

AMENDED ESRS EXPOSURE DRAFTS

Interim Update Public Consultation

14 October 2025



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DISCLAIMER

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of the EFRAG SRB. The paper does not represent the official views of EFRAG or any individual member of the EFRAG SRB or EFRAG SR TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in the EFRAG Update. EFRAG positions, as approved by the EFRAG SRB, are published as comment letters, discussion or position papers, or in any other form considered appropriate in the circumstances.

METHODOLOGICAL NOTE

Statistics refer to all respondents: The statistics in this document reflect all the respondents that submitted the survey and those that submitted a comment letter. In most cases, those that submitted a comment letter also submitted the survey online.

Statistics for all respondents and for preparers: When significant differences exist between answers from the 'All Stakeholders' and the answers from the 'Preparer Stakeholders', this indicates that there are opposing views: preparers from the one side, and other categories from the other.

Significant share of partial agreement/partial disagreement: For many questions this is a very significant share of the total. A detailed analysis of the comments is necessary to understand the motivation for this response. Messages of respondents in this category are in general the same as those of respondents that fully agree or fully disagree, but they classified themselves in partial agreement/disagreement. This can include respondents in agreement with the amendment, but willing to provide further suggestions for improvements. They also include respondents that could agree with the agreement, if their additional concerns were addressed. Opposing views among different stakeholder categories are often more visible by the analysis of these comments than by the simple statistics agree/disagree.

Messages refer to a sample: The sample includes European associations of the various stakeholder categories (preparers, users, financial institutions, trade unions, etc.), national standard setters that are represented in EFRAG membership, standard setting initiatives (CDP, GRI, TNFD, etc.), European supervisors, big audit firms, NGOs active at European level. Being a partial analysis, further messages could arise from the completion of the analysis until the end of October. The SRB will receive a presentation of the updates identified.



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OVERALL MESSAGES

OVERALL MESSAGES

- ✓ **General support for the Amendments being a step in the right direction:** respondents express appreciation for the work done and for the quality of EFRAG proposals in the short time available.
- ✓ **Aspects that have been appreciated across categories:** DMA simplification, revision of the architecture and streamlining, more focus on principles and less on granularity, enhanced language and understandability, flexibility in presentation of the requirements
- ✓ **Aspects that show mixed reactions among different stakeholder categories:** Reliefs, fair presentation, AFE, interoperability

National Standard Setters: *consensus on remaining areas for improvements, but tones are more negative in some countries than in others*

Moderate tones:

- the objective to make sustainability reporting manageable while still preserving its relevance has been met
- Further simplification could be proposed (including on datapoints reduction)
- EDs result in more concise and improved ESRS, but still fundamental concerns remain

Negative tones:

- expectation of simplification was greater
- simplifications do not go far enough, various requirements raise new questions due to new concepts and terms, and that some changes include or are perceived to include new requirements

OVERALL MESSAGES – OPINIONS ON THE LEVEL OF SIMPLIFICATION (1/2)

Preparers' view: *More simplification is needed*

- Overall relief provided remains largely insufficient for companies.
- Reduction in datapoints does not translate proportional reduction of effort; length of reports and volume could be reduced by 10/20%. Burdensome datapoints are still included.
- Datapoints: further cuts are needed in quantitative information (currently -35%), no new datapoints (nor move from may to shall), remove NMIG as it is a potential source of additional datapoints.
- Important concerns still remain to be addressed: gross versus net, fair presentation, effectiveness of the materiality filter (21 b), level of aggregation, AFE, clarity of the newly introduced concepts.
- **Banks have similar views** and they also comment on missing FI specificities (value chain, reference to supervisory frameworks, absolute targets).

Investors' view: *Preserve key disclosure and credibility*

- Essential to preserve the framework's key disclosures, credibility, and comparability.
- Further cuts would jeopardise the credibility of sustainable corporate reporting.
- Some of deleted datapoints essential for investors, these should be reinstated.
- Overly extensive reliefs for preparers could jeopardise the ESRS reliability.
- Qualitative AFE should absolutely remain mandatory.
- More interoperability with IFRS, SBTi, TNFD.
- Full alignment with SFDR.
- Concerns about systematic removal of detailed PAT as they weaken the forward-looking and strategic dimension which is essential for investors / align with international frameworks

OVERALL MESSAGES – OPINIONS ON THE LEVEL OF SIMPLIFICATION (2/2)

Other Users/Civil society/standard setting initiatives' view on the level of simplification achieved: *no further cuts*

- The EDs still maintain the core of the ESRS and keeping this core intact is key.
- Topical standards have been reduced to a minimum viable level at which further reductions would undermine their integrity and meaningfulness.
- The achievements regarding transparency – which can already be witnessed in the first corporate reports – should not be relinquished.
- ESRS are now more concise and less demanding than other international standards. Further reductions (while keeping the coverage of all ESG factors as required by the CSRD) would create serious quality gaps between the ESRS disclosures and those based on the standards.
- ESRS should retain a level of ambition that reflects leadership, experience and commitment of European companies.

Supervisors: *more balanced approach needed*

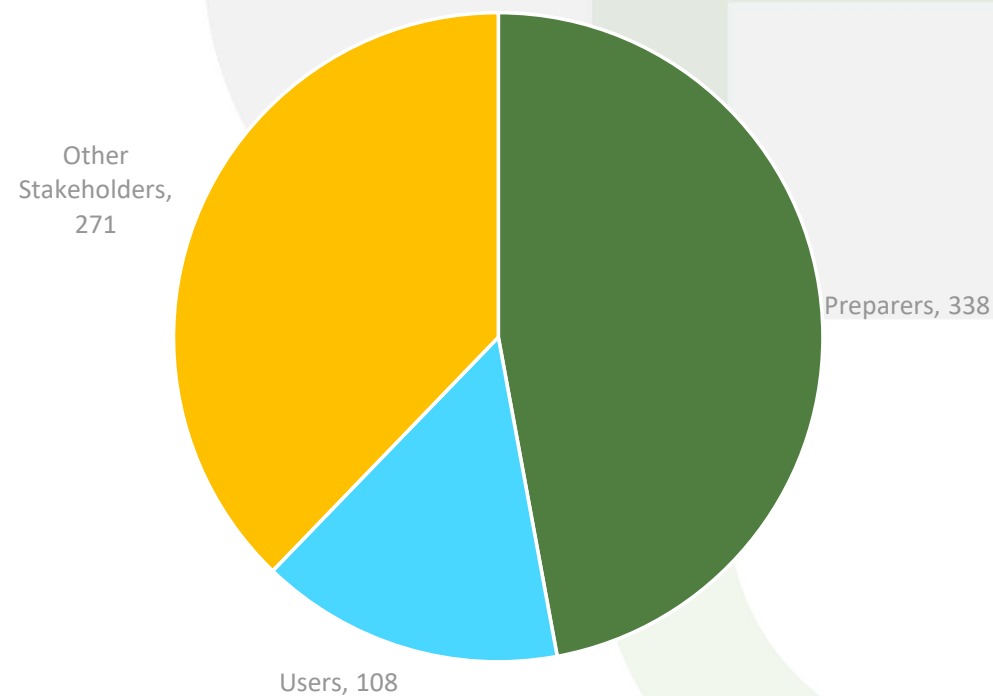
- Strike a fine balance between simplifying and maintaining the objectives.
- Maintain usefulness of disclosures needed by investors, financial institutions/policymakers.
- Amendments may have adverse effects on availability of data needed by insurers to assess risks and may create distorted incentives in the long term
- More balanced approach to reliefs, to avoid bad incentives (race to the bottom).
- Preserve quantitative info for AFE.
- Retain most data points under ESRS E1 and the most important data points under ESRS E4 (biodiversity and ecosystems).
- Complete clients' data sets are needed to banks to manage their risks and steer their strategy.
- Important to hold in public the technical discussions leading to the finalisation of the standards.

PUBLIC CONSULTATION SURVEY | OVERVIEW OF RESPONSES

OVERVIEW	
Respondents	717*
Questions answered	26,099
Comments received	21,603

*including comment letters

Respondents by Stakeholder Category

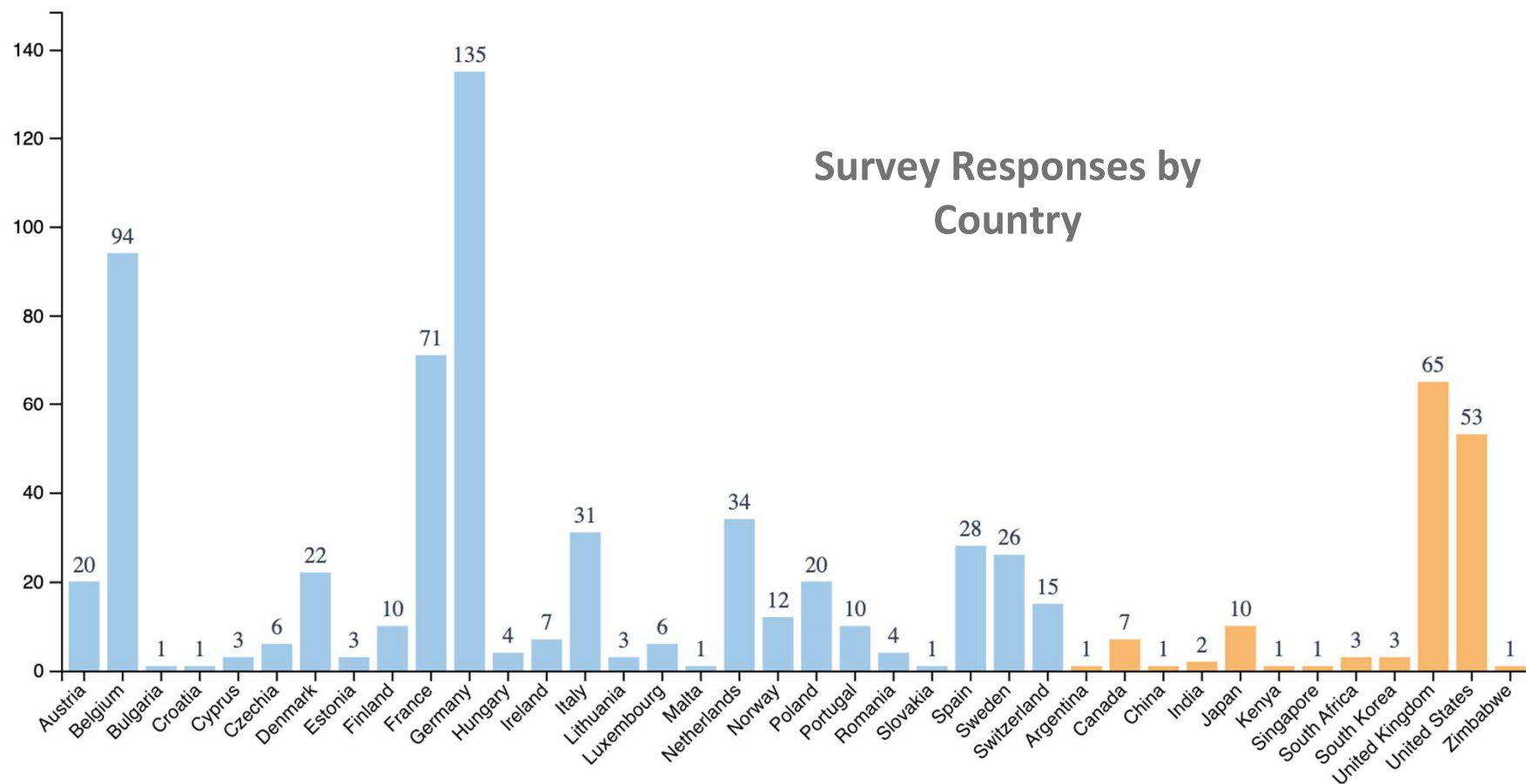


PUBLIC CONSULTATION SURVEY | RESPONSES BY STAKEHOLDER TYPE

Stakeholder Type	#
PREPARERS	
Preparer (non-financial preparing a sustainability report)	225
Business association (other than association of financial institution)	113
USERS	
National supervisory authority & regulator	13
User (analyst, data provider, rating agency, etc.)	22
User Association	4
FINANCIAL INSTITUTIONS	
Asset manager/Investor	19
Association of financial institutions	34
Bank	9
Insurance	7

Stakeholder Type	#
OTHER STAKEHOLDERS	
(National) standard setter	9
Academia	31
Auditor	31
Consultant (including software vendor)	62
European supervisory authority	5
NGO	74
Public authority	4
Standard setting initiative	10
Trade union	17
Other stakeholder	28

PUBLIC CONSULTATION SURVEY | RESPONSES BY COUNTRY



Countries in blue = EU, EEA, EFTA



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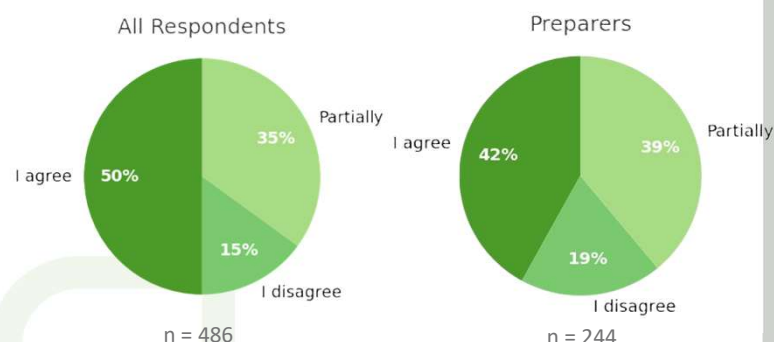
GENERAL AND CROSS CUTTING

ESRS 1 | QUESTION 25 – FAIR PRESENTATION

Question 25 : Emphasis on ESRS being a “fair presentation” reporting framework

Key Messages

- Fair presentation is a **foundational element of high-quality reporting**, It increases relevance and supports a proper functioning of the materiality filter.
- Fair presentation **avoids check-list mentality** and in this way reduces costs and efforts.
- ESRS is **already in substance a fair presentation system**.
- Clarification on **definition** and **guidance** are needed
- Necessity to introduce ‘**Transitional provisions**’.



Comments

Benefits

- Introducing FP clarifies the need for preparers to “**exercise judgement**” and ensures only material information is reported
- FP avoids **inconsistencies in interpretation** amongst stakeholders;
- FP promotes **interoperability** with the ISSB Standards.

Drawbacks

- FP presents risks associated with **increased responsibility** for companies’ **Board members** and for **auditors**;
- For auditor, FP may be compatible with reasonable assurance, but not with limited assurance;
- FP may **reduce comparability**;
- Uncertainty of the impact of the new reliefs on the FP concept incl. the relief ‘**undue cost and effort**’, which replace ‘reasonable effort’
- The concept is **not stated** in the **CSRD**
- Introducing new concepts** is not in line with the intention to **simplify** sustainability reporting.

Suggestions

- To **develop a clearer definition** of the concept for sustainability reporting purposes, based on existing concepts;
- To develop **practical guidance** for the concept;
- To explain the **consistency between 'fair presentation' in the IFRS Conceptual Framework** for Financial Reporting, 'fair presentation' in **IFRS S1**, and the concepts of 'true and fair view' and 'fair review' as defined in the Accounting Directive;
- To **clarify the hierarchy** between the **use of reliefs** and the **FP requirements**;
- To clarify that the identification of stakeholders is made from management’s point of view;
- To require **including** a statement in the **basis for preparation** that the sustainability statement is prepared on a fair presentation basis;
- To introduce **transitional provisions** regarding its implementation and establish a dedicated task force; and
- To **embed fair presentation in the CSRD** rather than the ESRS.
- To **clarify the interaction** between **fair presentation** and **materiality**.

Other Trends

- To define fair presentation for the entirety of topic covered in the sustainability statement, not for individual IROs; In part due to the fair presentation principle, moving datapoints from ‘shall’ to ‘non-mandatory guidance’ could imply the mandatory reporting on these items as well

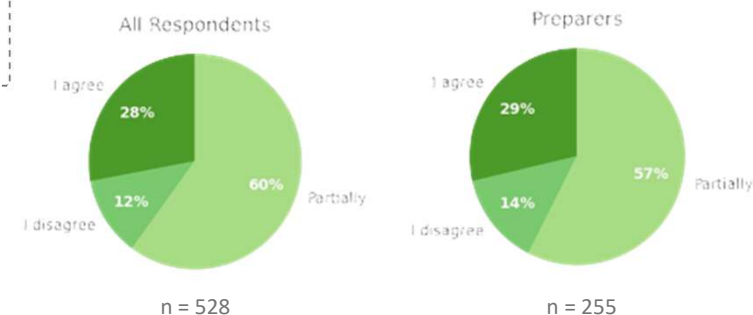
ESRS 1 | QUESTION 11 – DOUBLE MATERIALITY ASSESSMENT

Question 11: Clarifications and simplification of the Double Materiality Assessment (DMA) (ESRS 1 Chapter 3) and materiality of information as the basis for sustainability reporting.

Key Messages

Overall positive feedback on the DMA amendments, which contribute to simplification. Further clarity is needed, particularly on paragraph 21(b).

- Streamlined Appendix A is seen as positive.
- **Information materiality** filter is positive. Concern about lack of comparability of disclosures.
- **Positive feedback about IRO & topics** as well as **bottom-up & top-down** but: flexibility will lead to **less structure and less comparable reports**.



Comments	Suggestions
<ul style="list-style-type: none"> • No criteria for information materiality ‘necessary for users to understand’ (par 21(b)): leads to overly broad obligations and audit burden. • Materiality thresholds: allowing thresholds is positive, but inconsistent approaches across companies are likely. 	<ul style="list-style-type: none"> • On non-material topics it is requested a clear separation between material (required) and non-material information is essential. • On non-material topics (from an assurance perspective) more clarification is needed on what falls into scope of assurance or they should be placed in a special appendix not subject to assurance as non-material (and should not be subject to faithful representation requirements) • More clarification was requested about the consolidation of subtopics. (Appendix A) • Paragraph 21(b) was seen as potentially creating overly broad obligations and audit burdens. Divergent interpretations emerged—some expecting significant information to be removed, others fearing excessive inclusion—highlighting the need to redraft/clarify the paragraph. • Concerns were raised about excessive aggregation, which could obscure relevant local aspects and hinder interoperability. It was suggested to require disaggregation where IROs are strongly influenced by local context.

Other Trends

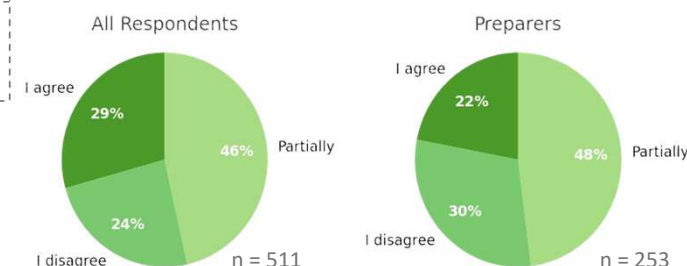
- The shift from “reassess DMA” to “update DMA” is appreciated. Need to clarify that DMA process does not need to be updated every year (without material changes).
- Paragraph 30’s broader definition of the value chain — “not limited to direct contractual relationships” — may be challenging for the financial sector due to the complexity and scale of the full value chain. Limiting it to direct relationships could improve analysis quality and data availability.

ESRS 1 | QUESTION 12 – NEW GUIDANCE IN ESRS 1 (GROSS V NET)

Question 12: New guidance in ESRS 1 on how to consider remediation, mitigation and prevention actions in assessing materiality of negative impacts

Key Messages

- EFRAG's efforts are acknowledged and the intention of providing guidance and clarifications on such a complex issue such as how to consider remediation, mitigation and prevention actions in the DMA is appreciated
- However, **majority of sample respondents expressed partial or full disagreement with the new text**, articulating several concerns.



Comments	Suggestions
<ul style="list-style-type: none"> • New text is complex and the provisions are not easy to understand; • Feasibility of implementation of the new guidance is questioned as does not consider other internal/external stakeholder expectations. • Text is inconsistent between main body (paras 34-35) and Appendix C and could be better linked with other provisions on impact materiality within ESRS 1; • Ambiguities in the text will imply significant judgement by preparers for their application and this could lead to: 1) inconsistent and less comparable reporting, 2) potential additional burden linked to the auditing process. • The latter is particularly linked to the interpretation of terms included in paragraph 35 ("supportable evidence", "significant ongoing mitigation and/or prevention actions") and different scenarios outlined in Appendix C; • Need to strike a balance between underreporting (actual) or overreporting of material (potential) impacts and of the related prevention/mitigation or remediation actions. 	<ul style="list-style-type: none"> • Simplify and clarify current text by: 1) solving contradictions between new text and better link it to other parts of ESRS 1 ; 2) better clarify/define newly introduced terms and/or 3) provide illustrative examples (para 35 -"supportable evidence"; "significant ongoing mitigation and/or prevention actions"; "actions taken" or "actions fully completed) to ensure consistent and comparable application of the requirements. • Amend current text: <ul style="list-style-type: none"> ○ Different views on Appendix C: 1) delete, 2) keep as long as it stays principle-based and not prescriptive, 3) move to NMIG or to future guidance. ○ Principle-based approach clarifying reporting objective of faithfully represent <u>both</u> impacts and actions ○ Include 'qualifier' to allow for consideration of individual undertaking's circumstances and for interoperability with the ISSB Standards, including the approach set out in the TIG (Transition Implementation Group) paper.
Other Trends	
<ul style="list-style-type: none"> • Recurring positive feedback on guidance on distinguishing actual vs. potential impacts and of the clarifications on positive impacts in para 36. • Financial materiality: work jointly with the ISSB to ensure interoperability and clarify that the guidance does not apply to financial materiality. • Specific comments and suggestions from representatives of FIs on complexity and suggestions to address complexity and ambiguities of current text. 	

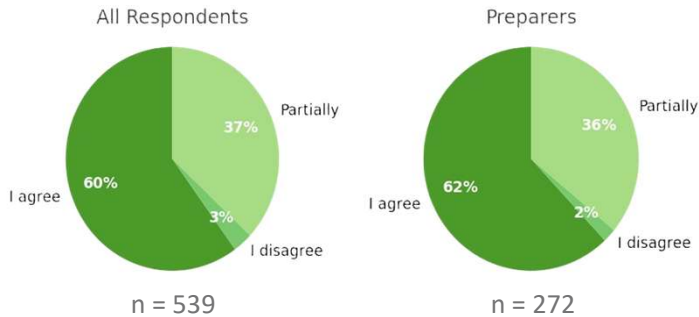
ESRS 1 | QUESTION 13 – IMPROVED READABILITY, CONCISENESS, CONNECTIVITY



Question 13: Improved readability, conciseness and connectivity of ESRS Sustainability Statements

Key Messages

- Overall **support** for amendments which promote more concise reporting and the possibility to make presentation and format of sustainability statements more flexible and allowing a reduction of unnecessary information in main report allowing more detailed / granular information to be included in appendices.
- **Concerns** that greater flexibility and less prescriptive disclosures may lead to lack of comparability and that it should not lead to lack of transparency, traceability of Information or fragmentation of critical data points.
- A number of respondents noted that the amendments were **more clarifications than simplifications** and do not lead to a reduced burden for reporting undertakings



Comments	Suggestions
Executive Summary <ul style="list-style-type: none">Broadly welcomed to allow undertakings to ‘tell their story’ to improve understandability and readability in particular from a user/investor perspective where there is flexibility to introduce.	<ul style="list-style-type: none">Provision of examples and guidelines for preparation, definitions of ‘key messages’.Clarification on inclusion of all IROs (v management approach)Clarification that an Executive summary is subject to same requirements as rest of sustainability statements (qualitative characteristics of information) and is an integral part of the sustainability statement, proposed addition of KPIs/performance indicators/YOU movements.
Appendices <ul style="list-style-type: none">Inclusion of Art 8 in an appendix is welcomed but there should be flexibility allowed in doing this.	<ul style="list-style-type: none">Clarify that information & disclosures place in appendices are as important as what is in the main part of the sustainability statement and subject to the same requirements.Flexibility should be allowed in placement of appendices and appendices should be digitally tagged/referenced in the same way as other parts of the sustainability statement.
Connectivity & Incorporation by Reference <ul style="list-style-type: none">Significant concern over now voluntary cross referencing to financial statements	<ul style="list-style-type: none">Clear call to reinstate mandatory cross referencing to financial statements (for decision making, interoperability)Introduce additional cross referencing in name of DRs or text (visual tagging) so connectivity is clear.
Other Trends & Noteworthy Comments	
<ul style="list-style-type: none">For financial institutions the additional flexibility on cross referencing creates additional complexity (due to timing, scope of other reporting for example Pillar 3).EU Taxonomy disclosures are critical for financial institutions and there are concerns that moving to an appendix may be perceived as downgrading.General calls through responses for sector specific guidance.	

ESRS 2 | QUESTION 14 – RESTRUCTURING OF ARCHITECTURE AND INTERACTIONS ESRS 2 & TOPICAL

Question 14: Restructuring of the architecture and interaction between ESRS 2 and Topical Standards

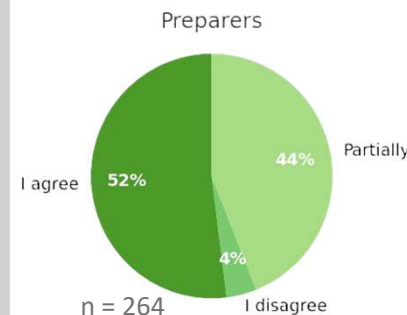
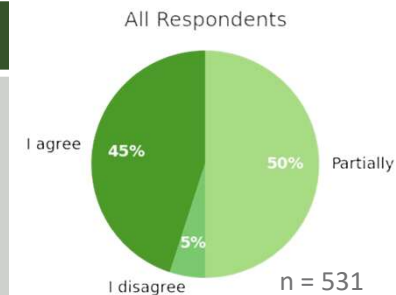
Key Messages

- Amendments are generally appropriate and **strike a good balance between preparation efforts and need for relevant and comparable data**
- Relabeling of MDR to GDR generally accepted
- Amendments achieved the aim to **eliminate duplications**

Comments	Suggestions
<ul style="list-style-type: none"> • need more clarifications on certain aspects (PAT and IROs) • specific requirements excessively simplified (IRO-1 site assessments) • additional simplifications can be achieved (datapoints that pertain to very specific topical matters) 	<ul style="list-style-type: none"> • reinsert reasons for not having adopted PATs and the plans and timelines to implement them as these are useful datapoints for investors and other users • Further clarify the relationship between PATs and the aggregation level in which IROs are managed. Some are afraid that the flexibility of the IRO aggregation, especially in PAT, will result in lack of information on how IROs are managed • The site assessment in IRO-1 does not sufficiently cover E2-E4 topics - the disclosures currently placed in AR should be further enhanced (e.g., requiring how the site assessments were performed) • lack of sector agnostic metrics in S2-S4 should be addressed with an explicit mention of entity specific considerations for those topics in ESRS GDR-M • conflicting views on the granularity of GDR-A: some requested further deletions in areas such as resource allocation (short narrative information instead of quantifications that do not reflect the business practice of undertakings) while others would prefer reinstating some deleted elements such as the action progress and the actions taken for supporting remedy to for those harmed by actual material impacts • conflicting views on ecological thresholds as some suggested deleting and others suggested enhancing the datapoint

Other Trends

- NGOs and trade unions requested enhancement of IRO-1 site assessments, to bring back the datapoints related to reasons and timeframe for not having implemented PAT for material topics and to address the lack of sector agnostic metrics for S2-S4 in ESRS 2
- Auditors requested to clarify the relationship between PATs and the aggregation level in which IROs are managed
- Business associations asked to simplify GDR-A.



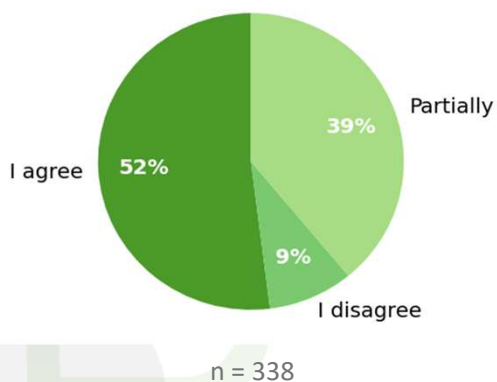
ESRS 2 | QUESTION 29 – SFDR AND OTHER EU DATAPPOINTS

Question 29 : SFDR and other EU datapoints in Appendix B of Amended ESRS 2

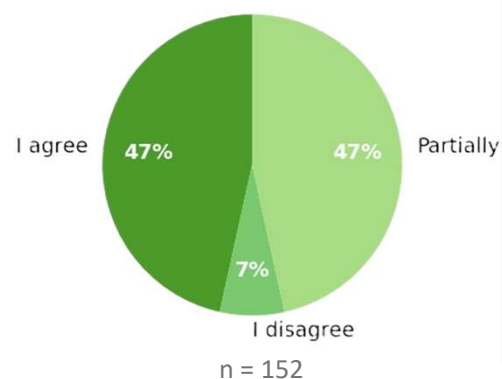
Key Messages

- High percentage of agreement with the way in which the SFDR PAIs have been incorporated in the Amended ESRS.
- The civil society category expressed the highest support on the way SFDR PAIs have been incorporated.
- In general, all categories of respondents mention that alignment must be ensured between ESRS and future SFDR, possibly using dynamic links.
- Key message from users: reinstate GHG Intensity.

All Respondents



Preparers



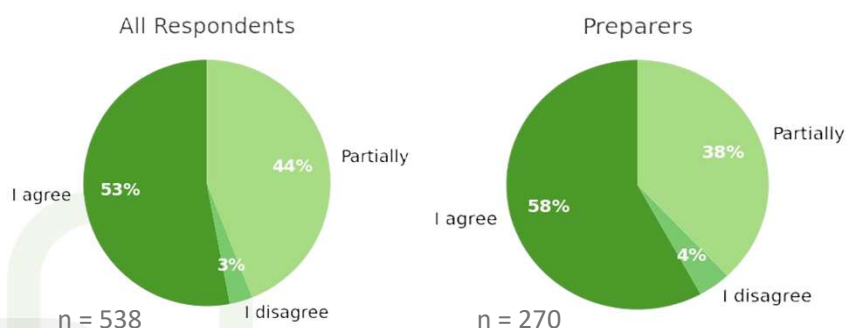
Comments	Suggestions
<ul style="list-style-type: none"> • One area of disagreement identified by the associations representing users, financial institutions as well as the European Supervisory authority concerns the removal of GHG intensity (in particular, indicator 3 of table I). • Business associations and a standard setter stress the fact that SFDR PAI revision should be based on the ESRS. 	<ul style="list-style-type: none"> • Reinstate GHG intensity (indicator 3 of table I). • Adjust the disclosure requirements on alignment with UNGP and OECD guidelines more closely with investor's needs. • Three user associations mentioned that all datapoints concerning the 14 mandatory PAIs should be retained • One user association and a business association suggest to delete SFDR PAIs beyond Table I. • A European Supervisory authority asked to retain the datapoint in ESRS E1-1 on whether undertaking is excluded from PABs.

CROSS-CUTTING | QUESTION 15 – IMPROVED UNDERSTANDABILITY, CLARITY AND ACCESSIBILITY OF STANDARDS

Question 15: Improved understandability, clarity and accessibility of the Standards

Key Messages

- Clarity, structure and accessibility are improved but more can be done
- Separation of 'shall' report from methodology in AR improves readability
- Language is improved with room for further improvement.
- Some requested more guidance, to support good practices, e.g. Sectors; lack of guidance makes reporting more difficult.



Comments	Suggestions
<ul style="list-style-type: none"> • Clarity, structure and accessibility are improved but more can be done for each of the respective areas • Cross-referencing of ARs with DRs improved consistency and understanding of “how to disclose” and manages expectations of the users • Clearly separating the “shall” requirements from methodological ARs improved the standards’ readability and structural consistency • Language is improved with some areas for improvement, some concern considered (still complex) • Some noted that audit guidelines are needed. 	<ul style="list-style-type: none"> • Editorial review across the standards • Revise use of undefined or ambiguous terms for the following terms: “key”, “major”, “significant”, “where applicable”, “shall consider”, “sustainably sourced” and “lack of social protection” • AR: Revise consistency of the content of AR versus DR, as sometimes AR go beyond the content of the DR and examples should be moved to NMIG. Some of them are repetitive. • AR: Clarify that AR are mandatory; • AR: Progressive numbering of AR across each standard would help; • DR: should more clearly state an objective • Clarify whether metrics are to be disclosed when they are not used for internal purposes;
Other Trends	
<ul style="list-style-type: none"> • Useful to have a clearly defined list of the final standards, with the updated data points. A reconciliation between old and new requirements would facilitate transition. 	

CROSS-CUTTING | QUESTION 16 – USEFULNESS OF NMIG

Question 16: Usefulness and status of “Non-Mandatory Illustrative Guidance” (NMIG)

Key Messages

- Legal status needs to be crystal clear.
- Usefulness is largely acknowledged.
- Interaction with ESRS and other guidance is a priority.
- More prescriptive approach to methodology is suggested.
- One document to “rule them all” (integration of Q&A + IGs) is a frequent request.
- Significant gaps are seen in E4.

Comments	Suggestions
<ul style="list-style-type: none"> • Legal status of NMIG needs to be clearly stated. • NMIG is useful and improves quality/consistency. • NMIG risks creating soft law pressure. • Proper due process for NMIG is currently not feasible. • Interaction between NMIG and other guidance needs to be explored. • Distinction between NMIG and certain DR/ARs is not clear and require relocation of some elements to the main text. • NMIG could include more illustrative and sector-specific guidance, especially for financial institutions. 	<ul style="list-style-type: none"> • Refrain from issuing NMIG. • Introduce an explicit statement NMIG cannot be used for auditing purposes. • Integrate guidance directly in the standards (below DR/AR, as annex or links). • Adopt a more prescriptive approach to methodology, rather than relying on guidance. • Review and combine all forms of guidance into one living document. • Replace fragmented NMIG with comprehensive guidance by topical standard.
Other Trends	
<ul style="list-style-type: none"> • Significant gaps in E4 , particularly on the location of material IROs in the supply chain and the removal of metrics. • ID 177 (mapping of sustainability matters with DRs) essential for S metrics. • Reintroduction of flowchart for determining disclosures under the ESRS as well as some other ESRS 1 and 2 guidance. 	

ESRS 1 | QUESTION 17 – BURDEN RELIEFS & OTHER SUGGESTED CLARIFICATIONS

Question 17: Burden reliefs and other suggested clarifications

Key Messages

Q17 is on numerous reliefs:

1. “Undue cost or effort” for metrics para 87.
2. Relief for lack of data quality para 91:
 - allowing to report a partial scope -> Q18;
 - systematic preference for direct data removed.
3. Exclude from the metrics their activities that are not a significant driver of IROs para 90.
4. May exclude joint operations from some environmental metrics with no operational control para 92.
5. Resilience disclosure limited to risks only and qualitative information only.
ESRS 2 para 24 and ESRS E1 para 21
6. Financial effects: information on investments and plans is limited to those already announced.
ESRS 2 AR 16 para 23(b)
7. Relief for acquisitions (disposals) of subsidiaries.
para 72, 73
8. No relief for commercial sensitive information (EU level).

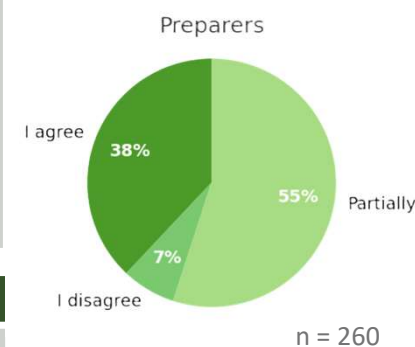
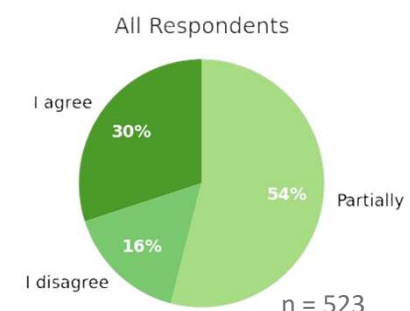
Views are split

- Auditors, standard setting initiatives, CSO recommend reducing reliefs; while preparers and some standard setters support them and even ask for more flexibility.
- Arguments for deletion: jeopardise the usefulness of information and encourage selective reporting; weaken the capacity of ESRS; undermines accountability.
- Frequent requests to align with IFRS and to impose time limits. Regulators/supervisors are against reliefs without time limits/that go beyond ISSB

Comments	Suggestions
<ul style="list-style-type: none"> • Reliefs risk harming transparency and comparability; • Reliefs at the current state are not enough connected with ISSB; and • Reliefs need to be subjected to time limits. 	<ul style="list-style-type: none"> • Improve connectivity with ISSB; and • Add time limits for the reliefs, and transitional disclosures (on progress / action implemented towards full compliance, why the reliefs are used, and on material information).

Other Trends

- Some considered that altogether the reliefs were too much and should better be aligned among each other or be restricted to certain disclosures only.



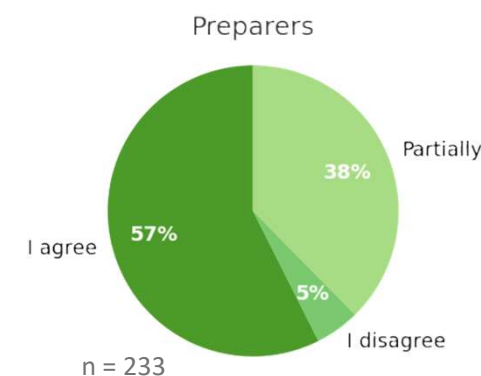
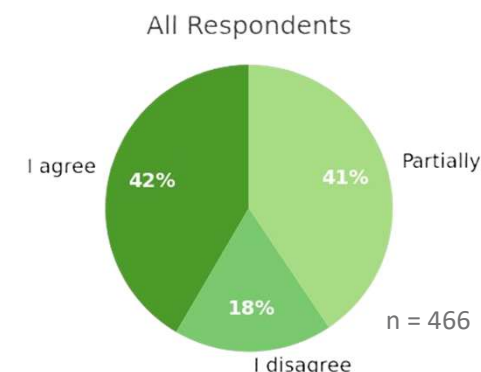
ESRS 1 | QUESTION 18 – RELIEF FOR LACK OF DATA QUALITY ON METRICS

Question 18: Relief for lack of data quality on metrics (ESRS 1 paragraph 92)

Key Messages

- Limited agreement.
- Some respondents think relief is too strong and suggest deletion whilst others suggest to improve or to clarify.
- Some respondents also consider the relief too weak.

Comments	Suggestion
<ul style="list-style-type: none"> • Flexibility welcomed but it should not be unlimited. Concerns with comparability; • Key terms are unclear: “undue cost or effort,” “reliable data,” and “reasonable and supportable information”; • Direct vs. estimated data. Removal of the systematic preference for direct data alarms many; • Joint operations (paragraph 92) contested.; and • Internal consistency issues. Frequent requests to reconcile ESRS 1 paragraphs 67, AR 28, 87 and 91. 	<ul style="list-style-type: none"> • Introduce time-bound or progressive requirements vs no fixed deadline for value-chain data; • Explain or define key terms; • Mandate coverage percentages, exclusions and rationales, estimation hierarchy, uncertainty ranges/sensitivities; • Provide additional guidance and examples; • Para 87 reference should be to 89 not 90; • Resolve perceived inconsistency: para 67 / AR 28 / 91; • Correct the E1-6 → E1-8 cross-reference • Scope 3 datapoint (E1-8) and para 91 alignment with IFRS S1/S2 and the GHG Protocol; • Direct vs. estimated data: remove the equal footing; • Joint operations (paragraph 92) – suggest vs keep; and • Proportional alternatives proposed for relief.

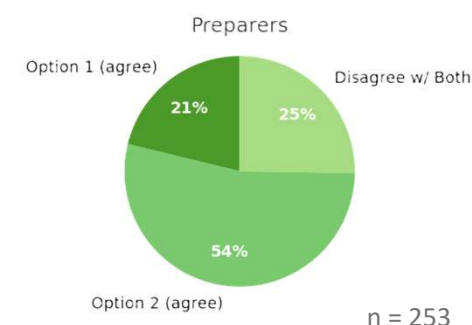
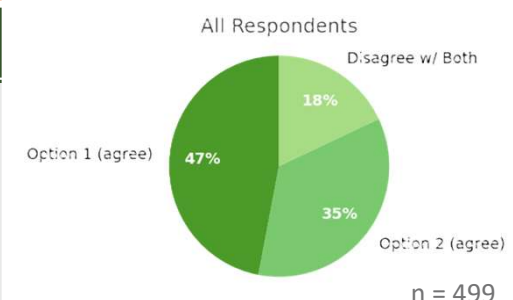


CROSS-CUTTING | QUESTION 19 – RELIEF FOR ANTICIPATED FINANCIAL EFFECTS



Question 19: Relief for anticipated financial effects

Option 1 support		Option 2 support
Comments	Suggestions	Comments
<ul style="list-style-type: none"> Quantifications essential for proper assessment and management of the financial impact of ESG risks Supports CSRD objective of putting financial reporting and sustainability reporting on an equal footing and ensuring connectivity between them In line with the Omnibus simplification mandate also puts an emphasis on retaining quantitative disclosures Disclosure challenges mitigated by the application of relief provisions and phasing-in period More interoperable with other reporting frameworks (IFRS, TNFD, TCFD) 	<ul style="list-style-type: none"> More guidance needed (perhaps using materials already defined by other organizations) Make some reliefs temporary Align reliefs for AFE with ESRS 1 (clarify that undue cost or effort is applicable) 	<ul style="list-style-type: none"> Currently a workable solution that supports transparency and comparability, without compromising the quality or credibility of disclosures quantitative information not available as usually not relevant for internal management purposes lack of mature methodologies Sensitivity issue (e.g. market abuse regulation, that would trigger to issue a profit warning when the assumptions used for the quantification change along the year) Before requiring quantification in ESRS, EFRAG should work on an accounting principle for financial effects of sustainability issues in financial reporting. Connectivity elements are missing and undertakings never reported on this in financial statements



Other Trends

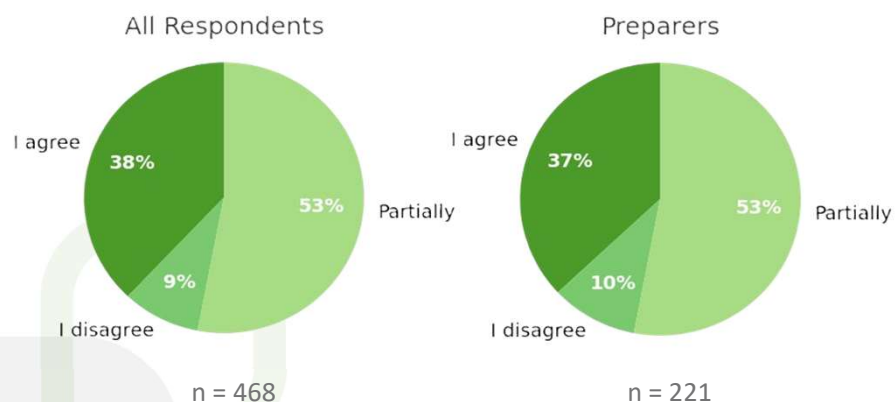
- Option 1 mainly favoured by auditors, civil society, investors, European public authorities, other standard setters while Option 2 by preparers and preparers' organisations

CROSS-CUTTING | QUESTION 21 – INTEROPERABILITY WITH ISSB

Question 21: Enhanced interoperability with ISSB Standards IFRS S1 & S2

Key Messages

- Amended ESRS achieve both more interoperability with ISSB and simplifications (relief, terminology, flexibility and emphasis on materiality of information). But some changes (reliefs) reduce the interoperability, and some respondents (e.g., ESAs) ask to add time-boundaries to reliefs beyond ISSB.
- Preparers and national standard setters highlight that alignment with ISSB is important but the one with EU framework has priority, not add burden for EU preparers. Deviations are justified by differences (materiality, scope, maturity).



Comments	Suggestions
<ul style="list-style-type: none"> Positive view on alignment with ISSB fair presentation; some preferred limiting it to financial materiality. Reliefs beyond ISSB on undue cost and effort, quantitative data and estimates for value chain may potentially create data gaps between ESRS and IFRS. Uncertainty may create discussions with auditors (undue cost and effort). Option 2 on anticipated financial effects viewed as less aligned with ISSB. Mixed views on GHG consolidation perimeter alignment with ISSB: financial control plus optional operational control supported by some; others prefer flexibility and full options in GHG Protocol. 	<ul style="list-style-type: none"> Further align with specific ISSB terminology on fair presentation. Reintroduce deleted ISSB-aligned datapoints. (7 datapoints) On reliefs beyond IFRS set clear boundaries (including limits on the use of estimates)+ clear definitions of undue cost and effort Some (users/ESAs) ask to remove relief on acquisitions and disposal in reporting period as it goes beyond IFRS Ensure alignment of anticipated financial effects to ISSB Clarify GHG consolidation perimeter and definitions (+ specific FIs request) Update interoperability guidance Support for reference to SASB but it should not replace ESRS sectoral guides

CROSS-CUTTING | QUESTION 24 – NEW DATAPOINTS

Question 24 : Four new mandatory datapoints (exception)

Key Messages

- BP-1 simplifications overall welcome by sample.
- (E2 – secondary MP) More respondents agreed with the addition than not, but divergence exists: NGOs largely support the change, Business Associations oppose it, while Standard Setters and Financial Institution show mixed positions.
- (E5 – CRMs/SRMs) Stakeholders broadly support the integration of CRMs/SRMs but express strong concerns about clarity, feasibility, confidentiality, and practical implementation.
- (E5 – destination of waste) The inclusion of the datapoint is broadly seen as a useful and pragmatic addition.

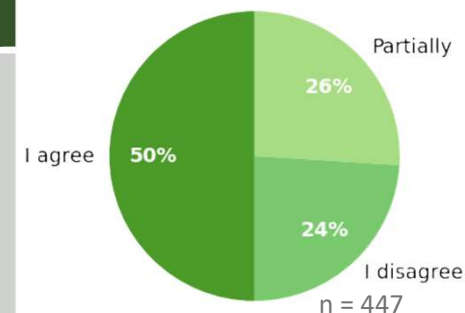
Comments

- (E2) Lack of mature calculation methodologies for secondary MP related to the downstream VC.
- (E2) Using REACH definition of MP broadens scope, creating legal inconsistency
- (E5-4) Further alignment with CRMA; difficulties in obtaining data in the VC.
- (E5-5) Further clarification with para. 18(d) (waste directed to disposal)

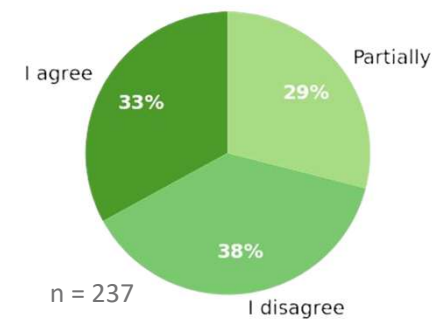
Suggestions

- clarify that para. 4 (a) in BP-1 is related to own operations
- (E2) Guidance for calculation of secondary MP in downstream VC needed; clarify definition
- (E5-4) Common and proportional reporting methodology, with a thresholds of 5-10%; additional guidance

All Respondents



Preparers





3

ENVIRONMENT

ESRS E1 | QUESTION 33 – OVERALL FEEDBACK

Question 33 : Overall feedback per standard

Key Messages

- Extensive and detailed commentary was received regarding the specific provisions of the E1 standard (4095 comment lines) under the different questions (and in particular Q33 and Q35).
- Clarity, structure, and readability of the revised standard is welcome (diverging views)
- Conflicting views on ISSB IO (enough/too little)

Overall opinion on the level of simplifications achieved

In agreement	In disagreement
<ul style="list-style-type: none"> • Strong basis for assessing credibility of transition plans. • Good preservation of climate ambition of the EU. • Satisfactory level of interoperability with IFRS. 	<ul style="list-style-type: none"> • Need to achieve more flexibility. • Simplifications do not always translate into practical relief for preparers. • Need for more interoperability with IFRS and other frameworks.

Q35: Comments per DR:

E 1-0	E 1-1	E 1-2	E 1-3	E 1-4	E 1-5	E 1-6	E 1-7	E 1-8	E 1-9	E 1-10	E 1-11
35	289	151	99	26	114	223	113	336	107	31	249

Key Messages

- Revised E1-1 was positively received (structure, readability) but challenges remain.
- Clear focus on **target alignment** with the 1.5°C pathway is welcomed but challenges remain on **compatibility** (target/BM) and EU Climate Law.
- Concerns on scope of what has to be disclosed/what is a **complete TP**.
- Some expressed concern that the amendments may oversimplify disclosure requirements, reducing **comparability** and reliability of information for investors.

Comments & suggestions

- Reinstate of **PBA** provision.
- Concerns on disclosing sensitive **financial planning** information. **Delete** disclosures on short-, medium-, and long-term CapEx and OpEx.
- Need to address **adaptation** measures.
- **Confusion** between “strategy/model compatibility” (E1.14a) and “target compatibility” (AR2a).
- Mixed feedback regarding **dependencies** (welcome/delete).
- **Define minimum disclosure** expectations for transition plans.
- Provide clearer definition and scope/delete **locked-in emissions**.

ESRS E1 | DR E1-4 TO E1-6

Key Messages

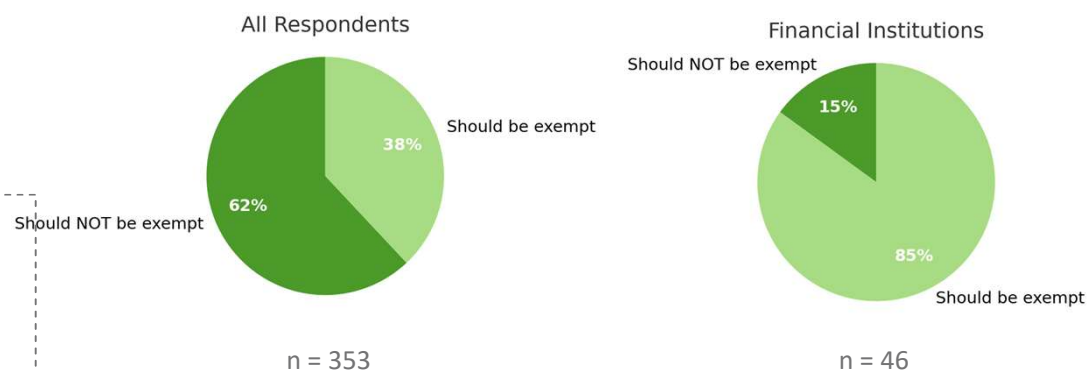
- **Mitigation** and **adaptation actions** are still not clearly differentiated from one another (E1-5).
- **CapEx** and **OpEx** and **decarbonization levers** are too burdensome and sometime of little usefulness for some sectors.
- Guidance on how to demonstrate **target alignment** (e.g., with a 1.5°C pathway or reference targets) ambiguous and overly complex + bring back “net zero”.

Question 26: The majority of the respondents were against the exemption for FIs stressing the need for absolute values and a level playing field.

Suggestions received: Requiring absolute values only for Scope 3 related to the fossil sectors

Comments and suggestions

- Quantification of **CapEx and OpEx** together with **separate targets** are too burdensome as requirements (E1-5, E1-6).
- Some stakeholders supported keeping **absolute targets**, while FI opposed, arguing they may expose **confidential information** and rely on uncertain growth assumptions, leading to unreliable disclosures. (E1-6).
- **Base year** definition conflicting with SBTi. (E1-6).
- Unclearity in **market / location-based** in targets. (E1-6).



Key Messages

- E1-8: **GHG boundaries**
 - Split views on financial control, requests for flexibility aligned with GHGP/ISSB
 - Concerns on alignment with GHGP, IFRS GRI and ISO.
- E1-8: Lack of clarity on **Biogenic emissions** (E1.33 and AR 31)
- E1-7: Concern the amendment to the DR that requires reporting by all economic sectors rather than just **HCIS**

Comments and Sugestions

- Split views on the removal of **Total GHG emissions** and **GHG intensity**.
- Loss of transparency on **emission factors**.
- The use of PCAF should be voluntary.
- Include an additional column on GHG removal.

ESRS E1 | DR E1-11

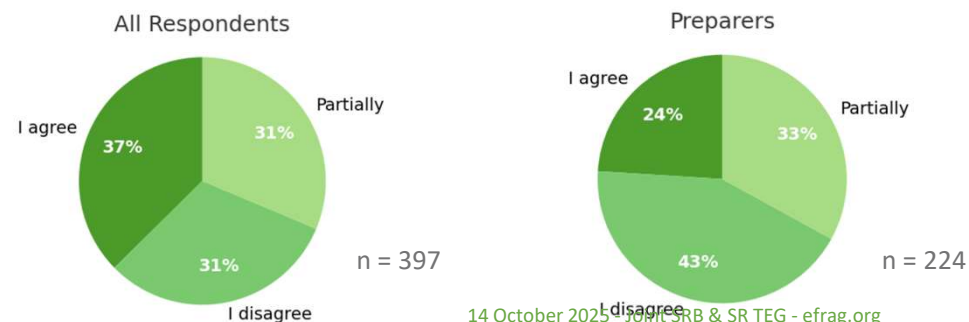
Key Messages

- **Further simplification** is needed as the feasibility of the DR is still questioned.
- Need of standardised methodologies and guidance.
- Split views on the applications of **Option 1 and 2** on E1-11.
 - Option 2 to address concerns on the feasibility (burden, cost, reliability).
 - Option 1 to ensure interoperability and to respond to FI needs.
 - Other suggestions:
 - Phase-in for Option 1.
 - E1-11 to be deleted/voluntary.

Key Comments and suggestions

- Split view on the **location** of key asset:
 - Burdensome and sensitive, vs.
 - Key for the financial institutions.
- Link with E1-2 **scenario analysis** should be clearer (while ISSB explicitly does not make this link).
- **Guidance** on:
 - Assessing key assets at risk and their location.
 - Potential liabilities.
- **Clarification** on the asset in scope (leasing, own physical asset), the definition of revenue, gross vs net, stranded assets.
- Reinstate the **reconciliation** with financial statements.
- **Climate-related opportunities** disclosures: delete or qualitative.

Question 20: Most of the comments were aligned with above. Further suggestions were made (application of 'comply or explain'). A right balance between what is expected for the banks, alignment with ISSB and the feasibility of the datapoints should be found.

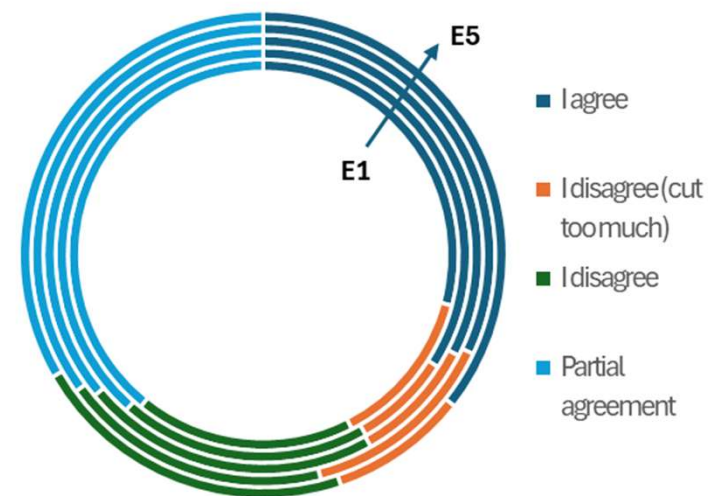


E1-E5 | QUESTION 22 – REDUCTION IN DATAPOINTS

Question 22: Reduction in the number of mandatory & voluntary datapoints

Key Messages

- Equal distribution of agreement/disagreement with balance between burden reduction and preserving information but also requests for further reductions of the reporting burden or regretting loss of relevant information.
- Reduction of DPs does not translate into reduction of burden
- Request for phase-in of new DPs and deleted DPs



Comments and suggestions

- Simplification remains incomplete
- Further reduce and prioritize datapoints: Continue simplification by eliminating low-relevance or duplicative datapoints and maintain only those essential for investors and EU policy coherence.

E2-E3 | QUESTION 23 – SIX DATAPOINTS EXCEPTIONALLY MOVED

Question 23: Six datapoints exceptionally moved from MAY to SHALL [H2O withdrawal & discharges, E4 TP]

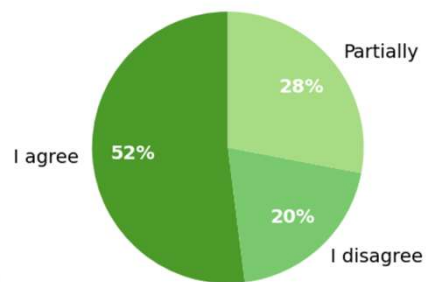
Key Messages (DP on E3, E4)

- (E3, E4) Sample majority supports E3, E4 datapoints moved to "shall", as seen as material, decision-useful and aligned with global frameworks.
- (E3, E4) Some (mostly business associations) oppose making mandatory as perceived as adding burden and contradicting the simplification mandate.

Comments and suggestions

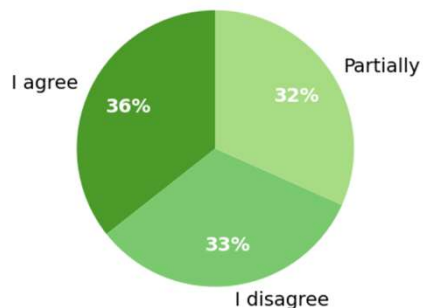
- (E3) Withdrawal and discharges metrics are already measured to disclose on consumption, adding no additional burden vs out of scope of exercise.
- (E4) TP appropriate, useful and alignment with other frameworks (NGO's, investors, and standard setters) vs TP premature (methodological challenges).
- (E4) Keep core datapoints subject to materiality and adjust the reporting effort based on the company's size, maturity, or capacity.
- (E4) Provide practical guidance and examples to support consistent implementation.
- (E4) Some suggest to delete, make voluntary or change to 'comply-or-explain'.

All Respondents



n = 476

Preparers



n = 242

ESRS E2-E4 | LOCATION SPECIFIC REQUIREMENTS

(Different questions)

Key Messages

- Location-specific requirement:
 - i) increases burden,
 - ii) deletion of topical specifications leads to loss of critical local-level information,
 - iii) or overlooks VC-wide nature of environmental impacts.

Comments and suggestions

- Challenges in assessing and identifying appropriate level of location-based disaggregation.
- Provide further guidance on the assessment of location in areas at water risk/of high-water stress.
- Location-specific information:
 - i) clarify (e.g., define 'appropriate disaggregation level');
 - ii) Reinstate site-specific;
 - iii) or expand location disclosure to better capture VC-issues.

ESRS E2 | OVERALL FEEDBACK

Question 22 (may DPs), 23 (New DPs) and 33 (E2 feedback)

Key Messages (E2)

- Clarification of scope and granularity of disclosure of pollutants (E-PRTR, IEPR, permits) and supporting calculation methodology.
- MP: challenges related to MP [definition and consistency with EU Reg.; calculation of SMP in VC, though majority supports inclusion of DP]; many considered new DP [Q24]; SMP DP to be deleted.
- SoC/SVHC: Clarification and guidance on E2-5 definitions of roles: procurement, manufacturing, use, import.
- VC: not enough; clarification on value chain coverage of IROs and metrics (pollutant transfers; secondary microplastics).

Comments and suggestions

- VC considerations are unclear, clarify how to deal with VC emissions (pollution transfer, metrics, SMP).
- Material pollutants: at company discretion – no comparability; need guidance or alignment with national legislation.
- Microplastics: lack of estimation methodology and meaningful qualitative information (secondary), limit to own operations, delete SMP,
- SoC/SVHC: i) metrics go beyond REACH requirement, ii) unclear definition of producer/importer; iii) focus on substances or actions, not weights, qualify as pollution only where treatment capacity is lacking.

Q35
Comments
per DR:

E 2-0
59

E 2-1
21

E 2-2
14

E 2-3
18

E 2-4
244

E 2-5
230

ESRS E3 | QUESTION 33/35 – OVERALL FEEDBACK

Question 33 : Overall feedback per standard (E3)

Key Messages (E3)

- Overall support of E3 redraft - including the removal of marine resources.
- Among the key issues raised are challenges related to location-specific aspects, including in policies and metrics.

Comments and Suggestions

- Scope of water (freshwater) is unclear + align with relevant standards (GRI, CDP).
- Review definitions of a. at water risk, a. of high-water stress (unclear or impracticable)
- Water metrics need further guidance.

Q35
Comments
per DR:

E 3-0

50

E 3-1

35

E 3-2

26

E 3-3

16

E 3-4

134

ESRS E4 | QUESTION 30 – ESRS E4 AR ON TARGETS

Question 30 : ESRS E4 DR E4-4

Key Messages

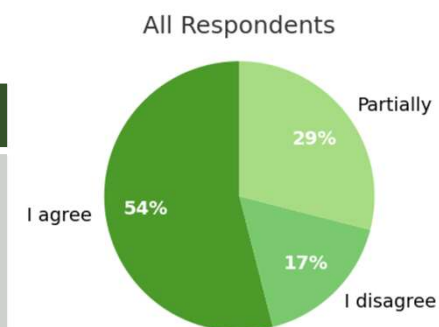
- Most respondents agreed that the review of former AR 26 and guidance on biodiversity-related target setting is needed / helpful.
- Divergence exists on the specificities of the AR and if guidance should rather be included as NMIG.

Comments and Suggestions

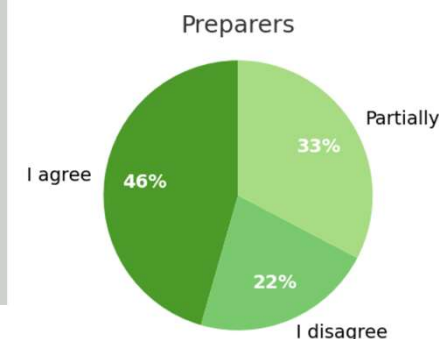
It is necessary to have guidance on biodiversity-related target setting.
Differing views on how to deliver it:

(1) Referencing global frameworks in AR : SBTN, TNFD, FAO and Kunming-Montreal Global Biodiversity Framework, as well as to industry-led guidance and to industry standards / sectoral guidance could be added as well.

(2) Address it in non-mandatory illustrative guidance and could refer to global frameworks where appropriate. Guidance to be regularly updated to reflect the update of these global frameworks.



n = 362



n = 175

ESRS E4| QUESTION 33/35 – OVERALL FEEDBACK

Key Messages (E4)

- Sample respondents' majority shows overall support to E4.
- Concerns were expressed that further reduction of E4 would result in inadequate coverage of biodiversity.
- Lack of specific metrics and location-specific disaggregation among key issues raised.

Comments and Suggestions

- E4-1 (TP): Clarify definition of biodiversity TP and alignment with climate TP, need for references to other frameworks, need for conditionalities or delete 'if made public'.
- E4-5 (metrics): Clarify need to include biodiversity metrics specifications (e.g. on land use and land-use change) or explicitly reference to existing metrics frameworks (e.g. TNFD, GRI).
- E4-5 (location-specific E4): Clarify granularity needed in relation to biodiversity-sensitive areas (BSA) and how to prioritize locations for disclosure; review definition of near BSA.

Q35
Comments
per DR:

E 4-0

76

E 4-1

111

E 4-2

81

E 4-3

49

E 4-4

38

E 4-5

254

ESRS E5 | QUESTION 33 – OVERALL FEEDBACK

Key Messages

- Further alignment with EU regulation (ESPR).
- Clear definition of ‘key’ and other terms.
- Global applicability of the standard (when based on EU definitions).

Comments

- Lack of clarity and consistency in terminology: some definitions are circular, unclear, or inconsistent with other standards (e.g., “circular material use rate”, “sustainably sourced”, “recyclable vs recycled”).
- Strengthen alignment and connectivity with other standards: ensure consistency with other ESRS (E1–E4), and allow use of local definitions/ methodologies where appropriate for comparability.

Q35
Comments
per DR:

E 5-0
48

E 5-1
35

E 5-2
10

E 5-3
14

E 5-4
232

E 5-5
252



4

SOCIAL

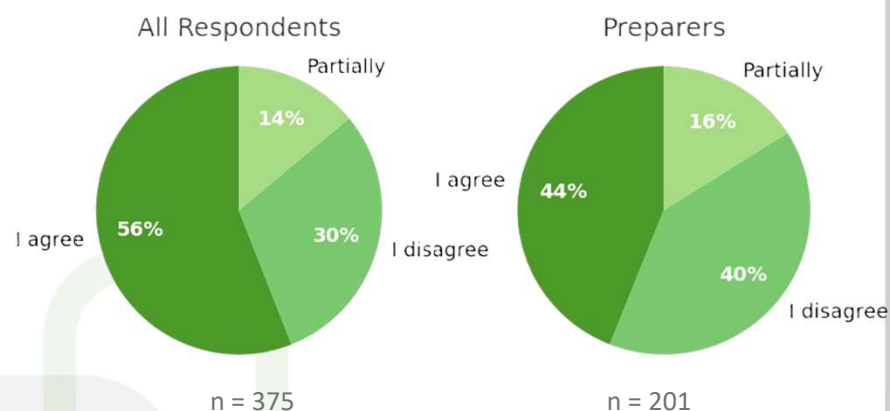
ESRS S1 | QUESTION 27 – S1 - THRESHOLD FOR DISAGGREGATION

Question 27 : ESRS S1-5 and S1-7: New Threshold for Reporting Metrics Disaggregated at Country Level

Key Messages

- Most agree that the key advantage of the new threshold is increased transparency.
- The most frequent argument made against the new threshold is that it may increase the number of countries companies are required to report on.

Comments	Suggestions
<p><i>Agreement:</i></p> <ul style="list-style-type: none"> • Respondents argue that the new threshold is clearer, simpler and results in better transparency and usability of the metrics. <p><i>Disagreement:</i></p> <ul style="list-style-type: none"> • The key concern was the added reporting burden and data collection challenges of having to report on a higher number of countries. • Respondents also argued that the new threshold is not relevant and could result in the reporting of non-material information. 	<p><i>Disagreement:</i></p> <ul style="list-style-type: none"> • Most respondents in disagreement suggested to reinstate the previous threshold. • Alternative suggestions included: a) to differentiate between S1-5 and S1-7, since S1-7 could prove to be more challenging; b) to adapt the threshold to the revised company scope of the CSRD.

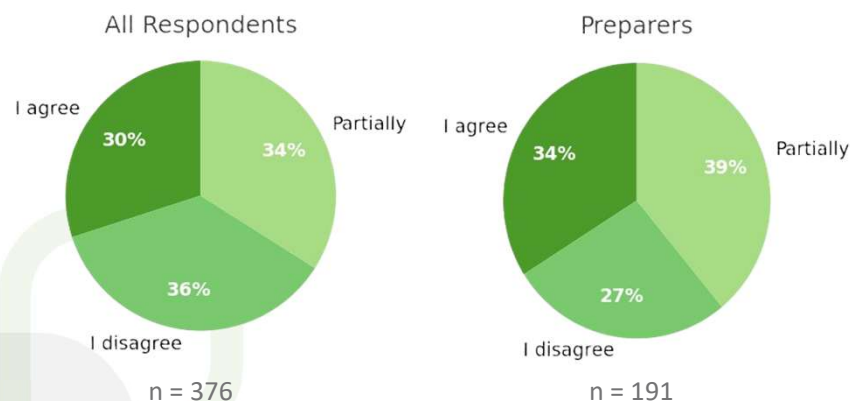


ESRS S1 | QUESTION 28 – ESRS S1-9 ADEQUATE WAGES CALCULATIONS

Question 28 : ESRS S1: Calculation approach to adequate wages outside the European Union(EU)

Key Messages from the split views

- Enhanced clarity on the adequacy assessment.
- Feasibility concerns related to the assessment of ILO wage setting and living wage principles.
- Adequacy of minimum wages as the first step of the hierarchy and its reference point not being to living wage estimates



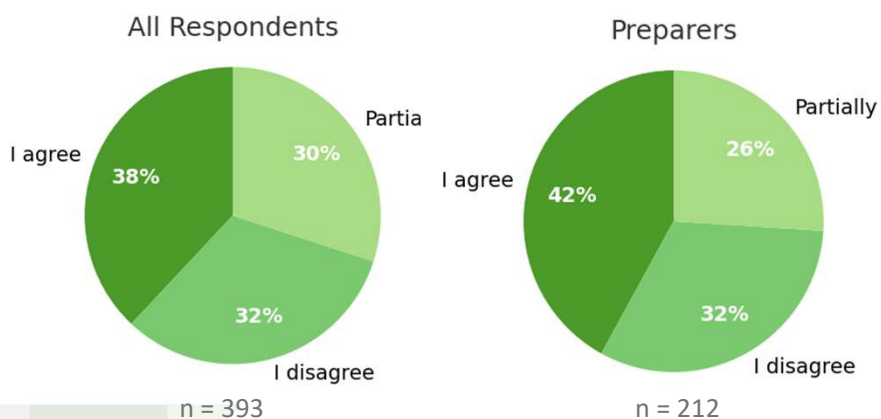
Comments	Suggestions
<p><i>Agreement:</i></p> <ul style="list-style-type: none"> No comments from those agreeing. A couple welcomed the reference to the ILO Standards as a clear baseline. <p><i>Disagreement:</i></p> <ul style="list-style-type: none"> Some argued that the new hierarchy incentivises the use of statutory minimum wages, which may not be 'adequate'. Uncertainty and disagreement over the requirement to take into account the ILO wage-setting principles, which is considered difficult and, potentially, not an adequate reference. 	<ul style="list-style-type: none"> The key suggestion for was to make available a database with the relevant information on 'adequate' wages. Regarding the text itself, alternative or additional suggestions from some respondents included a) introducing flexibilities in the use of the order of the hierarchy, b) mandating companies to disclose their methodology, c) changing references from ILO wage setting principles to ILO living wage estimates.

ESRS S1 | QUESTION 31 – S1-15 GENDER PAY GAP

Question 31 : ESRS S1 DR15: Gender pay gap

Key Messages

- Agreement that the adjusted and the unadjusted gender pay gap serve two different purposes. Adjusted gender pay gap to more meaningful for equity in wages.
- Most suggestions were recommendations on how to allow or clarify to preparers that they could continue to report on the adjusted gender pay gap, in case of a deletion.



Comments	Suggestions
<p><i>Agreement:</i></p> <ul style="list-style-type: none"> The main argument in favour of deleting the voluntary datapoints on adjusted gender pay gap was the overall simplification of the ESRS. <p><i>Disagreement:</i></p> <ul style="list-style-type: none"> The adjusted gender pay gap is more relevant 	<p><i>Agreement:</i></p> <ul style="list-style-type: none"> Include a clarification in NMIG that preparers can continue to report on the adjusted gender pay gap. <p><i>Disagreement:</i></p> <ul style="list-style-type: none"> Maintain the adjusted gender pay gap as a voluntary datapoint or clarify that the adjusted gender pay gap can be disclosed as an entity-specific disclosure.

Other Trends

Several respondents also commented on the lack of alignment between the definitions of 'pay' and 'remuneration' and suggested to align the two.

ESRS S1, S2, S3, S4 | QUESTION 33 – OVERALL FEEDBACK

Key Messages

Comments

S1

- Positive on simplification and interaction with ESRS 2. Question whether further moves could be made whilst striking a balance with the Social specificities.

S2, S3 and S4

- Lack of quantitative datapoints in topical standards.

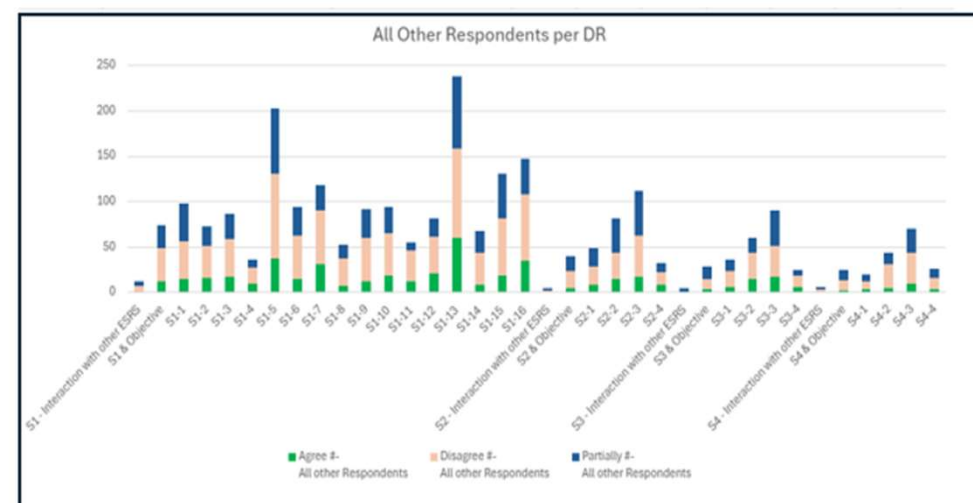
Suggestions

S1

- Glossary Review
 - Clarify health and safety metrics and glossary terms
 - Use “remuneration” and “salary” consistently.
 - Broaden definitions Family-Related Leave
- Use one method to report employee numbers (period-end or average, headcount or FTE).

S2, S3 and S4

- Clarify expectations for entity-specific social metrics to ensure reporting is meaningful, comparable, and simple.
- Provide clarification on how and when a company should identify substantiated human rights incidents.



ESRS S1 – S4 Narrative disclosures (DR 1 – DR 4)

- Support for Human rights policy centralised in ESRS 2.
- Retain former requirements impacts arisen from transition plan, preserve reporting on discrimination policies and their implementation and reporting on employees
- Stronger linkage between workforce targets, performance tracking, employee engagement to demonstrate impact.

S1-5 – Employee characteristics

- **Challenges** identified in preparing the data outside the EEA
- **Suggestions** Align the wording and references across ESRS S1 metrics on employee data
- Additional Comments and suggestions under Q 27

S1-6 – Non-employees characteristics

- Support for AR on Non-Employee DR.
- Some remaining concerns from preparers on identification and methodology.

Q22 – Disagree with reduction of datapoints

- **S1-5** (workforce structure), **S1-8** (age diversity), **S1-10** (parental/retirement benefits), **S1-14** (family-related leave) NGOs, some Standard setters and users called for reinstating decision useful context from social and diversity datapoints and realign to GRI
- Business associations and preparers: Endorsed the reduction in datapoints and some noted data sensitivity on disabilities; supported materiality-driven disclosures challenges identified for preparing the data outside the EEA". And then suggestion 2 (a). It's for completeness and also note that we have comments in Q27 on this

S1-7 – Collective Bargaining

- Enhancement of AR on the application of this DR , e.g. collective bargaining and definition of region from preparers
- Some remaining concerns from preparers on identification and

S1-10 – Social Protection

- Reinstatement DRS 'Parental leave' to be more gender inclusive and retain retirement as life event (Useful datapoint).

S1-14 –Work life Balance

- **Comment** Further clarity needed on DR
- **Suggestion:**
 - Reinstatement set 1.
 - Consider narrative disclosure.

ESRS S1, S2, S3, S4 | PART 3 – DETAILED FEEDBACK

S1-13 – Health & Safety metrics

- **Comment Data collection:** data on days lost due to work-related ill health is limited since medical certificates usually don't specify if the illness is work-related.
- **Suggestion Streamline** datapoints to mandate reporting only for a company's employees (with the exception for fatalities or on-site workers).
- **Suggestion Align to S1-6,** meaning the disclosure on non-employees should be required only if such categories are material.

Q22 – Disagree with reduction of datapoints

S1-13 – Health & Safety metrics Recommend reinstating fatalities from ill-health for non-employees and workers onsite for full occupational health disclosure. Align with GRI for interoperability.

S1-15 – Remuneration Metrics

Comment Interoperability annual remuneration ratio:

- Alignment with legislation both EU, National and international laws.
- ISSB IFRS S1/S2 nor SEC climate disclosure rules require this ratio.
- **Suggestion** - Align methodology of remuneration ratio and gender pay gap metric calculation.

S1-16 – Discrimination and other human rights incidents

- **Comment** Removal of term 'severe' for human rights incidents may lead to uncertainty and potentially additional reporting rather than 'Most severe'.
- **Suggestion**
- Reinstating SET 1 requirements and consistency between EU SFDR and ESRS
- Consider alignment with S1-6.



5

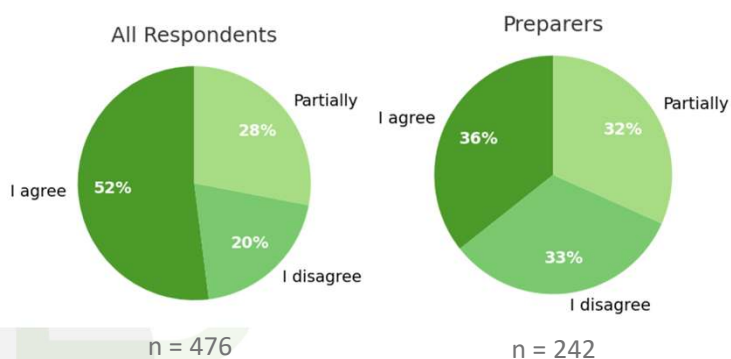
GOVERNANCE

CROSS-CUTTING | QUESTION 23 – SIX DATAPPOINTS EXCEPTIONALLY MOVED

Question 23: Six datapoints exceptionally moved from MAY to SHALL

Key Messages (DPs on G1)

- The specification of the 'procurement team' has been deemed irrelevant and unnecessarily complex
- Split views among stakeholder groups regarding mandatory DPs for confirmed incidents



Comments	Suggestions
G1-2 training of procurement team (see also Q35)	
<ul style="list-style-type: none"> Lack of relevance Grouping of DPs add complexity and ambiguity 	<ul style="list-style-type: none"> Focus on key positions for compliance training Redesign DPs to enhance clarity – supplier-relations
G1-4 confirmed incidents of corruption and bribery (see also Q 35)	
<ul style="list-style-type: none"> DPs are justified and proportionate Concerns about self-incriminating and legal risks Lack of relevance – quantitative DPs not reliable 	<ul style="list-style-type: none"> Remove DPs Request for more clarification

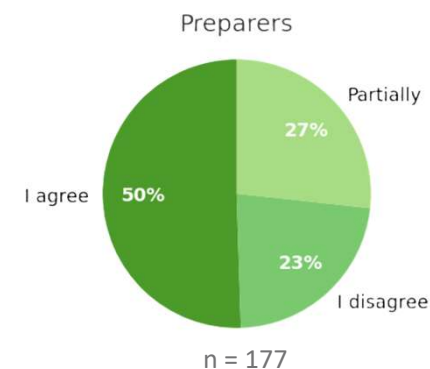
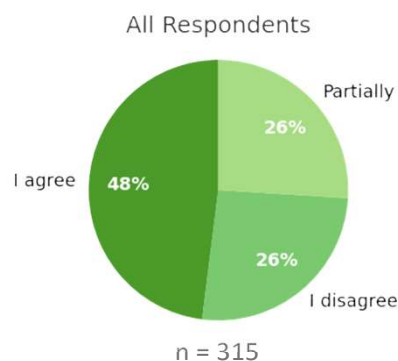
ESRS G1 | QUESTION 32 – GOVERNANCE

Question 32 : ESRS G1 DR G1-2 and G1-6: Payment practices

Key Messages

- Various stakeholders' groups (mainly non-preparers) support the amendments made, as they are considered sufficient and do not reduce the objectives of the CSRD
- Other stakeholders express reservations on the remaining DPs

Comments	Suggestions
<ul style="list-style-type: none"> • Data collection is burdensome (misalignment with practice) • Lack of relevance and comparability (vague definition and unclear calculation method) 	<ul style="list-style-type: none"> • Remove datapoint ... • but add reference to SMEs in list of topics • Consider modification in the metric (<i>examples provided</i>) • Add new datapoint



GOVERNANCE GOV 1-5 | KEY MESSAGES (I)

Chapter	Key Messages
GOV 1	<ul style="list-style-type: none">• Retain disclosures on composition and role ASMB (reinstate SET 1) – key for understanding governance of impacts + interoperability
GOV 2	<ul style="list-style-type: none">• Lack of clarity ('impacts performance', calculation method- ID 1013)
	<ul style="list-style-type: none">• Reinstate SET 1 (interoperability)
GOV 3	<ul style="list-style-type: none">• Clarify link with CSDDD

BUSINESS CONDUCT G1 | KEY MESSAGES (I)

Chapter	Key Messages
General	• Unclear reasoning grouping of subtopics (para 4 (a))
	• Complexity for DMA
G1-2 See also Q23	• Decreased readability and comparability due to grouping of DPs (para 10)
	• Unclear definitions
G1-4 See also Q 23	• Lack of clarity (population in AR 3)
	• Data sensitivity issues
	• Anti-corruption and bribery should be separate subtopic
G1-5	• Data challenge and legal concerns (indirect political contribution outside EU)
	• Lack of relevance and introducing new obligations (cfr. EU Transparency Register Framework)
G1-6 see also Q32	• Lack of clarity (definitions, calculation method)

Q35
Comments
per DR:

G 1-0	G 1-1	G 1-2	G 1-3	G 1-4	G 1-5	G 1-6
39	61	94	21	111	73	79

ESRS 1 | QUESTION 33 – OVERALL FEEDBACK

Question 33 : Overall feedback per standard: **ESRS 1**

Key Messages

- Q33: is broad (Overall feedback per standard) and has been used as an option to provide a catch-all feedback, resulting in 88 ESRS 1 related comments:
 - nearly no recurring comments or suggestions
 - a variety of comments ranging from fundamental to very detailed drafting suggestions on issues all over the place in ESRS 1
 - also, often a repetition of comments considered important but already provided elsewhere under Q11- Q32,
=> they were dispatched to those questions for consideration to not address them twice
- EBF alone shared 47 detailed drafting suggestions for ESRS 1

Part 3 (Q35)
Comments /
Chapter:

ESRS 1-0	ESRS 1-1	ESRS 1-2	ESRS 1-3	ESRS 1-4	ESRS 1-5	ESRS 1-6	ESRS 1-7	ESRS 1-8	ESRS 1-9	ESRS 1-10
48	131	89	824	18	223	21	257	58	61	33

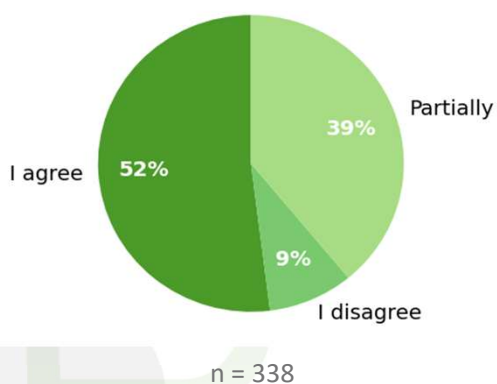
ESRS 2 | QUESTION 29 – SFDR AND OTHER EU DATAPOINTS

Question 29 : SFDR and other EU datapoints in Appendix B of Amended ESRS 2

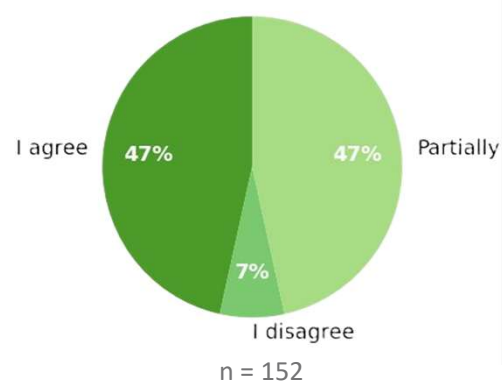
Key Messages

- High percentage of agreement with the way in which the SFDR PAIs have been incorporated in the Amended ESRS.
- The civil society category expressed the highest support on the way SFDR PAIs have been incorporated.
- In general, all categories of respondents mention that alignment must be ensured between ESRS and future SFDR, possibly using dynamic links.
- Key message from users: reinstate GHG Intensity.

All Respondents



Preparers



Comments	Suggestions
<ul style="list-style-type: none"> • One area of disagreement identified by the associations representing users, financial institutions as well as the European Supervisory authority concerns the removal of GHG intensity (in particular, indicator 3 of table I). • Business associations and a standard setter stress the fact that SFDR PAI revision should be based on the ESRS. 	<ul style="list-style-type: none"> • Reinstate GHG intensity (indicator 3 of table I). • Adjust the disclosure requirements on alignment with UNGP and OECD guidelines more closely with investor's needs. • Three user associations mentioned that all datapoints concerning the 14 mandatory PAIs should be retained • One user association and a business association suggest to delete SFDR PAIs beyond Table I. • A European Supervisory authority asked to retain the datapoint in ESRS E1-1 on whether undertaking is excluded from PABs.

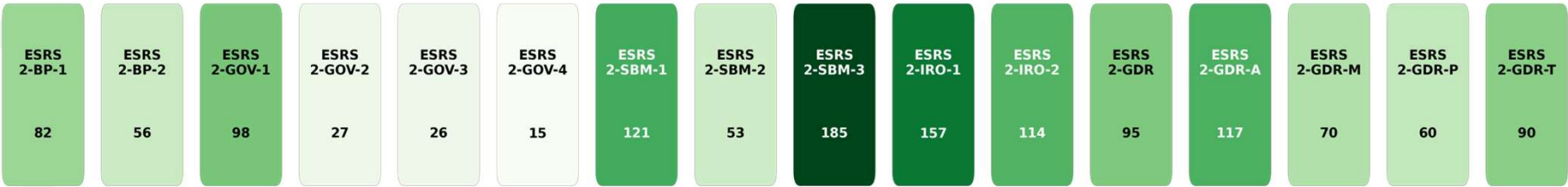
ESRS 2 | QUESTION 33 – OVERALL FEEDBACK

Question 33 : Overall feedback per standard

Key Messages

- almost all sample respondents generally found the amendments appropriate
- Most comments/suggestions were made on GDR and IRO-1

Comments	Suggestion
<ul style="list-style-type: none"> • complex to disclose resources allocated to actions (GDR-A para. 38) 	<ul style="list-style-type: none"> • clarify the meaning of “conditions and characteristics of the area” for environmental metrics (GDR-M para. 41 (b)) • clarify the relevance of Location-specific considerations when assessing negative environmental impacts and the implications at topical level (IRO-1 AR 22)



Questions &
Comments



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Thank you