not properly reflected in paragraphs 26-28.
>
> Guidance on the methodology for conducting an impact materiality analysis is needed as this is a new concept. In particular, the methodology which should be used to define the scale of positive or negative

impact should be clarified. There is, moreover, a lack of clarity concerning the scope of “actual or potential significant impacts by the undertaking on people or the environment”. Without a clear definition, the impact analysis will potentially be extremely broad - especially in the case of financial institutions, the actual or potential impact is considerably extensive when considering the entire value chain.

Finally, we call for a holistic and flexible materiality approach rather than a cheklist approach leading to overload of immaterial information. Please also see our comments to Q27 regarding the design of the materiality rebuttable presumption.

Q14: to what extent do you think that the principle of faithful representation of sustainability information is adequately defined and prescribed?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ◉ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We find benefit in the fact that the definitions provided by the EFRAG and the ISSB for “faithful representation” appear to be closely aligned, requiring that the information be i) complete, ii) neutral and iii) accurate. We would, however, like to highlight that total alignment between the definitions provided by the two bodies (both in terms of wording and meaning) is crucial as to avoid possible misinterpretations and to the end of fostering comparability.

Moreover, exercising prudence should not lead to asymmetry. Prudence in our view means not “overstating” but also not “understating” information. Furthermore, we would also suggest strengthening alignment with responsibility under OECD Guidelines.
Finally, it is worth noting that it will be difficult to provide “accurate” data in the first years of reporting and that it will be necessary to rely on proxies.

Q15: to what extent do you think that the principle of comparability of sustainability information is adequately defined and prescribed?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ◉ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

Sector specific guidance on how to carry out materiality assessment is needed to ensure comparability between undertakings in the same sectors. Further, we refer to the above mentioned regarding the mandatory PAIs that shall be disclosed under all circumstances.

Q16: to what extent do you think that the principle of verifiability of sustainability information is adequately defined and prescribed?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ● To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> The principle is adequately defined but it will be difficult to apply for many of the disclosure requirements, especially regarding less mature sustainabitlity matters (eg. ESRS E4 on biodiversisty and ecosystems) and information from undertakings in the value chain that you do not have a contractual realtionship with and/or undertakings not in scope of CSRD.

Q17: to what extent do you think that the principle of understandability of sustainability information is adequately defined and prescribed?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ● Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

Double materiality

Double materiality is a principle that is central to the CSRD proposal and is represented accordingly in the ESRS materiality assessment approach that sustains the definition of mandatory requirements by the cross-cutting and topical standards. This is also true of the materiality assessment any undertaking is expected to perform, per ESRS 2 – *General, strategy, governance and materiality assessment*, to identify its principal sustainability risks, impacts and opportunities. This in turn, defines what sustainability information must be reported by the undertaking.

Double materiality assessment supports the determination of whether information on a sustainability matter has to be included in the undertaking's sustainability report. ESRS 1 paragraph 46 states that "a sustainability matter meets the criteria of double materiality if it is material from an impact perspective or from a financial perspective or from both." Further indications as to how to implement double materiality is given by ESRS 2 Disclosure Requirement 2-IRO 1, paragraph 74b(iii) and AG 68.

While recognising that both perspectives are intertwined the Exposure Drafts contain provisions about how to implement the two perspectives in their own rights.

Q18: in your opinion, to what extent does the definition of double materiality (as per ESRS 1 paragraph 46) foster the identification of sustainability information that would meet the needs of all stakeholders?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We believe it should be made clearer who “affected stakeholder groups” may encompass, as it reflects back on the materiality definition. The link between “all affected stakeholders” in paragraph 45 and materiality is very broad. Thus, the definition of “affected stakeholders” (paragraph 44(a)) should be adapted and ringfenced to avoid
undue inclusion of stakeholders.

Further, we believe the definition of value chain is too large. Downstream value chains of the financial sector can be very extensive, and the quality of information available down stream will in many areas be quite challenging. In that perspective, specific guidance would be needed in order to clarify the extent of the downstream value chain for the financial sector to avoid excessive burdens and useless disclosures.

As the CSRD already raises the scope and extent of sustainability reporting for companies in the EU, the financial sector should as a general rule only report on own activities respecitively mainstream valuechain. Please see our answer to Q28 for further.

Whether to disclose about own activities only or the mainstream value chain should be specified under the specific disclosure requirement and allow for a time lag in reporting (e.g., 12 months) when the financial industry needs to collect the data from its clients for its own reporting.

Q19: to what extent do you think that the proposed implementation of double materiality (as per ESRS 2-IRO 1, paragraph 74b(iii) and AG 61) is practically feasible?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

In general, we have severe concerns about the practical applicability of the double materiality principle in the draft standards. It will hardly be feasible for banks to assess potential impacts on the environment and people in entire value chains due to its business relationships given the broad involvement of banks in the whole economy.

The definitions connected to double materiality and the methodology for conducting a double materiality analysis need to be clarified for sustainability reporting to be concise and efficient (e.g., the definition of potential impact and its scope – also see response to Q13). For example the due diligence process according to paragraphs 85 to 91 (ESRS1), may be impossible to implement in practice. Engaging with stakeholders that have no contractual relation with the entity in order to "take actions to address those adverse impact" [paragraph 86 (a)] would likely be unfeasible.

A definition of "boundaries and value chain" is needed. The financial industry will need a separate definition for boundaries and value chain. The definition of the "boundaries" and value chain" given in paragraph 63 to 70 is not clear to us especially for credit institutions and it risks being too broad given the inclusion of indirect business relationships on top of direct business relationships. In the case of credit institutions, material sustainability impacts, risks and opportunities are predominantly indirect in our mainstream value chain, at the level of the companies we are financing. However, the levels at which we are expected to identify and understand where the material impacts, risks and opportunities are located in our mainstream value chain are not clear in the transversal ESRS. It is unclear on which part of our clients' value chain we will be expected to perform our materiality assessment. This is also a topic which is currently being discussed at the political level on the future Directive on corporate sustainability due diligence (CSDDD).

The European Commission's proposal on the CSDDD considers the mainstream value chain for financial institutions should only "include the activities of the clients receiving such loan, credit, and other financial services". If we take a different approach, one similar to our obligation to publish our financed emissions scope 1, scope 2 and scope 3 GHG emissions, this would result in an obligation for us to identify material issues and publish related information on our clients' upstream and downstream value chain, meaning on our clients' providers and our clients' clients. This is not operationally realistic. It will first be challenging to access identity of all the main providers of all our clients and of all the clients of all our clients and if such is the case, it will result in a tremendous work to collect from all these entities the necessary relevant information for us to identify whether there is any material sustainability risks, impacts and opportunities. Facing this reality, we would recommend clarifying that the mainstream value chain of credit institutions includes corporate clients we have contractual relationship with and that the materiality assessment should be realized in the mainstream value chain only with regards to these clients' own operations. The clients' upstream and downstream value chain should be excluded.

Impact materiality

- A definition of impact materiality is given by ESRS 1 paragraph 49: "a sustainability matter is material from an impact perspective if the undertaking is connected to actual or potential significant impacts on people or the environment over the short, medium or long term. This includes impacts directly caused or contributed to by the undertaking and impacts which are otherwise directly linked to the undertaking's upstream and downstream value chain."
- A description of how to determine impact materiality and implement impact materiality assessment can be found in ESRS 1 *paragraph 51* and is complemented by ESRS 2 *Disclosure Requirement* 2-IRO 1, paragraph 74b(iii), AG 64 and AG 68.

Q20: in your opinion, to what extent is the definition of impact materiality (as per ESRS 1 paragraph 49) aligned with that of international standards?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully

- [ ] No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> Generally, international standards consider either financial materiality or impact materiality. The IFRS Sustainability Disclosure Standards Exposure Drafts and TCFD are standards which consider financial materiality only.

Q21: to what extent do your think that the determination and implementation of impact materiality (as proposed by ESRS 1 paragraph 51) is practically feasible?

- [ ] Not at all
- [x] To a limited extent with strong reservations
- [ ] To a large extent with some reservations
- [ ] Fully
- [ ] No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> In general, we agree to determine actual impacts by the severity of the impact and the significance of a potential negative impact by the severity and likelihood of the impact. However, we have strong reservations regarding the concept of an impact being "directly linked to" the undertaking's operations, products or services as described in ESRS 1 para. 50. This concept is not practically feasible for banks due to their broad involvement in the whole economy. Practically, every undertaking needs a bank account and/or some form of finance. It would not be justified and not be practically feasible to include all impacts created by any undertaking to a bank if its financing is not directly linked to the impact.
>
> Thus, clarification is needed with regard to the methodology to be used to conduct an impact materiality analysis in line with the ESRS (see also Q13). A clear line should also be drawn between negative impact and negative risk. Generally, a positive or negative impact leads to a positive or negative risk. These can be hard to separate, so further guidance would be appreciated.
>
> The scope of impact materiality extends throughout an entity's value chain, for banks this not only scopes in our direct clients, but also their supplier's suppliers. While this is a comprehensive model in theory, we strongly recommend that limits/a concept of proportionality will be introduced here as the further down the value chain one goes, the more difficult it is to obtain good quality and verifiable information as transparency decreases.

Financial materiality

- A definition of financial materiality is given by ESRS 1 paragraph 53: "a matter is material from a financial perspective if it triggers or may trigger significant financial effects on the undertaking, i.e., it generates risks or opportunities that influence or are likely to influence the future cash flows and therefore the enterprise value of the undertaking in the short, medium or long term, but it is not captured or not yet fully captured by financial reporting at the reporting date."

- A description of how to determine financial materiality and implement financial materiality assessment can be found in ESRS 1 paragraphs 54 to 56 and is complemented by ESRS 2 Disclosure Requirement 2-IRO 1, paragraph 74b(iii), AG 65 and AG 69.

Q22: in your opinion, to what extent is the definition of financial materiality (as per ESRS 1 paragraph 53) aligned with that of international standards?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

The ESRS defines materiality based on impact and financial materiality; while the CSRD (and NFRD) requires entities to report on matters that are necessary to understand “the development, performance and position”. The ESRS should make it clear what it takes to fulfill this and how it links to the determination of materiality to determine which information to include.
The IFRS Sustainability Disclosure Standards Exposure Drafts refer to financial materiality as “if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that the primary users of general-purpose financial reporting make on the basis of that reporting” and describe materiality as “an entity-specific aspect of relevance based on the nature or magnitude, or both, of the items to which the information relates, in the context of the entity’s general purpose financial reporting”.
The ESRS reference to assess the impact on a short, medium, long term is not very consistent with general financial materiality standards or the opportunities. This definition seems to be much more forward looking, while financial materiality is generally focused on current activity.
We consider that further alignment with the ISSB draft standard is possible and suggest that financial materiality is defined only in relation to creating/eroding enterprise value and not in relation to value creation generally and capitals. ISSB in its draft sustainability standards focus on enterprise value.
We also find it very important that the ESRSs clearly explains the difference between the materiality definition in the Accounting Directive (in which the CSRD is embedded) and the financial materiality concept used in the sustainability reporting standards as both preparers, assurance providers, users and regulators will otherwise not understand the difference in reporting of assets, positions and other financial terms within the sustainability reporting section.

Q23: to what extent do you think that the determination and implementation of financial materiality (as proposed by ESRS 1 paragraphs 54 to 56) is practically feasible?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

The concept is difficult apply in practice, especially around the definitions of enterprise value. Further, projections relating to future events are always of limited information value as they depend on assumptions.

Currently, a limited number of methodologies provide sufficient clarity on the evaluation of financial materiality when it comes to sustainability matters. It would be beneficial to have further guidance on which methodology could and should be used to this end and, more precisely, on how to integrate future cash flows and enterprise values to coming climate or human right related risks.

(Materiality) Rebuttable presumption

Central to the ESRS is the critical combination of two key elements:

- the mandatory nature of disclosure requirements prescribed by ESRS, and
- the pivotal importance of the assessment by the undertaking of its material impacts, risks and opportunities.

The combination of the two is designed to make sure that the entity will report on its material impacts, risks and opportunities, but on all of them.
The assessment of materiality applies not just to a given sustainability matter covered by a given ESRS (like ESRS E3 on biodiversity for example), but also to each one of the specific disclosure requirements included in that ESRS. However, this excludes the cross-cutting standards and related disclosure requirements, which are always material and must be reported in all cases.
When a sustainability matter is deemed material as a result of its materiality assessment, the undertaking must apply the requirements in ESRS related to these material matters (except for the few optional requirements identified as such in ESRS). Conversely, disclosure requirements in ESRS that relate to matters that are not material for the undertaking are not to be reported.
The (materiality) rebuttable presumption mechanism described in ESRS 1 paragraphs 57 to 62 aims at supporting the implementation and documentation of the materiality assessment of the undertaking at a granular level.
ESRS 1 paragraphs 58 to 62 describe how to implement the rebuttable presumption principles. In particular, “The undertaking shall therefore assess for each ESRS and, when relevant, for a group of disclosure requirements related to a specific aspect covered by an ESRS if the presumption is rebutted for:

1. all of the mandatory disclosures of an entire ESRS or
2. a group of DR related to a specific aspect covered by an ESRS,

Based on reasonable and supportable evidence, in which case it is deemed to be complied with through a statement that:

1. the ESRS or
2. the group of DR is “not material for the undertaking”.

Q24: to what extent do you think that the (materiality) rebuttable presumption and its proposed implementation will support relevant, accurate and efficient documentation of the results of the materiality assessment?

- [ ] Not at all
- [x] To a limited extent with strong reservations
- [ ] To a large extent with some reservations

- Fully
- No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

Although, we generally support the principle of rebuttable presumption, we see a need to limit the use of the principle when it comes to disclosure requirements directly stemming from other EU regulations of the financial sector.

There is for instance a strong interdependence between undertakings' reportings and the information financial market participants need to fulfil their information obligations under SFDR. There are 14 mandatory and some 40 voluntary PAI-indicators which financial market participants have to report on. These PAIs are all lined up with specific disclosure requirements in the CSRD standards. However, if investee companies are allowed not to report on the PAIs referring to the rebuttable presumption principle then financial market participants may be unable to report the actual value of the PAI or PAIs in question. The same problem applies to banks' reporting according to CRR and EBAs pillar 3 disclosure requirements.

Consequently, we believe that all companies should be required to report on the disclosure requirements directly stemming from other EU regulations of the financial sector.

As regards the current design of the rebuttable presumption we furthermore fear it may lead to a checklist exercise creating unnecessary burdens for preparers and information overload for users. In our opinion it must be sufficient to state that the requirement / ESRS has been assessed immaterial and therefore rebutted. The defense file behind this assessment is a matter for the undertaking's management and the auditors and not the users of the reporting.

Q25: what would you say are the advantages of the (materiality) rebuttable presumption and its proposed implementation?

Overall, we believe rebuttable presumption has merits in so far as it allows reporting undertakings to refrain from reporting on items where immateriality can be demonstrated. In this respect, the principle may clearly save time and resources and it can the reporting undertaking focus on the items of importance. Also, it can ensure that readers of the undertakings report aren't overloaded with information

Q26: what would you say are the disadvantages of the (materiality) rebuttable presumption and its proposed implementation?

In our view, there isn't any disadvantage to incorporation of a materiality rebuttable presumption per se. The disadvantages we see are linked to the current design and the interdependencies between CSRD-reporting and EU regulations of the financial sector, e.g. mandatory SFDR PAI-reporting as described in our comments to Q24

Q27: how would you suggest it can be improved?

For the rebuttable presumption itself, it would be helpful if additional guidance on reasonable and supportable evidence was given - for instance on thresholds, criteria, sector-levels etc. For the disadvantage described in the answer to Q26, we propose to reassess whether all ESRS EDs currently designed as sector-agnostic are truly applicable and relevant for all sectors and if not, to rededicate the ESRS concerned as sector-specific (cf. answer to Q25).

Furthermore, we believe it does not provide useful and relevant disclosures for the users when issuers according to ESRS 2 have to explain why a certain disclosure requirement or an ESRS has been rebutted. In our opinion it must be sufficient to state that the requirement / ESRS has been assessed immaterial and therefore rebutted. The defense file behind this assessment is a matter for the undertaking's management and the auditors and not the users of the reporting.

Reporting boundary and value chain

ESRS 1 paragraphs 63 to 65 define the reporting boundary of the undertaking and how and when it is expanded when relevant for the identification and assessment of principal impacts, risks and opportunities upstream and downstream its value chain – as the financial and/or impact materiality of a sustainability matter is not constrained to matters that are within the control of the undertaking.

Paragraphs 67 and 68 address the situation when collecting the information about the upstream and downstream value chain may be impracticable, i.e. the undertaking cannot collect the necessary information after making every reasonable effort, and allows approximation based on the use of all reasonable and supportable information, including peer group or sector data.

Due to the dynamics and causal connections between levels within the undertaking’s reporting boundary, material information is not constrained to one particular level. Paragraphs 72 to 77 prescribe how the undertaking shall consider the appropriate level of disaggregation of information to ensure it represents the undertaking’s principal impacts, risks and opportunities in a relevant and faithful manner.

Q28: in your opinion, to what extent would approximation of information on the value chain that cannot (practically) be collected contribute to the reporting of understandable, relevant, verifiable, comparable, and faithfully represented sustainability information?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

We welcome and support the introduction in paragraphs 67-68 of the “reasonable effort” concept acknowledging the situations of information collection impracticability and allowing reporting undertakings to approximate the missing information about its upstream and downstream value chain. However, we believe that the general expansion of the reporting boundary to include upstream and downstream value chains (paragraph 63) is too large, resulting in significant operational costs. This is especially the case for the financial sector where the downstream value chain is extensive and includes vast numbers of undertakings from all kinds of sectors. In such cases, even an approximation using all reasonable and supportable information would create significant operational costs without there being certainty that the information gain matches the costs.

As stated before, it is in practice impossible for an entity to collect information on its entire value chain as defined in the CSRD. As a result, the “reporting boundaries” defined by the EFRAG ED (paragraph 63) are too broad and include direct and indirect relationships in the upstream and downstream value chain (article 64). In the case of credit institutions, material sustainability impacts, risks and opportunities are predominantly indirect in our mainstream value chain, at the level of the companies we are financing. However, the levels at which we are expected to identify and understand where the material impacts, risks and opportunities are located in our mainstream value chain are not clear in the transversal ESRS. It is unclear on which part of our clients’ value chain we will be expected to perform our materiality assessment. This is also a topic which is currently being discussed at the political level on the future Directive on corporate sustainability due diligence (CSDDD). The European Commission’s proposal on the CSDDD considers the mainstream value chain for financial institutions should only “include the activities of the clients receiving such loan, credit, and other financial services”. If we take a different approach, one similar to our obligation to publish our financed emissions scope 1, scope 2 and scope 3 GHG emissions, this would result in an obligation for us to identify material issues and publish related information on our clients’ upstream and downstream value chain, meaning on our clients’ providers and our clients’ clients. This is not operationally realistic. It will first be challenging to access identity of all the main providers of all our clients and of all the clients of all our clients and if such is the case, it will result in a tremendous work to collect from all these entities the necessary relevant information for us to identify whether there is any material sustainability risks, impacts and opportunities. Facing this reality, we would recommend clarifying that the mainstream value chain of credit institutions includes corporate clients we have contractual relationship with and that the materiality assessment should be realized in the mainstream value chain only with regards to these clients’ own operations. The clients’ upstream and downstream value chain should be excluded.

Q29: what other alternative to approximation would you recommend in cases where collecting information is impracticable?

Too uncertain information will lead to lack of comparability and relevance of the disclosures and will not benefit preparers or users. There shall be no requirement to use or communicate externally information that the entity would not use for making decisions due to lack of quality. This exemption shall be clearly stated in the ESRS.

In general, we suggest to focus the requirement to report on the whole - upstream and downstream - value chain to requirements only where this is absolutely essential, eg. GHG emissions and other areas stemming directly to EU regulations of the financial sector. As regards the financial sector focus should only be on own activities respectively the mainstream value chain, depending on type of requirement, cf. our answer to Q28.

If information is needed but the collection is deemed impracticable, then undertakings should rely on estimates and approximation, where possible and data has sufficient quality, cf. above. However, guidance on estimation methods to use could be prescribed in the standard to promote comparability.

Finally, it is needed to introduce a time lag of at least 1 year for the disclosure requirements as regards the financial sector depending on data from the non-financial entities. Without inclusion of such a time lag the reporting from the financial sector will only be based on rough estimates and approximations.

Overall financial companies will not be able to follow the requirements formulated in the draft ESRS. Their reportings will be incomplete and not comparable. Please refer to our comments regarding a phased approach in Q56.

Q30: in your opinion, to what extent will the choice of disaggregation level by the undertaking as per ESRS 1 paragraphs 72 to 77 contribute to the reporting of understandable, relevant, verifiable, comparable and faithfully represented sustainability information?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

In general we support it is left as a decision for reporting entities to decide which level of granularity should be achieved. However, banks typically do not finance groups, rather specific entities, including subsidiaries and need sustainability data from these specific entities.

We acknowledge that it is included in CSRD that a parent undertaking should give additional qualitative information when a subsidiary has a risk profile etc. that differs from the group's risk profile. This is, however, not sufficient. Banks need quantitave data from the financed entities in order to fulfill their reporting obligations, eg. financed GHG emissions, Green Asset Ratio etc.

On this basis we suggest to specify which essential industry defining KPIs a parent undertaking must always disclose at entity level in the group reporting based on the EU regulations of the financial sector. Without such a standardised approach, the companies will face numerous inquries and requests for data at entity level from banks causing significant burdens for both the entities and the banks.

Time horizon

ESRS 1 paragraph 83 defines short-, medium- and long-term for reporting purposes, as

- One year for short term
- Two to five years for medium term
- More than five years for long-term.

Q31: do you think it is relevant to define short-, medium- and long-term horizon for sustainability reporting purposes?

- ● Yes
- ○ No
- ○ I do not know

Please explain why

Yes, it is relevant to define short-, medium- and long-term horizons for sustainability reporting purposes to allow for a differentiated reporting which gives stakeholders the opportunity to assess the undertaking accordingly.

Q32: if yes, do you agree with the proposed time horizons?

- ○ Yes
- ◉ No
- ○ I do not know

Please explain why

We need longer time horizons for the definitions due to the nature of the reporting topics. We suggest:
Short: 1-3 years
Medium: 4-9 years
Long term: 10+ years

Q33: if you disagree with the proposed time horizons, what other suggestion would you make? And why?

See above.

Disclosure principles for implementation of Policies, targets, action and action plans, and resources

In order to harmonise disclosures prescribed by topical standards, ESRS 1 provides disclosure principles (DP) to specify, from a generic perspective, the key aspects to disclose:

1. when the undertaking is required to describe policies, targets, actions and action plans, and resources in relation to sustainability matters and
2. when the undertaking decides to describe policies, targets, actions and action plans, and resources in relation to entity-specific sustainability matters.

DP 1-1 on policies adopted to manage material sustainability matters describes (paragraphs 96 to 98) the aspects that are to be reported for the relevant policies related to sustainability matters identified as material following the materiality assessment performed by the undertaking.
DP 1-2 on targets, progress and tracking effectiveness defines (paragraphs 99 to 102) how the undertaking is to report measurable outcome-oriented targets set to meet the objectives of policies, progress against these targets and if non-measurable outcome-oriented targets have been set, how effectiveness is monitored.
DP 1-3 on actions, action plans and resources in relation to policies and targets defines (paragraphs 103 to 106) the aspects that are to be reported by the undertaking relating to actions, action plans and resources in relation to policies and targets adopted to address material impacts, risks and opportunities.

Q34: in your opinion, to what extent will DP 1-1 contribute to the reporting of understandable, relevant, verifiable, comparable and faithfully represented information on sustainability related policies?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> While we concur with the requirement to disclose policies, targets, actions etc. we would like to point out that the requirements in DP1-1 to DP 1-3 seem to be very detailed and go beyond what is required by the CSRD text. These are basic principles and the reporting will multiply for each sustainability matter's policy, target and action plan. This applies, for example, to para 97 (e) og (f) regarding dialogue and involvement of stakeholders - even more relevant when taking the very broad definition of stakeholders into consideration.
>
> Further, the reporting obligations are more adequate in year one, but does not address the relevance of information in the following years. In our view focus in the following years needs to be on the relevant changes and with limited description of permanent policies. Reporting should focus on material changes and not full reporting every year.

Q35: in your opinion, to what extent will DP 1-2 contribute to the reporting of understandable, relevant, verifiable, comparable, and faithfully represented information on sustainability-related targets and their monitoring?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> We support disclosures on material targets but reporting on DP1-2 100 (f) for each target could be burdensome. Please also see our answer to Q34.

Q36: in your opinion, to what extent will DP 1-3 contribute to the reporting of understandable, relevant, verifiable, comparable, and faithfully represented information on sustainability-related action plans and allocated resources?

- ○ Not at all
- ● To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

> Please see our answer to Q34.

Bases for preparation

Chapter 4 of ESRS 1 provides for principles to be applied when preparing and presenting sustainability information covering general situations and specific circumstances. Aspects covered include:

- general presentation principles (paragraphs 108 and 109);
- presenting comparative information (paragraphs 110 and 111);
- estimating under conditions of uncertainty (paragraphs 112 and 113);
- updating disclosures about events after the end of the reporting period (paragraphs 114 to 116);
- changes in preparing or presenting sustainability information (paragraphs 117 and 118);
- reporting errors in prior periods (paragraphs 119 to 124);
- adverse impacts and financial risks (paragraphs 125 and 126);
- optional disclosures (paragraph 127);
- consolidated reporting and subsidiary exemption (paragraphs 128 and 129);
- stating relationship and compatibility with other sustainability reporting frameworks (paragraph 130).

Q37: is anything important missing in the aspects covered by the bases for preparation?

- (●) Yes
- ( ) No
- ( ) I do not know

If yes, please indicate which one(s).
Please share any comment you might have on the aspects already covered (make sure to indicate which one you are referring to)

Further clarity would be appreciated on:
•	What is meant by machine-readable format when it comes to reading sustainability information (e.g., a lot of sustainability information is of qualitative nature and could therefore be more difficult to tag)
•	what is meant by “a clear distinction between information resulting from the implementation and ESRS and other information in the management report“ (e.g., a lot of sustainability information is tightly linked to rest of the financial report)
•	what is meant by “the likelihood of the possible outcomes within that range including low-probability and high-impact outcomes” (e.g., what is required and how many uncertainties and estimates needs to be provided; this could be very broandbroad and possibly more misleading than useful)
•	some unclear wording, such as what is meant by “impracticable”, “practicable” and “appropriate manner” as these are subjective
•	paragraph 113: future events that have sustainability impacts is very broad. A definition of “full range of possible outcomes” is needed. In addition, it is unclear what the scope is. A list of possible outcomes for all future events that have sustainability impacts could be extremely extensive. Clearly defined methods for the analysis of future sustainability impacts and their probability would be beneficial. Without guidance, to comply with said paragraph many estimates with no underlying scientific methods would be needed
•	paragraph 115, which is difficult to apply in practice. It would be extremely difficult to include further sustainability data received after year end.
•	Requirements for restatement of any information provided in prior periods should be reconsidered and better guided.

1C. Overall ESRS Exposure Drafts relevance – Exposure Drafts content

For the purpose of the questions included in this section, respondents are encouraged to consider the following:

- when sharing comments on a given ESRS Exposure Draft, and as much as possible, reference to the specific paragraphs being commented on should be included in the written comments,
- in the questions asked, for each ESRS, about the alignment with international sustainability standards, these include but are not limited to the IFRS Sustainability Standards and the Global Reporting Initiative Standards. Other relevant international initiatives may be considered by the respondents. When commenting on this particular question, respondents are encouraged to specify which international standards are being referred to.

ESRS 1 – General Principles

This [draft] Standard prescribes the mandatory concepts and principles to apply for preparation of sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD) proposal.
It covers the applicable general principles:

1. when reporting under European Sustainability Reporting Standards;
2. on how to apply CSRD concepts;
3. when disclosing policies, targets, actions and action plans, and resources;
4. when preparing and presenting sustainability information;
5. on how sustainability reporting is linked to other parts of corporate reporting; and
6. specifying the structure of the sustainability statements building upon the disclosure requirements of all ESRS.

Most questions relevant for ESRS 1 are covered in the previous sections of the survey (section 1 Overall ESRS Exposure Drafts relevance – architecture and section 2 Overall ESRS Exposure Drafts relevance – implementation of CSRD principles).

Q38: in your opinion, to what extent can ESRS 1 – *General principles* foster alignment with international sustainability reporting standards (in particular IFRS Sustainability Reporting S1 Exposure draft)?

- ○ Not at all
- ◉ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ○ Fully
- ○ No opinion

Please explain your reservations or your suggestions for improvement or any other comment you might have

Alignment with ISSB is essential for both preparers and users. In our view, there are, however, substantial differences between IFRS S1 and the ESRS standards. First and foremost, the IFRS S1 focuses on risks and opportunities related to sustainability, ie. a strictly financial perspective where the defined user group is (mainly) investors and lenders, whereas the impact materiality/double materiality and broader stakeholder group is not considered. This is in sharp contrast to the ESRS standards. Further, the ESRS is far more prescriptive compared to IFRS S1. ESRSs use materiality to decide what not to disclose and IFRSs use materiality to decide what should be disclosed. A number of other differences could be mentioned, for instance the value chain concept under ISSB seems more limited, no prescribed time horizons under ISSB etc.

In view hereof, we do not see ESRS 1 per se fostering alignment with IFRS S1.

ESRS 2 – General, strategy, governance and materiality assessment

This [draft] standard sets out the disclosure requirements of the undertaking's sustainability report that are of a cross-cutting nature. Those disclosures can be grouped into those that are:

1. of a general nature;
2. on the strategy and business model of the undertaking;
3. on its governance in relation to sustainability; and
4. on its materiality assessment of sustainability impacts, risks and opportunities.

Q39: Please, rate to what extent do you think ESRS 2 – General, strategy, governance and materiality assessment

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	◉	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	◉	○	○
C. Fosters comparability across sectors	○	○	◉	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	◉	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	○	◉	○	○
F. Prescribes information that can be verified / assured	○	◉	○	○	○

G. Meets the other objectives of the CSRD in term of quality of information	○	○	◉	○	○
H. Reaches a reasonable cost / benefit balance	○	◉	○	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	◉	○	○
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	◉	○	○	○

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS 2 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

> To avoid excessive administrative burdens and to foster a general and uniform application of the disclosure requirements, we suggest adopting a phased approach and prioritization in the introduction of reporting requirements. This would allow to effectively test the possibility for the companies to comply with the standards and to align with other initiatives adopted by European regulators, international initiatives etc.
>
> Please also see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry defining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

ESRS E1 – Climate change

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of sustainability reporting to understand:

1. how the undertaking affects climate change, in terms of positive and negative material actual or potential adverse impact;
2. its past, current, and future mitigation efforts in line with the Paris Agreement (or an updated international agreement on climate change) and limiting global warming to 1.5°C;
3. the plans and capacity of the undertaking to adapt its business model(s) and operations in line with the transition to a sustainable economy and to contribute to limiting global warming to 1.5°C;
4. any other actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;
5. the nature, type and extent of the undertaking's material risks and opportunities related to the undertaking's impacts and dependencies on climate change, and how the undertaking manages them; and

6. the effects of risks and opportunities, related to the undertaking's impacts and dependencies on climate change, on the undertaking's development, performance and position over the short-, medium- and long- term and therefore on its ability to create enterprise value .

This [draft] standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify which information to disclose about climate change mitigation and climate change adaptation.
This [draft] standard covers Disclosure Requirements related to 'Climate change mitigation', 'Climate change adaptation' and 'Energy'.

Q40: Please, rate to what extent do you think ESRS E1 – Climate change

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	◉	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	○	◉	○
C. Fosters comparability across sectors	○	○	◉	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	◉	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	○	◉	○	○
F. Prescribes information that can be verified / assured	○	○	◉	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	○	○	◉	○
H. Reaches a reasonable cost / benefit balance	○	○	◉	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	◉	○	○
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	◉	○	○

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS E1 offers

For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

Please see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry definining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

Furthermore, we call for more guidance on how to perform the calculations eg. on DR E1-6 Energy intensity per net turnover not suitable for the financial sector and how to apply cross references to financial statements that do not apply double materiality, value chains etc.

ESRS E2 – Pollution

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. how the undertaking affects pollution of air (both indoor and outdoor), water (including groundwater) and soil, living organisms and food resources (referred to in this [draft] Standard as “pollution”), in terms of positive and negative material actual or potential adverse impacts;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;
3. the plans and capacity of the undertaking to adapt its strategy, business model(s) and operations in line with the transition to a sustainable economy concurring with the needs for prevention, control and elimination of pollution across air (both indoor and outdoor), water (including groundwater), soil, living organisms and food resources, thereby creating a toxic-free environment with zero pollution also in support of the EU Action Plan ‘Towards a Zero Pollution for Air, Water and Soil’;
4. the nature, type and extent of the undertaking’s material risks and opportunities related to the undertaking’s impacts and dependencies arising from pollution, as well as from the prevention, control, elimination or reduction of pollution (including from regulations) and how the undertaking manages them; and
5. the effects of risks and opportunities, related to the undertaking’s impacts and dependencies on pollution, on the undertaking’s development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value.

This standard derives from the (Draft) Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify the information that undertakings are to disclose about environmental factors, including information about ’pollution’.
This standard sets out Disclosure Requirements related to pollution of air (both indoor and outdoor), water (including groundwater), soil, substances of concerns, most harmful substances and enabling activities in support of prevention, control and elimination of pollution.

Q41: Please, rate to what extent do you think ESRS E2 - Pollution

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	●	○	○
B. Supports the production of relevant information about the sustainability matter covered	○	●	○	○	○
C. Fosters comparability across sectors	○	●	○	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	●	○	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	●	○	○	○
F. Prescribes information that can be verified / assured	○	●	○	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	●	○	○	○
H. Reaches a reasonable cost / benefit balance	○	●	○	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	●	○	○	○
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	○	○	●

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS E2 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

The standard includes requirements that are difficult to measure, not comparable across EU due to different definitions etc. and with limited maturity in terms of measurement.

Only requirements that directly stem from regulations of the financial sector, e.g. SFDR, should be prioritized and it should be considered whether the standard should be sector-specific rather than sector-agnostic. Thus, the general nature of the standard without regard to the relevant sector(s) to which it applies may result in skewed results that are difficult to compare and may prove to have limited value whilst the cost and effort expected may prove to be substantial.

Please see also see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry defining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

ESRS E3 – Water and marine resources

The objective of this [draft] standard is to specify disclosure requirements which will enable users of the sustainability reporting to understand:

1. how the undertaking affects water and marine resources, in terms of positive and negative material actual or potential adverse impacts;
2. any actions taken, and the result of such actions, to protect water and marine resources, also with reference to reduction of water withdrawals, water consumption, water use, water discharges in water bodies and in the oceans, habitat degradation and the intensity of pressure on marine resources;
3. to what extent the undertaking is contributing to the European Green Deal's ambitions for fresh air, clean water, a healthy soil and biodiversity as well as to ensuring the sustainability of the blue economy and fisheries sectors, to the EU water framework directive, to the EU marine strategy framework, to the EU maritime spatial planning directive, the SDGs 6 Clean water and sanitation and 14 Life below water, and respect of global environmental limits (e.g. the biosphere integrity, ocean acidification, freshwater use, and biogeochemical flows planetary boundaries) in line with the vision for 2050 of 'living well within the ecological limits of our planet' set out in in the 7th Environmental Action Programme, and in the proposal for a decision of the European Parliament and the Council on the 8th Environmental Action Programme;
4. the plans and capacity of the undertaking to adapt its business model and operations in line with the transition to a sustainable economy as well as with the preservation and restoration of water and marine resources globally;
5. the nature, type and extent of the undertaking's material risks and opportunities related to the undertaking's impacts and dependencies on water and marine resources, and how the undertaking manages them; and
6. the effects of risks and opportunities, related to the undertaking's impacts and dependencies on water and marine resources, on the undertaking's development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value.

This standard derives from the [Draft Corporate Sustainability Reporting Directive] stating that the sustainability reporting standards shall specify information to disclose about two sub-subtopics: 'water' and 'marine resources'.

Q42: Please, rate to what extent do you think ESRS E3 – Water and marine resources

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion

A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)			X		
B. Supports the production of relevant information about the sustainability matter covered			X		
C. Fosters comparability across sectors		X			
D. Covers information necessary for a faithful representation from an impact perspective			X		
E. Covers information necessary for a faithful representation from a financial perspective		X			
F. Prescribes information that can be verified / assured			X		
G. Meets the other objectives of the CSRD in term of quality of information			X		
H. Reaches a reasonable cost / benefit balance		X			
I. Is sufficiently consistent with relevant EU policies and other EU legislation					X
J. Is as aligned as possible to international sustainability standards given the CSRD requirements					X

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS E3 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

Only requirements that directly stem from regulations of the financial sector, e.g. SFDR, should be prioritized and it should be considered whether the standard should be sector-specific rather than sector-agnostic. Thus, the general nature of the standard without regard to the relevant sector(s) to which it applies may result in skewed results that are difficult to compare and may prove to have limited value whilst the cost and effort expected may prove to be substantial.

Please also see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry definining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

ESRS E4 – Biodiversity and ecosystems

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of sustainability reporting to understand:

1. how the undertaking affects biodiversity and ecosystems, in terms of positive and negative material actual or potential adverse impacts;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate, actual or potential adverse impacts and to protect and restore biodiversity and ecosystems;
3. to what extent the undertaking contributes to (i) the European Green Deal's ambitions for protecting the biodiversity and ecosystems, the EU Biodiversity Strategy for 2030, the SDGs 2 Zero Hunger, 6 Clean water and sanitation, 12 Responsible consumption, 14 Life below water and 15 Life on land, the Post-2020 Global Biodiversity Framework and (ii) the respect of global environmental limits (e.g. the biosphere integrity and land-system change planetary boundaries);
4. and the plans and capacity of the undertaking to adapt its business model and operations in line with the transition to a sustainable economy and with the preservation and restoration of biodiversity and ecosystems globally in general; and in particular in line with the objective of (i) ensuring that by 2050 all of the world's ecosystems and their services are restored to a good ecological condition, resilient, and adequately protected and (ii) contributing to achieving the objectives of the EU Biodiversity Strategy at latest by 2030;
5. the nature, type and extent of the undertaking's material risks and opportunities related to the undertaking's impacts and dependencies on biodiversity and ecosystems, and how the undertaking manages them;
6. the effects of risks and opportunities, related to the undertaking's impacts and dependencies on biodiversity and ecosystems, on the undertaking's development, performance and position over the short, medium and ling term and therefore on its ability to create enterprise value.

This standard derives from the [Draft Corporate Sustainability Reporting Directive] stating that the sustainability reporting standards shall specify information to disclose about 'biodiversity and ecosystems'. This standard sets out Disclosure Requirements related to the undertaking's relationship to terrestrial, freshwater and marine habitats, ecosystems and populations of related fauna and flora species, including diversity within species, between species and of ecosystems and their interrelation with many indigenous and local communities.

Q43: Please, rate to what extent do you think ESRS E4 – Biodiversity and ecosystems

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	●	○	○
B. Supports the production of relevant information about the sustainability matter covered	○	●	○	○	○

C. Fosters comparability across sectors	X				
D. Covers information necessary for a faithful representation from an impact perspective		X			
E. Covers information necessary for a faithful representation from a financial perspective	X				
F. Prescribes information that can be verified / assured	X				
G. Meets the other objectives of the CSRD in term of quality of information		X			
H. Reaches a reasonable cost / benefit balance	X				
I. Is sufficiently consistent with relevant EU policies and other EU legislation					X
J. Is as aligned as possible to international sustainability standards given the CSRD requirements					X

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS E4 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

Only requirements that directly stem from regulations of the financial sector, e.g. SFDR, should be prioritized and it should be considered whether the standard should be sector-specific rather than sector-agnostic. Thus, the general nature of the standard without regard to the relevant sector(s) to which it applies may result in skewed results that are difficult to compare and may prove to have limited value whilst the cost and effort expected may prove to be substantial.

In addition this is a very immature reporting area without meaningful measurement methods yet.

Specifically for part A:
- It is very extensive, and thereby increases the reporting burden significantly and may also blur which of the topics really are material to the company
- It is so detailed that meeting the requirements is challenging even to forerunner companies
For part C:
- It contains requirements that are not relevant for all sectors/companies
For part E and F
- They contain requirements that are not directly comparable (qualitative information or quantitative metrics without definition of accurate methodology)
For part B
- Biodiversity-friendly consumption and production metrics are now optional. However, these metrics are

important, because they are already well-established and quantitative (e.g., % of certified production and % of traceable raw materials)

Please also see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry defining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

ESRS E5 – Resource use and circular economy

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. the impact of the undertaking on resource use considering the depletion of non-renewable resources and the regeneration of renewable resources and its past, current and future measures to decouple its growth from extraction of natural resources;
2. the nature, type and extent of risks and opportunities arising from the resource use and the transition to a circular economy including potential negative externalities;
3. the effects of circular economy-related risks and opportunities on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value in;
4. the plans and capacity of the undertaking to adapt its business model and operations in line with circular economy principles including the elimination of waste, the circulation of products and materials at their highest value, and the nature's regeneration.

This [draft] standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify information to disclose about 'resource use and circular economy'.

Q44: Please, rate to what extent do you think ESRS E5 – Resource use and circular economy

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	●	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	●	○	○
C. Fosters comparability across sectors	○	●	○	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	●	○	○

E. Covers information necessary for a faithful representation from a financial perspective	○	◉	○	○	○
F. Prescribes information that can be verified / assured	○	◉	○	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	◉	○	○	○
H. Reaches a reasonable cost / benefit balance	○	◉	○	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	○	○	◉
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	○	○	◉

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS E5 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

Only requirements that directly stem from regulations of the financial sector, e.g. SFDR, should be prioritized and it should be considered whether the standard should be sector-specific rather than sector-agnostic. Thus, the general nature of the standard without regard to the relevant sector(s) to which it applies may result in skewed results that are difficult to compare and may prove to have limited value whilst the cost and effort expected may prove to be substantial.

The information seems relevant for comparison only within sectors that market physical resources and less relevant for sectors in the professionel services sector or financial sector (own activities).

Please also see our comments above regarding the materiality rebutable presumption and mandatory disclosure requirements for the financial sector (Q24), the financial sector's need for key industry definining data from subsidiaries (Q30) and need for clarifications and limits regarding the value chain concept for the financial sector (Q1).

ESRS S1 – Own workforce

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. how they affect the undertaking affects own workforce, in terms of positive and negative material impacts;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;

3. the nature, type and extent of the undertaking’s material risks and opportunities related to its impacts and dependencies on own workforce, and how the undertaking manages them and,
4. the effects of risks and opportunities, related to the undertaking’s impacts and dependencies on own workforce, on the undertaking’s development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value.

In order to meet the objective, this [draft] Standard also requires an explanation of the general approach the undertaking takes to identify and manage any material actual and potential impacts on its own workforce in relation to:

1. working conditions (impacts related to e.g. living wage, health and safety, social security, working hours, water and sanitation);
2. access to equal opportunities (impacts related to e.g. discrimination, including on the rights of workers with disabilities or on women workers, as well as impacts related to issues of equality in pay and work-life balance, precarious work);
3. other work-related rights, (impacts related to e.g. trade union rights, freedom of association and collective bargaining, child labour, forced labour, privacy, adequate housing).

This draft standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify the information that undertakings are to disclose regarding social factors.
This [draft] Standard covers an undertaking’s “own workforce”, which is understood to include both workers who are in an employment relationship with the undertaking (“employees”) and non-employee workers who are either individuals with contracts with the undertaking to supply labour (‘self-employed workers’) or workers provided by undertakings primarily engaged in ‘employment activities’ (NACE Code N78). This [draft] Standard does not cover (i) workers in the upstream or downstream undertaking’s value chain for whom neither work nor workplace are controlled by the undertaking; or (ii) workers whose work and/or workplace is controlled by the undertaking but are neither employees, nor individual contractors (“self-employed workers”), nor workers provided by undertakings primarily ,engaged in “employment activities” (NACE Code N78); these categories of workers are covered in ESRS S2 Workers in the Value Chain.

Q45: Please, rate to what extent do you think ESRS S1 – *Own workforce*

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	●	○	○	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	●	○	○
C. Fosters comparability across sectors	○	○	○	●	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	●	○	○

E. Covers information necessary for a faithful representation from a financial perspective	○	○	◉	○	○
F. Prescribes information that can be verified / assured	○	○	◉	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	○	◉	○	○
H. Reaches a reasonable cost / benefit balance	○	◉	○	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	◉	○	○
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	◉	○	○

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS S1 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

ESRS S2 – Workers in the value chain

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. how the undertaking affects workers in its value chain through its own operations and its upstream and downstream value chain (including its products and services, its business relationships and its supply chain), in terms of material positive and negative actual or potential adverse impacts;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;
3. the nature, type and extent of the undertaking's material risks and opportunities related to its impacts and dependencies on workers in the value chain, and how the undertaking manages them; and
4. the effects of risks and opportunities, related to the undertaking's impacts and dependencies on workers in the value chain, on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value.

In order to meet the objective, the [draft] standard requires an explanation of the general approach the undertaking takes to identify and manage any material actual and potential impacts on value chain workers in relation to impacts on those workers':

1. working conditions (impacts related to e.g. living wage, health and safety, social security, working hours, water and sanitation);
2. access to equal opportunities (impacts related to e.g. discrimination, including on the rights of workers with disabilities or on women workers, as well as impacts related to issues of equality in pay and work-life balance, precarious work);
3. other work-related rights, (impacts related to e.g. trade union rights, freedom of association and collective bargaining, child labour, forced labour, privacy, adequate housing).

This draft standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify the information that undertakings are to disclose regarding social factors.
This [draft] standard covers all workers in the undertaking's upstream and downstream value chain who are or can be materially impacted. This also includes all non-employee workers whose work and/or workplace is controlled by the undertaking but are not included in the scope of "own workforce" ("own workforce" includes: employees, individual contractors, i.e., self-employed workers, and workers provided by third party undertakings primarily engaged in 'employment activities'). Own workforce is covered in ESRS S1 Own workforce.

Q46: Please, rate to what extent do you think ESRS S2 – Workers in the value chain

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	●	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	○	●	○
C. Fosters comparability across sectors	○	●	○	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	●	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	○	●	○	○
F. Prescribes information that can be verified / assured	○	●	○	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	○	●	○	○

H. Reaches a reasonable cost / benefit balance	○	○	●	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	○	○	●
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	○	○	●

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS S2 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

A remaining concern is obtaining realiable and verifiable information underpinning the disclosures. The ability to verify the correctness of the information in the value chain is often limited. Typically, the companies that are the employer of these workers have no interest in transparency of inappropriate working conditions.

It seems important that the standard focuses on publication of policies and procedures and above all acknowledges that information about workers in the value chain may come to light that was not known by the reporting company at the time of disclosure.

Please also see our comments regarding the need for clarifications and limits to the value chain concept for the financial sector (Q1).

ESRS S3 – Affected communities

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. how the undertaking affects its local communities through its own operations and its upstream and downstream value chain (including its products and services, its business relationships and its supply chain), in terms of material positive and negative actual or potential adverse impacts;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;
3. the nature, type and extent of the undertaking’s material risks and opportunities related to the undertaking’s impacts and dependencies on affected communities, and how the undertaking manages them; and
4. the effects of risks and opportunities, related to their impacts and dependencies on local communities, on the undertaking’s development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value.

In order to meet the objective, the [Draft] standard requires an explanation of the general approach the undertaking takes to identify and manage any material actual and potential impacts on affected communities in relation to:

1. impacts on communities’ economic, social and cultural rights (e.g. adequate housing, adequate food, water and sanitation, land-related and security-related impacts);
2. impacts on communities’ civil and political rights (e.g. freedom of expression, freedom of assembly, impacts on human rights defenders); and
3. impacts on particular rights of Indigenous communities (e.g. free, prior and informed consent, self-determination, cultural rights).

This draft standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify the information that undertakings are to disclose regarding social factors.

Q47: Please, rate to what extent do you think ESRS S3 – Affected communities

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	●	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	○	●	○
C. Fosters comparability across sectors	○	●	○	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	●	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	○	●	○	○
F. Prescribes information that can be verified / assured	○	●	○	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	○	●	○	○
H. Reaches a reasonable cost / benefit balance	○	○	●	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	○	○	●
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	○	○	●

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS S3 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

A remaining concern is obtaining realiable and verifiable information underpinning the disclosures. The ability to verify the correctness of the information in the value chain is often limited. Typically, the companies that cause such impact on local communities have no interest in transparency of these impacts.

It seems important that the standard focuses on publication of policies and procedures and above all acknowledges that information about impact on local communities may come to light that was not known by the reporting company at the time of disclosure.

Please also see our comments regarding the need for clarifications and limits to the value chain concept for the financial sector (Q1).

ESRS S4 – Consumers and end-users

The objective of this [draft] standard is to specify Disclosure Requirements which will enable users of the sustainability reporting to understand:

1. how the undertaking affects the consumers and end-users of its products and/or services (referred to in this [draft] Standard as “consumers and end-users”), in terms of material positive and negative actual or potential adverse impacts connected with the undertaking’s own operations and upstream and downstream value chain, including its business relationships and its supply chain;
2. any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts;
3. the nature, type and extent of the undertaking’s material risks and opportunities related to its impacts and dependencies on consumers and end-users, and how the undertaking manages them; and
4. the effects of risks and opportunities, related to their impacts and dependencies on consumers and end-users, on the undertaking’s development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value.

In order to meet the objective, the [draft] standard requires an explanation of the general approach the undertaking takes to identify and manage any material actual and potential impacts on the consumers and /or end-users related to their products and/or services in relation to:

1. information-related impacts for consumers/end-users, in particular privacy, freedom of expression and access to information; .
2. personal safety of consumers/end-users, in particular health & safety, security of a person and protection of children; and
3. social inclusion of consumers/end-users, in particular non-discrimination and access to products and services.

This draft standard derives from the [Draft] Corporate Sustainability Reporting Directive stating that the sustainability reporting standards shall specify the information that undertakings are to disclose regarding social factors.

Q48: Please, rate to what extent do you think ESRS S4 – Consumers and end-users

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)					X
B. Supports the production of relevant information about the sustainability matter covered					X
C. Fosters comparability across sectors					X
D. Covers information necessary for a faithful representation from an impact perspective					X
E. Covers information necessary for a faithful representation from a financial perspective					X
F. Prescribes information that can be verified / assured					X
G. Meets the other objectives of the CSRD in term of quality of information					X
H. Reaches a reasonable cost / benefit balance					X
I. Is sufficiently consistent with relevant EU policies and other EU legislation					X
J. Is as aligned as possible to international sustainability standards given the CSRD requirements					X

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS S4 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

This standard does not seem relevant for the financial sector. Please see our comments regarding the need for clarifications and limits to the value chain concept for the financial sector (Q1).

ESRS G1 – Governance, risk management and internal control

The objective of this [draft] standard is to specify disclosure requirements which will enable users of the undertaking’s sustainability report to understand the governance structure of the undertaking, and its internal control and risk management systems.
This [draft] standard derives from the [Draft Corporate Sustainability Reporting Directive] stating that the sustainability reporting standards shall specify information to disclose information about governance factors, including:

1. the role of the undertaking’s administrative, management and supervisory bodies, including with regard to sustainability matters, and their composition, as well as a description of the diversity policy applied and its implementation;
2. the undertaking’s internal control and risk management systems, including in relation to the undertaking’s reporting process.

Q49: Please, rate to what extent do you think ESRS G1 – Governance, risk management and internal control

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)			X		
B. Supports the production of relevant information about the sustainability matter covered			X		
C. Fosters comparability across sectors			X		
D. Covers information necessary for a faithful representation from an impact perspective			X		
E. Covers information necessary for a faithful representation from a financial perspective			X		
F. Prescribes information that can be verified / assured			X		
G. Meets the other objectives of the CSRD in term of quality of information			X		

H. Reaches a reasonable cost / benefit balance	○	●	○	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	●	○	○	○
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	●	○	○

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS G1 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

The standard is very general and seems to be aligned with current corporate governance disclosure best practices for listed entities. We question, however, the widening of scope to unlisted entities, how it links to sustainability objectives and/or fosters comparability and whether this ESRS in fact goes beyond the CSRD compromise reached at the trialogue end of June.

Further, we presume that the disclosure requirements only cover the undertakings' own activities and not the activities of undertakings in the value chain.

ESRS G2 – Business conduct

The objective of this [draft] standard is to specify disclosure requirements for the undertaking to provide information about its strategy and approach, processes and procedures as well as its performance in respect of business conduct.
This [draft] standard derives from the [Draft Corporate Sustainability Reporting Directive] stating that the sustainability reporting standards shall specify information to disclose about business ethics and corporate culture, including anti-corruption and anti-bribery.
In general, business conduct covers a wide range of behaviours that support transparent and sustainable business practices to the benefit of all stakeholders. This [draft] standard focusses on a limited number of practices as follows:

1. business conduct culture;
2. avoiding corruption, bribery and other behaviours that often have been criminalised as they benefit some in positions of power with a detrimental impact on society; and
3. transparency about anti-competitive behaviour and political engagement or lobbying.

This [draft] standard is addressing business conduct as a key element of the undertaking’s contribution to sustainable development. This [draft] standard requires the undertaking to report information about its overall policies and practices for business conduct, rather than information for specific material sustainability topics.

Q50: Please, rate to what extent do you think ESRS G2 – Business conduct

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion
A. Covers sustainability information required by articles 19a and 19b of the CSRD proposal (see Appendix II for CSRD detailed requirements)	○	○	○	●	○
B. Supports the production of relevant information about the sustainability matter covered	○	○	●	○	○
C. Fosters comparability across sectors	○	○	●	○	○
D. Covers information necessary for a faithful representation from an impact perspective	○	○	●	○	○
E. Covers information necessary for a faithful representation from a financial perspective	○	○	●	○	○
F. Prescribes information that can be verified / assured	○	○	●	○	○
G. Meets the other objectives of the CSRD in term of quality of information	○	○	●	○	○
H. Reaches a reasonable cost / benefit balance	○	○	●	○	○
I. Is sufficiently consistent with relevant EU policies and other EU legislation	○	○	○	○	●
J. Is as aligned as possible to international sustainability standards given the CSRD requirements	○	○	○	○	●

For part H, please explain why costs would be unreasonable and / or what particular benefit ESRS G2 offers
For part I, please specify what European law or initiative you think is insufficiently considered
For part J, please explain how you think further alignment could be reached

Please share any comments and suggestions for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment

We point out that some of the currently proposed disclosure requirements, especially those concerning current legal proceedings, can have unwarranted effect on the outcome of said legal proceedings. Regarding Disclosure Requirement G2-7 - Anti-competitive behavior events (paragraphs 40-42), we would recommend that the phrasing is clarified to make it clear that the disclosure requirement relates to material publicly announced investigations into or litigation concerning possible anti-competitive behavior by the reporting entity. The preparer should not, in our view, have to disclose all information on publicly announced investigations or litigations by organization or individual. Some investigations or litigations might be confidential and disclosing information on these items might result in a breach of contract and/or fiduciary duty.

2. ESRS implementation prioritisation / phasing-in

Application provisions

In order to facilitate the first-time application of set 1, ESRS 1 includes two provisions:

- Application Provision AP1 which exempts undertaking to reports comparatives for the first reporting period, and
- Application Provision AP2 which proposes transitional measures for entity-specific disclosures which consists in allowing the undertaking to continue to use, for 2 years, disclosures it has consistently used in the past, providing certain conditions are met, as described in paragraph 154.

Q51: to what extent do you support the implementation of Application Provision AP1?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ◉ Fully
- ○ No opinion

Q52: to what extent do you support the implementation of Application Provision AP2?

- ○ Not at all
- ○ To a limited extent with strong reservations
- ○ To a large extent with some reservations
- ◉ Fully
- ○ No opinion

Q53: what other application provision facilitating first-time application would you suggest being considered?

Financial institutions should start reporting with one-year time lag compared to other reporting entities.

Please explain why

Ensuring a one-year time lag between the reporting requirements for non-financial corporates and those for financial institutions is key, as financial institutions, including banks, depend on the data provided by their clients and need sufficient time to assess the data from their clients before submitting their own reports. Such one-year time lag should be considered regardless of the application date of the Directive.

A narrow focus on the climate standard and disclosures stemming from requirements to the financial sector in SFDR, CRR etc. for the first-time application would also ease the implementation and operationalization for entities.

ESRS implementation prioritisation / phasing-in options

Set 1 proposes a comprehensive set of standards aimed at achieving the objectives of the CSRD proposal, with the exception of the standards to be included in Set 2.

Acknowledging the fact that the proposed vision of a comprehensive sustainability reporting might be challenging to implement in year one for the new preparers and potentially to some of the large preparers as well, EFRAG will consider using some prioritisation / phasing-in levers to smoothen out the implementation of the first set of standards.

The following questions aim at informing EFRAG's and ultimately the European Commission's decision as to what disclosure requirements should be considered for phasing-in, based on implementation feasibility / challenges and potentially other criteria, and over what period of time their implementation should be phased-in.

Q54: for which one of the current ESRS disclosure requirements (see Appendix I) do you think implementation feasibility will prove challenging? and why?

All topic-specific ESRS are far reaching and require a significant quantity of data to be retrieved. This will be particularly challenging to implement and fulfil, especially taking the proposed value chain concept into consideration.

Given the critical importance of implementation prioritisation / phasing-in, please justify and illustrate your response

In this respect, we call for a clarification and limits of the value chain concept for banks with thousands of customers in all industries and millions of affected stakeholders. Without clear limits the reporting task for banks will be excessive and the disclosures useless.

Q55: over what period of time would you think the implementation of such "challenging" disclosure requirements should be phased-in? and why?

Given the critical importance of implementation prioritisation / phasing-in, please justify and illustrate your response

Q56: beyond feasibility of implementation, what other criteria for implementation prioritisation / phasing-in would recommend being considered? And why?

There is concern regarding the number of standards being developed simultaneously, and we strongly believe that a phased approach is needed for the development and implementation of the standards. The focus should first be on the most urgent issues - in our view ESRS E1 - Climate change and disclosures stemming from requirements to the financial sector in SFDR, CRR etc.

Such an approach could as a starting point reflect the ISSB standards, and therefore in a first phase cover general sustainability-related disclosure requirements and climate-related disclosure requirements. This prioritisation/phase-in for the development of the ESRS would foster increased alignment between the European and international standards during the initial phase, while allowing additional time to develop and apply the other standards.

Given the critical importance of implementation prioritisation / phasing-in, please justify and illustrate your response

Q57: please share any other comments you might have regarding ESRS implementation prioritisation / phasing-in

If you have other comments in the form of a document please upload it here

7a1fe115-01f7-472a-bfc3-01258c73c0f0/Joint_NFM_statement_on_ESRS_FINAL.pdf

Contact

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