

DRAFT EUROPEAN SUSTAINABILITY REPORTING STANDARDS

ESRS 2 General disclosures



November 2022

DISCLAIMER

[Draft] ESRS 2 General disclosures is set out in paragraphs 1 – 79 and the following Appendices have the same authority as the main body of the [draft] Standard:

- Appendix A: Defined terms;
- Appendix B: Application Requirements;
- Appendix C: List of datapoints in cross-cutting and [draft] topical standards that are required by EU law.

Each Disclosure Requirement in the main body of the [draft] Standard is stated in a bold paragraph and has a paragraph that illustrates the objective to be followed in the preparation of the respective disclosures.

[Draft] ESRS 2 is accompanied by the following illustrative non-authoritative appendices:

- Appendix D: Disclosure/Application Requirements in [draft] topical ESRS that are applicable jointly with [draft] ESRS 2 General Disclosures;
- Appendix E: Disclosure of [draft] ESRS datapoints in accordance with EU laws and [draft] ESRS 1 chapter 3.

The [draft] Standard also uses terms defined in other [draft] ESRS and should be read in the context of its objective.

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Objective

1. This [draft] ESRS sets out the disclosure requirements that apply to all undertakings regardless of their sector of activity (i.e., sector agnostic) and apply across sustainability topics (i.e., cross-cutting). This [draft] ESRS covers the reporting areas defined in [draft] ESRS 1 *General requirements* section 1.2 *Cross-Cutting Standards and reporting areas*.
2. In the preparation of disclosures under this [draft] Standard, the undertaking shall apply the Disclosure Requirements (including their datapoints) set in [draft] topical ESRS, as listed in Appendix D *Disclosure/Application Requirements in [draft] topical ESRS that are applicable jointly with [draft] ESRS 2 General Disclosures* of this [draft] Standard. The undertaking shall apply these requirements:
 - (a) in all instances for:
 - i. those in [draft] ESRS E1 Climate change; and
 - ii. those in other topical standards to Disclosure Requirement IRO 1 Description of the processes to identify and assess material impacts, risks and opportunities; and
 - (b) For those in other [draft] topical Standards, if, based on the undertaking's materiality assessment (see [draft] ESRS 1 chapter 3 *Double materiality as the basis for sustainability disclosures*), the sustainability topic concerned is material.

1. Basis for preparation

Disclosure Requirement BP-1 – General basis for preparation of the sustainability statements

3. **The undertaking shall disclose the general basis for preparation of its sustainability statements.**
4. The objective of this Disclosure Requirement is to provide an understanding of how the undertaking prepares its sustainability statements, including the scope of consolidation, the value chain information and, where relevant, the disclosure exemption per the Corporate Sustainability Reporting Directive (CSRD).
5. The undertaking shall disclose the following information:
 - (a) whether the sustainability statements have been prepared on a consolidated or individual basis;
 - (b) for consolidated sustainability statements, a confirmation that the scope of consolidation is the same as for the financial statements and, where applicable, an indication of which subsidiary undertakings included in the consolidation are exempted from annual or consolidated sustainability reporting;
 - (c) to what extent the sustainability statements cover the undertaking's upstream and downstream value chain (see [draft] ESRS 1 section 5.1 *Reporting undertaking and value chain*);
 - (d) whether the undertaking has used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation (see [draft] ESRS 1 section 7.7 *Information on intellectual property, know-how or results of innovation*); and
 - (e) for undertakings based in an EU member state that allows for the exemption from disclosure of impending developments or matters in course of negotiation, as provided for in articles 19a (3) and 29a (3) of the CSRD, a statement on its use of the option.

Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances

6. **The undertaking shall provide disclosures in relation to specific circumstances.**
7. The objective of this Disclosure Requirement is to provide an understanding of the effect of these specific circumstances on the preparation of the sustainability statements.
8. The undertaking may report this information alongside the disclosures to which they refer.

Time horizons

9. When it has deviated from the medium- or long-term time horizons defined by [draft] ESRS 1 section 6.4 *Definition of short-, medium- and long-term for reporting purposes*, the undertaking shall describe:
 - (a) its definitions of medium- or long-term time horizons; and
 - (b) the reasons for applying those definitions.

Value chain estimation

10. When metrics include value chain data estimated using indirect sources, such as sector-average data or other proxies, the undertaking shall:
 - (a) identify the metrics; and
 - (b) describe the basis for preparation, the resulting level of accuracy and, where applicable, the planned actions to improve the accuracy in the future (see [draft] ESRS 1 chapter 5 *Value chain*).

Sources of estimation and outcome uncertainty

11. When significant estimation uncertainty or significant outcome uncertainty exists (see [draft] ESRS 1 section 7.2 *Sources of estimation and outcome uncertainty*), the undertaking shall:
 - (a) identify metrics it has disclosed that have significant estimation uncertainty, disclose the sources and nature of the estimation uncertainties and the factors affecting the uncertainties; and
 - (b) when there is significant outcome uncertainty, disclose information about the assumptions it makes about the future and other sources of significant uncertainty, related to the information it discloses.

Changes in preparation or presentation of sustainability information

12. When changes in the preparation and presentation of sustainability information occur compared to the previous reporting period(s), such as the redefinition or replacement of a metric or target (see [draft] ESRS 1 section 7.4 *Changes in preparation or presentation in sustainability information*), the undertaking shall:
 - (a) explain the changes;
 - (b) explain the reasons for those changes, including why the replaced metric provides more useful information; and
 - (c) provide restated comparative figures, unless it is impracticable to do so. When it is impracticable to adjust comparative information for one or more prior periods, the undertaking shall disclose that fact.

Reporting errors in prior periods

13. When material prior period errors exist (see [draft] ESRS 1 section 7.5 *Reporting errors in prior periods*), the undertaking shall disclose:

- (a) the nature of the prior period material error;
- (b) to the extent practicable, the correction for each prior period disclosed; and
- (c) if correction of the error is not practicable, the circumstances that led to the existence of that condition and a description of how and when the error has been corrected.

Disclosures stemming from local legislations or generally accepted sustainability reporting pronouncements

14. When the undertaking includes in its sustainability statements information based on local legislations on generally accepted sustainability reporting pronouncements (see [draft] ESRS 1 section 8.2 *Content and structure of the sustainability statements*), in addition to the information prescribed by [draft] ESRS, it shall disclose this fact. In case of partial application of other reporting pronouncements, the undertaking shall provide a precise reference to the paragraphs of the standard applied.

Incorporation by reference

15. When the undertaking incorporates information by reference (see [draft] ESRS 1 section 9.1 *Incorporation by reference*), it shall disclose a list of the disclosure requirements of [draft] ESRS (or the specific datapoints mandated by a Disclosure Requirement) that have been incorporated by reference.

2. Governance

16. The objective of this chapter is to provide an understanding of the governance processes, controls and procedures put in place to monitor and manage sustainability matters.

Disclosure Requirement GOV-1 – The role of the administrative, management and supervisory bodies

17. **The undertaking shall disclose the composition of the administrative, management and supervisory bodies, their roles and responsibilities and access to expertise and skills with regard to sustainability matters.**
18. The objective of this Disclosure Requirement is to provide an understanding of:
- (a) the composition and diversity of the administrative, management and supervisory bodies;
 - (b) the roles and responsibilities of the administrative, management and supervisory bodies in exercising oversight of the process to manage material impacts, risks and opportunities, including management's role in these processes; and
 - (c) the expertise of its administrative, management and supervisory bodies on sustainability matters or access to such expertise and skills.
19. The undertaking shall disclose the following information about the composition and diversity of the members of the undertaking's administrative, management and supervisory bodies:
- (a) classification of members between executive and non-executive;
 - (b) representation of employees and other workers;
 - (c) experience relevant to the sectors, products and geographic locations of the undertaking;

- (d) percentage by gender and other aspects of diversity that the undertaking considers. The board's gender diversity¹ shall be calculated as an average ratio of female to male board members; and
 - (e) the percentage of independent² board members³.
20. The undertaking shall disclose the following information about the roles and responsibilities of the administrative, management and supervisory bodies:
- (a) the identity of the administrative, management and supervisory bodies (such as a board committee or similar) or individual within a body responsible for oversight of impacts, risks and opportunities;
 - (b) how each body's responsibilities for impacts, risks and opportunities are reflected in the undertaking's terms of reference, board mandates and other related policies;
 - (c) a description of management's role in assessing and managing impacts, risks and opportunities, including whether that role is delegated to a specific management-level position or committee and how oversight is exercised over that position or committee. The description shall include information about the reporting lines to the administrative, management and supervisory bodies, whether dedicated controls and procedures are applied to the management of impacts, risks and opportunities and, if so, how they are integrated with other internal functions; and
 - (d) how the administrative, management and supervisory bodies and senior executive management oversee the setting of targets related to material impacts, risks and opportunities, and how they monitor progress towards them.
21. The disclosure shall include a description of how the administrative, management and supervisory bodies ensure the availability of the appropriate skills and expertise to oversee sustainability matters, including:
- (a) the sustainability-related expertise that the bodies, as a whole, either directly possess or can leverage, for example through access to experts or training; and
 - (b) how it relates to the undertaking's material impacts, risks and opportunities.

Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

22. **The undertaking shall disclose how the administrative, management and supervisory bodies are informed about sustainability matters and how these matters were addressed during the reporting period.**
23. The objective of this Disclosure Requirement is to provide an understanding of how administrative, management and supervisory bodies are informed about sustainability matters, as well as what information and matters they addressed. This in turn allows an understanding of whether the members of these bodies were adequately informed and whether they were able to fulfil their roles.

¹ This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts set out by indicator #13 in Table 1 of Annex 1 of the related Delegated Regulation with regard to disclosures rules on sustainable investments (respectively "Board gender diversity") and benchmark administrators to disclose ESG factors subject to Regulation (EU) 2020/1816 as set out by indicator "Weighted average ratio of female to male board members" in section 1 and 2 of Annex 2.

² This information supports the information needs of benchmark administrators to disclose ESG factors subject to Regulation (EU) 2020/1816 as set out by indicator "Weighted average percentage of board members who are independent" in section 1 of Annex 2.

³ This information supports the needs of benchmark administrators to disclose ESG factors subject to Regulation (EU) 2020/1816 as set out by indicator "Exposure of the benchmark portfolio to companies without due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8" in section 1 and 2 of Annex 2.

24. The undertaking shall disclose the following information:
- (a) whether, by whom and how frequently the administrative, management and supervisory bodies, including their relevant committees, are informed about material impacts, risks and opportunities (see Disclosure Requirement IRO-1 - *Description of the processes to identify and assess material impacts, risks and opportunities* of this [draft] Standard), the implementation of sustainability due diligence and the results and effectiveness of policies, actions, metrics and targets adopted to address them, as well as any other sustainability-related concern that may arise and would require their attention;
 - (b) how the administrative, management and supervisory bodies consider impacts, risks and opportunities when overseeing the undertaking's strategy, its decisions on major transactions, and its risk management policies, including any assessment of trade-offs and analysis of sensitivity to uncertainty that may be required; and
 - (c) a list of the material impacts, risks and opportunities addressed by the administrative, management and supervisory bodies, or their relevant committees during the reporting period.

Disclosure Requirement GOV-3 - Integration of sustainability-related performance in incentive schemes

25. **The undertaking shall disclose information about the integration of its sustainability-related performance in incentive schemes.**
26. The objective of this Disclosure Requirement is to provide an understanding of whether incentive schemes are offered to members of the administrative, management and supervisory bodies that are linked to sustainability matters.
27. The undertaking shall disclose the following information about the incentive schemes for members of the undertaking's administrative, management and supervisory bodies, where they exist:
- (a) whether performance is being assessed against specific sustainability-related targets and/or impacts – and if so, which ones. And whether and how sustainability-related performance metrics are being considered as performance benchmarks or included in remuneration policies;
 - (b) a description of the key characteristics of the incentive schemes including the proportion of variable compensation dependent on such metrics; and
 - (c) the responsibility level in the undertaking that approves and updates the terms of incentive schemes.

Disclosure Requirement GOV-4 - Statement on sustainability due diligence

28. **The undertaking shall disclose a mapping of the information provided in its sustainability statements about the sustainability due diligence process(es).**
29. The objective of this Disclosure Requirement is to facilitate an understanding of the undertaking's due diligence process(es) with regard to sustainability matters.
30. The main aspects and steps of sustainability due diligence referred to under [draft] ESRS 1 chapter 4 *Sustainability due diligence* are related to a number of cross-cutting and topical Disclosure Requirements under the [draft] ESRS. The undertaking shall provide a mapping that explains how and where its application of the main aspects and steps of the sustainability due diligence process

are reflected in its sustainability reporting, to allow a depiction of the actual practices of the undertaking with regard to due diligence⁴.

31. This disclosure requirement does not mandate any specific behavioural requirements with regard to sustainability due diligence actions and does not extend to or modify the role of administrative, management and supervisory bodies as mandated by other legislation or regulation.

Disclosure Requirement GOV-5 - Risk management and internal controls over sustainability reporting

32. **The undertaking shall disclose the main features of its risk management and internal control system in relation to the sustainability reporting process(es).**
33. The objective of this Disclosure Requirement is to provide an understanding of the undertaking's risk management and internal control processes(es) in relation to sustainability reporting.
34. The undertaking shall disclose the following information:
- (a) the scope, main features and components of the risk management and internal control processes and systems in relation to sustainability reporting;
 - (b) the risk assessment approach followed, including the risk prioritisation methodology;
 - (c) the main risks identified, actual and potential, and their mitigation strategies including related controls;
 - (d) a description of how the undertaking integrates the findings of its risk assessment and internal controls as regards the sustainability reporting process into relevant internal functions and processes; and
 - (e) a description of the periodic reporting of the findings to the administrative, management and supervisory bodies.

3. Strategy

35. The objective of this chapter is to set Disclosure Requirements for reporting on:
- (a) the elements of its strategy that relate to or affect sustainability matters, its business model(s) and its value chain;
 - (b) how the interests and views of its stakeholders are taken into account by the undertaking's strategy and business model(s); and
 - (c) the outcome of its assessment of material impacts, risks and opportunities, including how they inform its strategy and business model(s).

Disclosure Requirement SBM-1 – Market position, strategy, business model(s) and value chain

36. **The undertaking shall disclose its market position, the elements of its strategy that relate to or impact sustainability matters, its business model(s) and its value chain.**
37. The objective of this Disclosure Requirement is to describe: the undertaking's market position; the elements of its general strategy that relate to or affect sustainability matters, the undertaking's

⁴ This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts as set out by indicator #10 in Table 3 of Annex 1 of the related Delegated Regulation with regard to disclosure rules on sustainable investments (respectively "Lack of due diligence").

business model(s) and key value chain, in order to provide an understanding of the undertaking's exposure to impacts, risks and opportunities and where they originate.

38. The undertaking shall disclose the following information about the undertaking's market position and the key elements of its general strategy that relate to or affect sustainability matters:
- (a) a description of:
 - i. significant groups of products and/or services offered, including changes in the reporting period (new/removed products and/or services);
 - ii. significant markets and/or customer groups served, including changes in the reporting period (new/removed markets and/or customer groups);
 - iii. headcount of employees by geographical areas; and
 - iv. where applicable and material, products and services under bans in certain markets, including potential bans in relation to material public initiatives and considerations;
 - (b) a breakdown of total revenue, as included in its financial statements, by significant ESRS sectors. When the undertaking provides segment reporting as required by IFRS 8 *Operating segments* in its financial statements, this sector revenue information shall be, as far as possible, reconciled with IFRS 8 information;
 - (c) a list of the additional ESRS sectors beyond the ones reflected under paragraph 38(b), in which the undertaking develops significant activities, or in which it is or may be connected to material impacts. The identification of these additional ESRS sectors shall be consistent with the way these have been considered by the undertaking when performing its materiality assessment and with the way it discloses material sector-specific information;
 - (d) where applicable, a statement indicating, together with the related revenues, that the undertaking is active in:
 - i. the fossil fuel (coal, oil and gas) sector⁵, i.e., it derives revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and the Council;
 - ii. chemicals production⁶, i.e., its activities fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006;
 - iii. controversial weapons⁷ such as anti-personnel mines, cluster munitions, chemical weapons and biological weapons; and/or
 - iv. the cultivation and production of tobacco⁸;
 - (e) its sustainability-related goals in terms of groups of products and services, customer categories, geographical areas and relationships with stakeholders;
 - (f) an assessment of its current market positions in relation to its goals; and

⁵ This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts set out by indicator #4 in Table 1 of Annex 1 of the related Delegated Regulation with regard to disclosures rules on sustainable investments (respectively "Exposure to companies active in the fossil fuel sector").

⁶ This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts set out by indicator #9 in Table 2 of Annex 1 of the related Delegated Regulation with regard to disclosures rules on sustainable investments (respectively "Investments in companies producing chemicals").

⁷ This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts set out by indicator #14 in Table 1 of Annex 1 of the related Delegated Regulation with regard to disclosures rules on sustainable investments (respectively "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)").

⁸ This information supports the needs of benchmark administrators to disclose ESG factors subject to Regulation (EU) 2020/1818 as set out by paragraph b) of article 12.1.

- (g) a statement of the intended direction of the elements of the undertaking's strategy that relate to or impact sustainability matters, including the main challenges ahead, critical solutions or projects to be put in place, when relevant for sustainability reporting.
39. The undertaking shall disclose a description of its business model(s) and value chain, including:
- (a) its inputs and its approach to gathering, developing and securing those inputs;
 - (b) its outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders; and
 - (c) the main features of its upstream and downstream value chain and the undertaking's position in its value chain, including a description of the main business actors (such as key suppliers, customers distribution channels and end-users) and their relationship to the undertaking. When the undertaking has multiple value chains, the disclosure shall cover the key value chains.
40. Reflecting the specific circumstances of the undertaking, there may be more than one value chain to be reported on in the sustainability statements. As a convention, in this and other [draft] ESRS the term "value chain" refers to both single and multiple value chains.

Disclosure Requirement SBM-2 – Interests and views of stakeholders

41. **The undertaking shall disclose how the interests and views of its stakeholders are taken into account by the undertaking's strategy and business model(s).**
42. The objective of this Disclosure Requirement is to provide an understanding of how stakeholders' interests and views inform the undertaking's strategy and business model(s).
43. The undertaking shall disclose a summarised description of:
- (a) the undertaking's stakeholders, whether engagement with them occurs and for which categories of stakeholders, how it is organised, its purpose and how its outcome is taken into account by the undertaking;
 - (b) the undertaking's understanding of the interests and views of stakeholders as they relate to the undertaking's strategy and business model(s), to the extent that these were analysed during the undertaking's sustainability due diligence process(es) and/or materiality assessment process (see Disclosure Requirement IRO-1 of this [draft] Standard);
 - (c) where applicable, how the undertaking has amended or expects to amend its strategy and/or business model(s) to address the interests and views of its stakeholders, including any further steps that are being planned and in what timeline and whether these steps are likely to modify the relationship with and views of stakeholders; and
 - (d) whether and how the administrative, management and supervisory bodies are informed about the views and interests of affected stakeholders with regard to the undertaking's sustainability-related impacts.

Disclosure Requirement SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model(s)

44. **The undertaking shall disclose its material impacts, risks and opportunities and how they interact with its strategy and business model(s).**
45. The objective of this Disclosure Requirement is to provide an understanding of the material impacts, risks and opportunities as they result from the undertaking's materiality assessment and how they originate from and trigger adaptation of the undertaking's strategy and business model(s).

46. The undertaking shall disclose the material impacts, risks and opportunities resulting from its materiality assessment (see Disclosure Requirement IRO-1 of this [draft] Standard), together with a brief description. The disclosure shall include the following:
- (a) how the material negative or positive impacts affect (or are expected to affect) people or the environment, the reasonably expected time horizons for those effects, whether the undertaking is involved with the material impacts through its activities or because of its business relationships (describing the nature of the activities or business relationships concerned and where in its value chain material impacts are concentrated), and whether and how the impacts originate from or are connected to the undertaking's strategy and business model(s);
 - (b) how the material risks and opportunities relate to the undertaking, specifying which risks and opportunities the undertaking reasonably expects could have financial effects, including affecting its business model(s) and strategy, and the reasonably expected time horizons for those effects;
 - (c) the effects of material impacts, risks and opportunities on its strategy and decision-making, including how the undertaking is responding to these effects. In this context, the undertaking shall disclose any changes the undertaking has made, or plans to make, to its strategy or business model(s) as part of its actions to address particular material impacts or risks, or to pursue particular material opportunities;
 - (d) the financial effects of material risks and opportunities, specifically:
 - i. the current and anticipated effects of material risks and opportunities on its business model and value chain;
 - ii. a description of where in its value chain material risks and opportunities are concentrated;
 - iii. how material risks and opportunities have affected the undertaking's most recently reported financial performance, financial position and cash flows. This includes information for which there is a material risk that there will be a material adjustment to the carrying amount of assets and liabilities reported in the financial statements within the next financial year;
 - iv. how the undertaking expects its cash flows, financial performance, and financial position to change over time under the effects of material risks and opportunities, including, where appropriate, how risks and opportunities are included in the undertaking's financial planning, reflecting:
 - 1. its current and committed investment plans and their anticipated effects on its financial position (for example, capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas and asset retirements); and
 - 2. its planned sources of funding to implement its strategy;
 - (e) information about the resilience of the undertaking's strategy and business model(s) regarding its capacity to address its material impacts and risks and to take advantage of its material opportunities. The undertaking shall disclose a qualitative and, when applicable, a quantitative analysis of the resilience, including how the analysis was conducted and the time horizons that were applied as defined in [draft] ESRS 1 (see [draft] ESRS 1 chapter 6 *Time horizons*). When providing quantitative information, the undertaking may disclose single amounts or ranges;
 - (f) changes to the material impacts, risks and opportunities compared to the previous reporting period; and

- (g) specification of those impacts, risks and opportunities that are covered by [draft] ESRS Disclosure Requirements as opposed to those covered by the undertaking using additional entity-specific disclosure.
47. The undertaking may disclose the descriptive information required in paragraph 46 alongside the disclosures provided under the corresponding [draft] topical ESRS. If the undertaking decides to do so, it shall still present a statement of its material impacts, risks and opportunities alongside its disclosures prepared under this chapter of [draft] ESRS 2.

4. Impact, risk and opportunity management

4.1 Disclosures on the materiality assessment process

48. The objective of this section is to set Disclosure Requirements to be applied when reporting on:
- (a) the processes to identify material impacts, risks and opportunities; and
 - (b) the information that, as a result of its materiality assessment, the undertaking has included in the sustainability reporting.

Disclosure Requirement IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

49. **The undertaking shall disclose its processes to identify its impacts, risks and opportunities and to assess which ones are material.**
50. The objective of this Disclosure Requirement is to provide an understanding of the process(es) through which the undertaking identifies impacts, risks and opportunities and assesses their materiality, as the basis for determining the disclosures in its sustainability reporting (see [draft] ESRS 1 Appendix B: *Application Requirements* for more guidance).
51. The undertaking shall disclose the following information:
- (a) a description of the methodologies and assumptions applied in the described processes;
 - (b) an overview of the process(es) to identify, assess and prioritise the undertaking's potential and actual impacts on people and the environment, informed by the undertaking's sustainability due diligence process(es), including explanation of whether and how the process(es):
 - i. focus(es) on specific areas due to heightened risk of adverse impacts;
 - ii. review(s) the impacts with which the undertaking is involved through its own-activities or as a result of its business relationships;
 - iii. include(s) consultation with affected stakeholders to understand how they may be impacted and with external experts;
 - iv. prioritise(s) negative impacts based on their relative severity and likelihood, (see [draft] ESRS 1 section 3.4 *Impact materiality*) and – if applicable – positive impacts on their relative scale, scope and likelihood, (see [draft] ESRS 1 section 3.4); and
 - (c) an overview of the process(es) used to identify, assess and prioritise sustainability-related risks and opportunities that have or may have financial effects. The disclosure shall also include:
 - i. how the undertaking assesses the likelihood and effects associated with them (such as the qualitative factors, quantitative thresholds and other criteria used);

- ii. how the undertaking prioritises sustainability-related risks relative to other types of risks, including its use of risk-assessment tools;
 - (d) an explanation of how the undertaking has determined the material information related to its material impacts, risks and opportunities, including the use of thresholds and/or how it has implemented the criteria in [draft] ESRS 1 section 3.2 *Material matters and materiality of information*. The disclosure shall also include the input parameters it uses (for example, data sources, the scope of operations covered and the detail used in assumptions).
52. The undertaking shall disclose:
- (a) a description of the organisation and process of decision-making and the related internal control procedures;
 - (b) the extent to which and how the process(es) to identify, assess and manage:
 - i. impacts and risks is/are integrated into the undertaking's overall risk management process and used to evaluate the undertaking's overall risk profile and risk management processes;
 - ii. opportunities is/are integrated into the undertaking's overall management process (where applicable); and
 - (c) whether the process(es) has/have changed compared to the prior reporting period, when the process(es) was/were modified for the last time and future revision dates of the materiality assessment.

Disclosure Requirement IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statements

53. **The undertaking shall report on the Disclosure Requirements complied with in its sustainability statements.**
54. The objective of this Disclosure Requirement is to provide an understanding of the Disclosure Requirements included in the undertaking's sustainability reporting and of the topics that have been omitted as not material, as a result of the materiality assessment.
55. The undertaking shall include a list of the Disclosure Requirements complied with in preparing the sustainability statements, following the outcome of the materiality assessment (see [draft] ESRS 1 chapter 3), including the page numbers and/or paragraphs where the related disclosures are located in the sustainability statements. This may be presented as a content index.
56. When all the Disclosure Requirements in a [draft] topical ESRS are omitted as the topic is assessed not to be material for the undertaking, the undertaking shall report a brief explanation of the conclusions of its materiality assessment for the topic.

4.2 Reporting on opportunities

57. When reporting on opportunities, the disclosure should consist of descriptive information allowing the reader to understand the opportunity for the undertaking or the entire sector. When reporting on opportunities, the undertaking shall consider the materiality of the information to be disclosed. In this context, it shall consider, among other factors:
- (a) whether the opportunity is currently being pursued and is incorporated in its general strategy, as opposed to a general opportunity for the undertaking or the sector; and
 - (b) whether the inclusion of quantitative measures of financial effects is appropriate, taking into account the number of assumptions that it could require and consequential uncertainty.

4.3 Disclosure Content on policies and actions

58. This section sets out Disclosure Contents to be included when the undertaking discloses information on its policies and actions to address material impacts and/or risks and/or to pursue material opportunities (collectively, to “manage material sustainability matters”). They shall be applied together with the Disclosure Requirements, including Application Requirements, provided in the relevant [draft] topical ESRS. They shall also be applied when the undertaking prepares entity-specific disclosures.
59. The corresponding disclosures shall be located alongside disclosures prescribed by the [draft] topical ESRS. When a single policy or same actions address several interconnected sustainability matters, the undertaking may disclose the required information in its reporting under one [draft] topical ESRS and cross reference to it in its reporting under other [draft] topical ESRS.
60. If the undertaking cannot disclose the information on policies and actions required under the relevant [draft] topical ESRS, because it has not adopted policies and/or actions with reference to the specific sustainability matter concerned, it shall disclose this to be the case, and provide reasons for not having adopted policies and/or actions. The undertaking may report a timeframe in which it aims to adopt them.

Disclosure Content - Policies DC-P – Policies adopted to manage material sustainability matters

61. **The undertaking shall apply the requirements for the content of disclosures in this provision when it discloses the policies it has in place with regard to each sustainability matter identified as material.**
62. The objective of this Disclosure Content is to provide an understanding of the policies that the undertaking has in place to address the identification, assessment, management and/or remediation of material sustainability matters.
63. The undertaking shall disclose a policy adopted to manage a material sustainability matter. The disclosure shall include the following information:
- (a) a description of the key contents of the policy, including its general objectives and which material impacts, risks or opportunities the policy is relating to;
 - (b) a description of the scope of the policy in terms of activities, value chain, geographies and if relevant, affected stakeholder groups;
 - (c) the most senior level in the undertaking’s organisation that is accountable for the implementation of the policy;
 - (d) a reference, if relevant, to the third-party standards or initiatives the undertaking commits to respect through the implementation of the policy;
 - (e) if relevant, a description of the consideration given to the interests of key stakeholders in setting the policy; and
 - (f) if relevant, whether and how the undertaking makes the policy available to potentially affected stakeholders, and stakeholders who need to help implement it.

Disclosure Content - Actions DC-A – Actions and resources in relation to material sustainability matters

64. **The undertaking shall apply the requirements for the content of disclosures in this provision when it describes the actions through which it manages each material sustainability matter including action plans and resources allocated and/or planned.**

65. The objective of this Disclosure Content is to provide an understanding of the key actions taken and/or planned to address material impacts, risks and opportunities, and where applicable achieve the objectives and targets of related policies.
66. Where the implementation of a policy requires actions, or a comprehensive action plan, to achieve its objectives, as well as when actions are implemented without a specific policy, the undertaking shall disclose the following information:
- (a) the list of key actions taken in the reporting year and planned for the future, their expected outcomes and, where relevant, how their implementation contributes to the achievement of policy objectives and targets;
 - (b) the scope of the key actions (i.e., coverage in terms of activities, value chain geographies and, where applicable, affected stakeholder groups);
 - (c) the time horizons under which the undertaking intends to complete each key action;
 - (d) if applicable, key actions taken (along with results) to provide for and cooperate in or support the provision of remedy for those harmed by actual material impacts;
 - (e) if applicable, quantitative and qualitative information regarding the progress of actions or action plans disclosed in prior periods; and
 - (f) any further explanation deemed useful to understand key actions.
67. Where the implementation of an action plan requires significant operational expenditures (Opex) and/or capital expenditures (Capex) the undertaking shall:
- (a) describe the type and amount of current and future financial and other resources allocated to the action plan, including the amounts, environmental or social objectives and relevant terms of sustainable finance instruments, such as green bonds, social bonds and green loans;
 - (b) provide complementary explanatory information, where the ability to implement the actions or action plan depends on specific preconditions, e.g., granting of financial support or public policy and market developments; and
 - (c) explain how significant monetary amounts relate to the most relevant amounts presented in the financial statements.

5. Metrics and targets

68. This chapter sets out Disclosure Contents that shall be included when the undertaking discloses information on its metrics and targets related to each material sustainability matter. They shall be applied together with the Disclosure Requirements, including Application Requirements, provided in the relevant [draft] topical ESRS. They shall also be applied when the undertaking prepares entity-specific disclosures.
69. The corresponding disclosures shall be located alongside disclosures prescribed by the [draft] topical ESRS.
70. If the undertaking cannot disclose the information on targets required under the relevant [draft] topical ESRS, because it has not adopted targets with reference to the specific sustainability matter concerned, it shall disclose this to be the case, and provide reasons for not having adopted targets. The undertaking may report a timeframe in which it aims to adopt them.

Disclosure Content - Metrics DC-M – Metrics in relation to material sustainability matters

71. **The undertaking shall apply the requirements for the content of disclosures in this provision when it discloses on the metrics it has in place with regard to each material sustainability matter.**

72. The objective of this Disclosure Content is to provide an understanding of the metrics the undertaking uses to track the effectiveness of its actions to manage material sustainability matters.
73. The undertaking shall disclose any metrics that it uses to evaluate performance and effectiveness, in relation to a material impact, risk or opportunity.
74. Metrics shall include those defined in [draft] topical ESRS, as well as metrics identified on an entity-specific basis, whether taken from other sources or developed by the undertaking itself.
75. For each metric, the undertaking shall:
 - (a) disclose whether the measurement of a metric is validated by an external body other than the assurance provider and, if so, which body;
 - (b) label metrics using meaningful, clear and precise names and descriptions;
 - (c) when currency is specified as the unit of measure, use the presentation currency of its financial statements.

Disclosure Content – Targets DC-T – Tracking effectiveness of policies and actions through targets

76. **The undertaking shall apply the requirements for the content of disclosures in this provision when it discloses information about the targets it has in place with regard to each material sustainability matter.**
77. The objective of this Disclosure Content is to provide an understanding of:
 - (a) whether and how the undertaking tracks the effectiveness of its actions to address material impacts, risks and opportunities, including the metrics it uses to do so;
 - (b) measurable time-bound outcome-oriented targets set by the undertaking to meet the policy's objectives, defined in terms of expected results for people, the environment or the undertaking regarding material impacts, risks and opportunities;
 - (c) the overall progress towards the adopted targets over time;
 - (d) if and how the undertaking tracks the effectiveness of its actions to address material impacts, risks and opportunities and measures the progress in achieving its policy objectives, if no measurable outcome-oriented targets exist; and
 - (e) whether and how stakeholders have been involved in target setting for each material sustainability matter.
78. The undertaking shall disclose any measurable, outcome-oriented targets it has set to assess progress. For each measurable outcome-oriented target, the disclosure shall include the following information:
 - (a) a description of the relationship of the target to the policy objectives;
 - (b) the defined target level to be achieved, including, where applicable, whether the target is absolute or relative and in which unit it is measured;
 - (c) the scope of the target, including the undertaking's activities and/or its value chain where applicable and geographical boundaries;
 - (d) the baseline value and base year from which progress is measured;
 - (e) the period to which the target applies and if applicable, any milestones or interim targets;
 - (f) the methodologies and significant assumptions used to define targets, including where applicable, the selected scenario, data sources, alignment with national, EU or international

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policy goals and how the targets consider the wider context of sustainable development and/or local situation in which impacts take place;

- (g) whether the undertaking's targets related to environmental matters are based on conclusive scientific evidence;
- (h) whether and how stakeholders have been involved in target setting for each material sustainability matter;
- (i) any changes in targets and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and processes to collect data adopted within the defined time horizon. This includes an explanation of the rationale for those changes and their effect on comparability (see Disclosure Requirement BP-2 Disclosures in relation to specific circumstances of this [draft] Standard); and
- (j) the performance or overall progress against its disclosed targets, including information on how the target is monitored and reviewed, whether the progress is in line with what had been initially planned, and an analysis of trends or significant changes in the performance of the undertaking towards achieving the target.

79. If the undertaking has not adopted any measurable outcome-oriented target, it shall describe:

- (a) whether such targets will be adopted and the timeframe for their adoption, or the reasons why the undertaking does not plan to adopt such targets;
- (b) whether it tracks the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity, and if so:
 - i. any processes through which it does so;
 - ii. the defined level of ambition to be achieved and any qualitative or quantitative indicators it uses to evaluate progress, including the base period from which progress is measured.

Appendix A: Defined terms

This appendix is an integral part of the [draft] ESRS 2 and has the same authority as the other parts of the [draft] Standard.

Administrative, management and supervisory bodies	The governance bodies with the highest decision-making authority in the undertaking including its committees. If there are no administrative, management or supervisory body of the undertaking, the CEO, and if such function exists, the deputy CEO, should be included. In some jurisdictions, governance systems consist of two tiers, where supervision and management are separated. In such cases, both tiers are included under the definition of administrative, management and supervisory bodies.
Business model	The undertaking's system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the undertaking's strategic purposes and create value over the short-, medium- and long-term time horizons. The undertaking may have one or more business models.
Fossil Fuel	Fossil fuel means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil.
Governance	The system by which the undertaking is directed and controlled in the interests of shareholders and other stakeholders. Governance involves a set of relationships between the undertaking's management, its board, its shareholders, and other stakeholders. Governance provides the structure and processes through which the objectives of the undertaking are set, progress against performance is monitored, and results are evaluated. The term "governance bodies" refers to the administrative, management and supervisory bodies with the highest decision-making authority in the undertaking.
Sustainability-related impacts	The effect the undertaking has or could have on the environment and people, including effects on their human rights, as a result of the undertaking's activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term time horizons, intended or unintended, and reversible or irreversible. Impacts indicate the undertaking's contribution, negative or positive, to sustainable development.
Strategy	The undertaking's plan to achieve its mission and vision and apply its core values. It incorporates the set of goals or purposes the undertaking assigns itself in terms of delivering certain defined products and services to defined categories of customers in certain defined geographic areas under a defined framework of relationships with all stakeholders.
Sustainability-related financial opportunities (or 'opportunities')	Sustainability-related financial opportunities are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material positive effect on the undertaking's business model, strategy, its capability to achieve its goals and targets and to create value, and therefore may influence its decisions and those of its business relationship partners with regards to sustainability matters. Like any other opportunity, sustainability-related

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	opportunities are measured as a combination of an impact's magnitude and the probability of occurrence.
Sustainability-related financial risks (or 'risks')	Sustainability-related financial risks are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material negative effect on the undertaking's business model, strategy and sustainability strategy, its capability to achieve its goals and targets and to create value, and therefore may influence its decisions and those of its business relationships with regard to sustainability matters. Like any other risks, sustainability-related risks are the combination of an impact's magnitude and the probability of occurrence.

Appendix B: Application Requirements

This appendix is an integral part of [draft] ESRS 2 and has the same authority as other parts of the [draft] Standard.

1. Basis for preparation

Disclosure Requirement BP-1 – General basis for preparation of the sustainability statements

- AR 1. When describing to what extent the sustainability statements cover the undertaking's upstream and downstream value chain (see [draft] ESRS 1 section 5.1 *Reporting undertaking and value chain*), the undertaking may distinguish between:
- (a) the extent to which its materiality assessment of impacts, risks and opportunities extends to its value chain;
 - (b) the extent to which its policies, actions and targets extend to its value chain; and
 - (c) the extent to which it includes value chain data in disclosing on metrics.

2. Governance

Disclosure Requirement GOV-1 – The role of the administrative, management and supervisory bodies

- AR 2. In describing the roles and responsibilities of the administrative, management and supervisory bodies with regard to sustainability matters, the undertaking may specify:
- (a) the aspects of sustainability over which oversight is exercised, with regard to environmental, social and governance matters the undertaking may be facing, including:
 - i. any assessment of and changes to sustainability-related aspects of the undertaking's strategy and business model(s);
 - ii. the identification and assessment of material risks, opportunities and impacts;
 - iii. related policies and targets, action plans and dedicated resources; and
 - iv. sustainability reporting;
 - (b) the form such oversight takes for each of the above aspects: i.e., information, consultation or decision-making; and
 - (c) the way such oversight is organised and formalised, i.e., processes by which the administrative, management and supervisory bodies engage with these aspects of sustainability.
- AR 3. In describing the undertaking's organisation of governance regarding sustainability matters, a description of complex governance structure may be complemented by their presentation in the form of a diagram.
- AR 4. The description of the level of expertise or access to expertise of the administrative, management and supervisory bodies may be substantiated by illustrating the composition of the bodies, including members on whom these bodies rely for expertise to oversee sustainability matters, and how they leverage that expertise as a body. In the description, the undertaking shall consider how the expertise and skills are relevant to the undertaking's material impacts, risks and opportunities and whether the bodies and/or its members have access to other sources of expertise, such as specific experts and training and other educational initiatives to update and develop sustainability-related expertise within these bodies.

Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

AR 5. Depending on the undertaking’s structure, the administrative, management and supervisory bodies may focus on overarching targets, while management focuses on the more detailed targets. In this case, the undertaking may report on how the governance bodies ensures that an appropriate mechanism for performance monitoring is in place.

Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes

AR 6. For listed undertakings, this Disclosure Requirement should be consistent with the remuneration report prescribed in articles 9a and 9b of the Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies. A reference to this remuneration could be made.

Disclosure Requirement GOV-4 – Statement on sustainability due diligence

AR 7. The mapping required by paragraph 30 may be presented in the form of a table, cross-referencing the core elements of sustainability due diligence, for both impacts on people and the environment, to the relevant disclosures in the undertaking’s sustainability statements, as set out below.

AR 8. The undertaking may include additional columns to the table below to clearly identify those disclosures that relate to impacts on people and/or the environment given that, in some cases, more than one disclosure may provide information about the same due diligence step.

AR 9. The main references in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises to the core elements of the due diligence process are listed in ESRS 1 chapter 4.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENTS
a) Embedding due diligence in governance, strategy and business model	
b) Engaging with affected stakeholders in all key steps of the due diligence	
c) Identifying and assessing adverse impacts	
d) Taking actions to address those adverse impacts	
e) Tracking the effectiveness of these efforts and communicating	

Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting

AR 10. This Disclosure Requirement focuses solely on the internal control processes over the sustainability reporting process. The undertaking may consider risks such as the completeness and integrity of the data, the accuracy of estimation results, the availability of value chain data, and the timing of the availability of the information.

3. Strategy

Disclosure Requirement SBM-1 Market position, strategy, business model(s) and value chain

- AR 11. To provide the information on sectors required by paragraph 38, the undertaking shall map its significant activities in accordance with ESRS sectors. If a code for a sub-sector does not exist, the caption “others” is detailed.
- AR 12. When preparing the disclosures prescribed by paragraph 38 of this Disclosure Requirement, in order to determine the significance of groups of products and/or services offered, of markets and/or customer groups served or an ESRS sector the undertaking shall consider both the following criteria:
- (a) whether it generates revenues above 10 per cent of the revenues of all its activities; and
 - (b) whether it is connected with material actual impacts or material potential negative impacts.
- AR 13. In preparing disclosures relating to its business model(s) and value chain, the undertaking shall consider:
- (a) its key business relationships, including with customers, and their key characteristics, its key activities, suppliers, resources, distribution channels, and customer segments;
 - (b) the cost structure and revenue of its business segments, in line with IFRS 8 disclosure requirements in the financial statements, where applicable;
 - (c) the potential impacts, risks and opportunities in its significant sector(s) and their possible relationship to its own business model(s) or value chain.
- AR 14. Contextual information may be particularly relevant for users of the undertaking’s sustainability reporting, to understand to what extent the reported disclosures include value chain information. The description of the main features of the value chain and where applicable the identification of key value chains should support an understanding of how the undertaking applies the requirements of [draft] ESRS 1 chapter 5 and the materiality assessment performed by the undertaking in line with [draft] ESRS 1 chapter 3. The description may provide a high-level overview of the key features of value chain entities indicating their relative contribution to the undertaking’s performance and positions and explaining how they contribute to the value creation of the undertaking.

Disclosure Requirement SBM-2 – Interests and views of stakeholders

- AR 15. The views and interests of stakeholders that are expressed as part of the undertaking’s engagement with stakeholders through its sustainability due diligence process(es) may be relevant to one or more aspects of its strategy or business model. As such, they may affect the undertaking’s decisions regarding the future direction of the strategy or business model(s).

Disclosure Requirement SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model(s)

- AR 16. When describing where in its value chain material impacts, risks and opportunities are concentrated, the undertaking shall consider: geographical areas, facilities or types of assets, inputs, outputs and distribution channels.
- AR 17. This disclosure may be expressed in terms of a single impact, risk or opportunity or by aggregating groups of material impacts, risks and opportunities, when this provides more relevant information and does not obscure material information.

- AR 18. This Disclosure Requirement requires the undertaking to report and describe its material impacts, risks and opportunities. Information regarding the management of those impacts, risks and opportunities and related metrics and targets is addressed in other Disclosure Requirements in this [draft] Standard and in the [draft] topical ESRS.

4. Impact, risk and opportunity management

Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

- AR 19. Key requirements and principles regarding the processes to identify and assess material impacts, risks and opportunities based on the principle of double materiality are set out in [draft] ESRS 1 chapter 3 and its related Application Requirements. [draft] ESRS 1 chapter 3 addresses the processes to identify material matters from both the impact materiality and the financial materiality perspectives, and to identify material information in relation to such matters.

Disclosure Requirement IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statements

- AR 20. Notwithstanding the basis for the presentation of the information about sustainability matters included in [draft] ESRS 1 chapter 8 *Structure of sustainability statements*, the undertaking may disclose the list of the Disclosure Requirements complied with in preparing the sustainability statements (see paragraph 55) in the general information part or in other parts of the sustainability statement as it deems appropriate. The undertaking may use a content index, i.e., a tabular list of the Disclosure Requirements included in the sustainability statements, with the indication of where they are located (page/paragraphs).

Disclosure Content - Policies DC-P – Policies adopted to manage material sustainability matters

- AR 21. Due to the interdependency between impacts on people and the environment, risks and opportunities, a single policy may apply to several material sustainability matters, including matters addressed by more than one topical [draft] ESRS. For example, if a single policy covers both an environmental matter and a social matter, the undertaking may report on the policy in the environmental section of its sustainability statements. In this case, the disclosure it has to include in the social section is a cross-reference to the environmental section where the policy is reported. Equally a policy may be reported in the social section with a cross-reference to it in the environmental section.
- AR 22. The description of the scope of the policy may explain which activities and/or segments of the undertaking's own operations or value chain it concerns. The description may also explain further boundaries relevant to the specific topic or the undertaking's circumstances, which may include geographies, life cycles, etc. In certain cases, such as if the policy does not cover the full value chain, the undertaking may provide clear information regarding the extent of the value chain covered by the policy.

Disclosure Content - Actions DC-A – Actions and resources in relation to material sustainability matters

- AR 23. Key actions in the context of this Disclosure Requirement are those actions that materially contribute to achieving the undertakings objectives in addressing material impacts, risks and opportunities. For reasons of understandability, key actions may be aggregated where appropriate.

- AR 24. Information on resource allocation may be presented in the form of a table and broken down between capital expenditures and operating expenditures, and across the relevant time horizons, at a minimum for resources applied in the current reporting year, and for the planned allocation of resources over specific time horizons.

5. Metrics and targets

Disclosure Content - Targets DC-T – Tracking effectiveness of policies and actions through targets

- AR 25. When setting targets related to the prevention or mitigation of environmental impacts, the undertaking shall prioritise targets related to the reduction of the impacts in absolute terms rather than in relative terms. When targets address the prevention or mitigation of social impacts, they may be specified in terms of the effects on human rights, welfare or positive outcomes for affected stakeholders.
- AR 26. The information on progress made towards achieving the targets may be presented in a comprehensive table, including information on the baseline and target value, milestones, and achieved performance over the prior periods.
- AR 27. Where the undertaking describes progress in achieving the objectives of a policy in the absence of a measurable target, it may specify a baseline against which the progress is considered. For example, the undertaking may assess an increase of wages by a certain percentage for those below a fair wage; or may assess the quality of its relationships with local communities by reference to the proportion of issues raised by communities that were resolved to their satisfaction. The baseline and the assessment of the progress shall be related to the impacts, risks and opportunities which underpin the materiality of the matter addressed by the policy.

Appendix C: List of datapoints in cross-cutting and [draft] topical standards that are required by EU law

This appendix is an integral part of the [draft] ESRS 2. The table below illustrates the datapoints in [draft] ESRS 2 and [draft] topical ESRS that emanate from other EU legislation. They are to be reported irrespective of the outcome of the materiality assessment.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS 2 GOV-1 Board's gender diversity paragraph 19 (d)	Indicator n.13 of Table #1 of Annex 1		Commission Delegated Regulation (CDR) (EU) 2020/1816, Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 19 (e)			CDR (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator n. 10 Table #3 of Annex 1			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 38 (d) i	Indicators n. 4 Table #1 of Annex 1		CDR (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 38 (d) ii	Indicator n. 9 Table #2 of Annex 1		CDR (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 38 (d) iii	Indicator n. 14 Table #1 of Annex 1		CDR (EU) 2020/1818, Article 12 (1) CDR (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 38 (d) iv			CDR (EU) 2020/1818, Article 12 (1) CDR (EU) 2020/1816, Annex II	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 13				Regulation (EU) 2021-1119 Article 2 (1)

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 15 (f)		Article 449a Capital Requirements Regulation – CRR; Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	CDR (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2	
ESRS E1-4 GHG emission reduction targets paragraph 32	Indicator n. 4 Table #2 of Annex 1		CDR (EU) 2020/1818, Article 6	
ESRS E1-5 Energy consumption from non-renewable sources disaggregated by sources (only high climate impact sectors) paragraph 35 (a)	Indicator n. 5 Table #1 and Indicator n. 5 Table #2 of Annex 1			
ESRS E1-5 Energy consumption and mix paragraph 36	Indicator n. 5 Table #1 of Annex 1			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 37 to 40	Indicator n. 6 Table #1 of Annex 1			
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 41	Indicators n. 1 and 2 Table #1 of Annex 1		CDR (EU) 2020/1818, Article 5(1), 6 and 8(1)	
ESRS E1-6 Gross GHG emissions intensity paragraphs 50 to 52	Indicators n. 3 Table #1 of Annex 1		CDR (EU) 2020/1818, Article 8(1)	

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E1-7 GHG removals and carbon credits paragraph 58				Regulation (EU) 2021-1119 Article 2 (1)
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 63			CDR (EU) 2020/1818, Annex II CDR (EU) 2020/1816, Annex II	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 63 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 63 (c).		Article 449a CRR; Final draft ITS, paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 64 (c).		Article 449a CRR; Final draft ITS, paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral		
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 66			CDR (EU) 2020/1818, Annex II	
ESRS E2-4 Tonnes of emissions of air pollutants generated by the undertaking paragraph 27 (a)	Indicator n. 2 Table #2 of Annex 1			

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E2-4 Tonnes of emissions to water generated by the undertaking paragraph 27 (b)	Indicator n. 8 Table #1 of Annex 1			
ESRS E2-4 Tonnes of emissions of inorganic pollutants generated by the undertaking paragraph 27 (c)	Indicator n.1 Table #2 of Annex 1			
ESRS E2-4 Tonnes of emissions of ozone-depleting substances generated by the undertaking paragraph 27 (d)	Indicator n. 3 Table #2 of Annex 1			
ESRS E3-1 Water and marine resources paragraph 8	Indicator n. 7 Table #2 of Annex 1			
ESRS E3-1 Dedicated policy paragraph 12	Indicator n.8 Table 2 of Annex 1			
ESRS E3-1 Sustainable oceans and seas paragraph 13	Indicator n. 12 Table #2 of Annex 1			
ESRS E3-4 Total water recycled and reused paragraph 28 (a)	Indicator n. 6.2 Table #2 of Annex 1			
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator n. 6.1 Table #2 of Annex 1			
ESRS 2- IRO 1 - E4 paragraph 22 (d) i	Indicator n. 7 Table #1 of Annex 1			
ESRS 2- IRO 1 - E4 paragraph 22 (e)	Indicator n. 10 Table #2 of Annex 1			
ESRS 2- IRO 1 - E4 paragraph 22 (f)	Indicator n.14 Table #2 of Annex 1			
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 27 (b)	Indicator n.11 Table #2 of Annex 1			

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 27 (c)	Indicator n. 12 Table #2 of Annex 1			
ESRS E4-2 Policies to address deforestation paragraph 27 (d)	Indicator n. 15 Table #2 of Annex 1			
ESRS E5-5 Non-recycled waste paragraph 39 (d)	Indicator n. 13 Table #2 of Annex 1			
ESRS E5-5 Hazardous waste and radioactive waste paragraph 41	Indicator n.9 Table #1 of Annex 1			
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 16 (f)	Indicator 13 Table #3 of Annex I			
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 16 (g)	Indicator 12 Table #3 of Annex I			
ESRS S1-1 Human rights policy commitments paragraph 22	Indicator n. 9 Table #3 and Indicator n. 11 Table #1 of Annex I			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 23			CDR (EU) 2020/1816, Annex II	
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 24	Indicator n.11 Table #3 of Annex I			
ESRS S1-1 workplace accident prevention policy or management system paragraph 24	Indicator n.1 Table #3 of Annex I			

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS S1-3 grievance/complaints handling mechanisms paragraph 33 (c)	Indicator n. 5 Table #3 of Annex I			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 84 (b) and (c)	Indicator n. 2 Table #3 of Annex I		CDR (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 84 (e)	Indicator n. 3 Table #3 of Annex I			
ESRS S1-16 Unadjusted gender pay gap and weighted average gender pay gap paragraph 92 (a)	Indicator n. 12 Table #1 of Annex I		CDR (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio paragraph 92 (b)	Indicator n. 8 Table #3 of Annex I			
ESRS S1-17 Incidents of discrimination paragraph 98 (a)	Indicator n. 7 Table #3 of Annex I			
ESRS S1-17 Violations of UNGC principles and OECD paragraph 99 (a)	Indicator n. 10 Table #1 and Indicator n. 14 Table #3 of Annex I		CDR (EU) 2020/1816, Annex II CDR (EU) 2020/1818 Art 12 (1)	
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators n. 12 and n. 13 Table #3 of Annex I			
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator n. 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator n. 11 and n. 4 Table #3 of Annex 1			
ESRS S2-1 Violations of UNGC principles and OECD guidelines	Indicator n. 10 Table #1 of Annex 1		CDR (EU) 2020/1816, Annex II CDR (EU)	

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
paragraph 19			2020/1818, Art 12 (1)	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			CDR (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator n. 14 Table #3 of Annex 1			
ESRS S3-1 Human policy commitments paragraph 16	Indicator n. 9 Table #3 of Annex 1 and Indicator n. 11 Table #1 of Annex 1			
ESRS S3-1 Violations of UNGC principles and OECD guidelines paragraph 17	Indicator n. 10 Table #1 Annex 1		CDR (EU) 2020/1816, Annex II CDR (EU) 2020/1818, Art 12 (1)	
ESRS S3-4 Human rights issues and incidents paragraph 35	Indicator 14 Table #3 of Annex 1			
ESRS S4-1 Policies related to consumers and end-users paragraph 15	Indicator n. 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
ESRS S4-1 Violations of UNGC principles and OECD guidelines paragraph 16	Indicator 10 Table #1 of Annex 1		CDR (EU) 2020/1816, Annex II CDR (EU) 2020/1818, Art 12 (1)	
ESRS S4-4 Human rights issues and incidents paragraph 33	Indicator n. 14 Table #3 of Annex 1			
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator n. 15 Table #3 of Annex 1			

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator n. 6 Table #3 of Annex 1			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 23 (b)	Indicator n. 17 Table #3 of Annex 1		CDR (EU) 2020/1816, Annex II)	
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 25	Indicator 16 Table #3 of Annex 1			

Appendix D: Disclosure/Application Requirements in [draft] topical ESRS that are applicable jointly with [draft] ESRS 2 General Disclosures

The following table outlines the requirements in [draft] topical ESRS that need to be taken into account when reporting against the Disclosure Requirements in [draft] ESRS 2.

ESRS 2 Disclosure Requirement	Related [draft] ESRS	
	Main body of [draft] topical ESRS	Application Requirements
GOV-1 The role of the administrative, management and supervisory bodies	[draft] ESRS G1 <i>Business conduct</i> (5)	
GOV-3 Integration of sustainability-related performance in incentive schemes	[draft] ESRS E1 <i>Climate change</i> (12)	
SBM-2 Interests and views of stakeholders	[draft] ESRS S1 <i>Own workforce</i> (14) [draft] ESRS S2 <i>Workers in the value chain</i> (9) [draft] ESRS S3 <i>Affected communities</i> (7) [draft] ESRS S4 <i>Consumers and end-users</i> (7)	[draft] ESRS S1 <i>Own workforce</i> (AR 4 to AR 5) [draft] ESRS S2 <i>Workers in the value chain</i> (AR 4 to AR 5) [draft] ESRS S3 <i>Affected communities</i> (AR 3 to AR 4) [draft] ESRS S4 <i>Consumers and end-users</i> (AR 3 to AR 4)
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model(s)	[draft] ESRS E1 <i>Climate Change</i> (17) [draft] ESRS E4 <i>Biodiversity and ecosystems</i> (19) [draft] ESRS S1 <i>Own workforce</i> (15 to 18) [draft] ESRS S2 <i>Workers in the value chain</i> (10 to 13) [draft] ESRS S3 <i>Affected communities</i> (8 to 11) [draft] ESRS S4 <i>Consumers and end-users</i> (8 to 11)	[draft] ESRS E1 <i>Climate change</i> (AR 7 to AR 9) [draft] ESRS S1 <i>Own workforce</i> (AR 6 to AR 9) [draft] ESRS S2 <i>Workers in the value chain</i> (AR 6 to AR 9) [draft] ESRS S3 <i>Affected communities</i> (AR 5 to AR 8) [draft] ESRS S4 <i>Consumers and end-users</i> (AR 5 to AR 8)
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	[draft] ESRS E1 <i>Climate change</i> (18 to 19) [draft] ESRS E2 <i>Pollution</i> (10) [draft] ESRS E3 <i>Water and marine resources</i> (7) [draft] ESRS E4 <i>Biodiversity and ecosystems</i> (20 to 22)	[draft] ESRS E1 <i>Climate change</i> (AR 10 to AR 16) [draft] ESRS E2 <i>Pollution</i> (AR 1 to AR 9) [draft] ESRS E3 <i>Water and marine resources</i> (AR 1 to AR 15) [draft] ESRS E4 <i>Biodiversity and ecosystems</i> (AR 3 to AR 11)

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	<i>[draft] ESRS E5 Resource use and circular economy (11)</i> <i>[draft] ESRS G1 Business conduct (6)</i>	<i>[draft] ESRS E5 Resource use and circular economy (AR 1 to AR 10)</i>
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Appendix E: Disclosure of ESRS datapoints in accordance with EU laws and [draft] ESRS 1 chapter 3

The following table illustrates the datapoints that shall always be disclosed irrespective of the outcome of the materiality assessment and the datapoints that are disclosed subject to materiality considerations.

	Datapoints to be always disclosed		Datapoints to be disclosed subject to materiality assessment		
	As prescribed by European Laws (see Appendix D)	As prescribed by ESRS 1 section 3.2. <i>Material matters and materiality of information</i> and paragraph 2 of this [draft] Standard.	POLICIES, ACTIONS, TARGETS DR - If a sustainability matter is material, the undertaking shall disclose all disclosure requirements (including their datapoints) that relate to the sustainability matters; - If the undertaking cannot disclose this information, because it has not adopted policies, actions or targets, it shall disclose this to be the case in accordance with paragraphs 60 and 70.	METRICS - Disclosure requirements (and their datapoints) applicable if information required by the DR (datapoints) is material	APPLICATION REQUIREMENTS IN TOPICAL ESRS RELATED TO ESRS 2 (other than IRO1) - Datapoint to be always disclosed as long as the undertaking consider the topic to be material (see paragraph 2 of this [draft] Standard)
ESRS 2 BP-1		<input checked="" type="checkbox"/>			
ESRS 2 BP-2		<input checked="" type="checkbox"/>			
ESRS 2 GOV-1	<input checked="" type="checkbox"/> (paragraphs 19 d) and 19 e)	<input checked="" type="checkbox"/>			
ESRS 2 GOV-2		<input checked="" type="checkbox"/>			
ESRS 2 GOV-3		<input checked="" type="checkbox"/>			
ESRS 2 GOV-4	<input checked="" type="checkbox"/> (paragraph 30)	<input checked="" type="checkbox"/>			
ESRS 2 GOV-5		<input checked="" type="checkbox"/>			
ESRS 2 SBM-1	<input checked="" type="checkbox"/> (paragraphs 38 d) i to 38 d) iv)	<input checked="" type="checkbox"/>			
ESRS 2 SBM-2		<input checked="" type="checkbox"/>			
ESRS 2 SBM-3		<input checked="" type="checkbox"/>			
ESRS 2 IRO-1		<input checked="" type="checkbox"/>			
ESRS 2 IRO-2		<input checked="" type="checkbox"/>			
ESRS 2 DC-P		<input checked="" type="checkbox"/>			
ESRS 2 DC-A		<input checked="" type="checkbox"/>			
ESRS 2 DC-M		<input checked="" type="checkbox"/>			
ESRS 2 DC-T		<input checked="" type="checkbox"/>			
ESRS 2- GOV 3 – E1		<input checked="" type="checkbox"/>			
ESRS E1-1	<input checked="" type="checkbox"/> (paragraphs 13, 15 f)	<input checked="" type="checkbox"/>			
ESRS 2- SBM 3 – E1		<input checked="" type="checkbox"/>			
ESRS 2- IRO 1 - E1		<input checked="" type="checkbox"/>			
ESRS E1-2		<input checked="" type="checkbox"/>			
ESRS E1-3		<input checked="" type="checkbox"/>			
ESRS E1-4	<input checked="" type="checkbox"/> (paragraph 32)	<input checked="" type="checkbox"/>			

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ESRS E1-5	<input checked="" type="checkbox"/> (paragraphs 35 (a), 36, 37 to 40)	<input checked="" type="checkbox"/>			
ESRS E1-6	<input checked="" type="checkbox"/> (paragraph 41 and 50 to 52)	<input checked="" type="checkbox"/>			
ESRS E1-7	<input checked="" type="checkbox"/> (paragraph 58)	<input checked="" type="checkbox"/>			
ESRS E1-8		<input checked="" type="checkbox"/>			
ESRS E1-9	<input checked="" type="checkbox"/> (paragraphs 63, 63 a), 63 c), 64 c), 66)	<input checked="" type="checkbox"/>			
ESRS 2- IRO 1 - E2		<input checked="" type="checkbox"/>			
ESRS E2-1			<input checked="" type="checkbox"/>		
ESRS E2-2			<input checked="" type="checkbox"/>		
ESRS E2-3			<input checked="" type="checkbox"/>		
ESRS E2-4	<input checked="" type="checkbox"/> (paragraphs 27 a) to d))			<input checked="" type="checkbox"/> (remaining paragraphs)	
ESRS E2-5				<input checked="" type="checkbox"/>	
ESRS E2-6				<input checked="" type="checkbox"/>	
ESRS 2- IRO 1 - E3		<input checked="" type="checkbox"/>			
ESRS E3-1	<input checked="" type="checkbox"/> (paragraphs 8, 12 and 13)		<input checked="" type="checkbox"/> (remaining paragraphs)		
ESRS E3-2			<input checked="" type="checkbox"/>		
ESRS E3-3			<input checked="" type="checkbox"/>		
ESRS E3-4	<input checked="" type="checkbox"/> (paragraphs 28 a) and 29)			<input checked="" type="checkbox"/> (remaining paragraphs)	
ESRS E3-5				<input checked="" type="checkbox"/>	
ESRS E4-1 ⁹				<input checked="" type="checkbox"/>	
ESRS 2- SBM 3 - E4					<input checked="" type="checkbox"/>
ESRS 2- IRO 1 - E4	<input checked="" type="checkbox"/> (paragraphs 22 d) i, e) and f))	<input checked="" type="checkbox"/>			
ESRS E4-2	<input checked="" type="checkbox"/> (paragraphs 27 b) to d))		<input checked="" type="checkbox"/> (remaining paragraphs)		
ESRS E4-3			<input checked="" type="checkbox"/>		
ESRS E4-4			<input checked="" type="checkbox"/>		
ESRS E4-5				<input checked="" type="checkbox"/>	
ESRS E4-6				<input checked="" type="checkbox"/>	
ESRS 2- IRO 1 – E5		<input checked="" type="checkbox"/>			
ESRS E5-1			<input checked="" type="checkbox"/>		
ESRS E5-2			<input checked="" type="checkbox"/>		
ESRS E5-3			<input checked="" type="checkbox"/>		
ESRS E5-4				<input checked="" type="checkbox"/>	
ESRS E5-5	<input checked="" type="checkbox"/> (paragraphs 39 d) and 41)			<input checked="" type="checkbox"/> (remaining paragraphs)	
ESRS E5-6				<input checked="" type="checkbox"/>	
ESRS2 - SBM-2 – S1					<input checked="" type="checkbox"/>
ESRS2 - SBM-3 – S1	<input checked="" type="checkbox"/> (paragraph 16 f) and g))				<input checked="" type="checkbox"/> (remaining paragraphs)
ESRS S1-1	<input checked="" type="checkbox"/> (paragraphs 22, 23, 24)	<input checked="" type="checkbox"/> (**)	<input checked="" type="checkbox"/> (***) (remaining paragraphs)		
ESRS S1-2		<input checked="" type="checkbox"/> (**)	<input checked="" type="checkbox"/> (***)		
ESRS S1-3	<input checked="" type="checkbox"/> (paragraph 33 c)	<input checked="" type="checkbox"/> (**)	<input checked="" type="checkbox"/> (***) (remaining paragraphs)		
ESRS S1-4		<input checked="" type="checkbox"/> (**)	<input checked="" type="checkbox"/> (***)		

⁹ This Disclosure Requirement is to be apply only when the undertaking operate in one of the sectors listed in ESRS E4 Biodiversity and ecosystem paragraph 15

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ESRS S1-5		<input checked="" type="checkbox"/> (**)	<input checked="" type="checkbox"/> (***)		
ESRS S1-6		<input checked="" type="checkbox"/> (**)		<input checked="" type="checkbox"/> (***)	
ESRS S1-7		<input checked="" type="checkbox"/> (**)		<input checked="" type="checkbox"/> (***)	
ESRS S1-8		<input checked="" type="checkbox"/> (**)		<input checked="" type="checkbox"/> (***)	
ESRS S1-9		<input checked="" type="checkbox"/> (**)		<input checked="" type="checkbox"/> (***)	
ESRS S1-10				<input checked="" type="checkbox"/> (*)	
ESRS S1-11				<input checked="" type="checkbox"/> (*)	
ESRS S1-12				<input checked="" type="checkbox"/>	
ESRS S1-13				<input checked="" type="checkbox"/>	
ESRS S1-14	<input "="" checked="" type="checkbox"/>				
ESRS S1-16	<input "="" checked="" type="checkbox"/>				
ESRS2 - SBM-3 - S2	<input "="" checked="" type="checkbox"/>				
ESRS S2-3			<input checked="" type="checkbox"/>		
ESRS S2-4	<input "="" checked="" type="checkbox"/>				
ESRS2 - SBM-2 – S3					<input checked="" type="checkbox"/>
ESRS2 - SBM-3 – S3					<input checked="" type="checkbox"/>
ESRS S3-1	<input "="" checked="" type="checkbox"/>				
ESRS S3-3			<input checked="" type="checkbox"/>		
ESRS S3-4	<input "="" checked="" type="checkbox"/>				
ESRS2 - SBM-2 - S4					<input checked="" type="checkbox"/>
ESRS2 - SBM-3 - S4					<input checked="" type="checkbox"/>
ESRS S4-1	<input "="" checked="" type="checkbox"/>				
ESRS S4-3			<input checked="" type="checkbox"/>		
ESRS S4-4	<input "="" checked="" type="checkbox"/>				
ESRS 2 – GOV 1 - G1					<input checked="" type="checkbox"/>
ESRS 2 – IRO 1 - G1		<input checked="" type="checkbox"/>			
ESRS G1-1	<input "="" checked="" type="checkbox"/>				
ESRS G1-3			<input checked="" type="checkbox"/>		
ESRS G1-4	<input "="" checked="" type="checkbox"/>				
ESRS G1-6				<input checked="" type="checkbox"/>	

(*) If the undertaking has concluded, based on its materiality assessment, that all of its employees have a wage in line with what is considered adequate or they are all covered by social protection, the undertaking shall state that all its employees have a wage in line with the fair wage benchmark or are all covered by social protection.

(**) For undertakings with 250 or more employees.

(***) For undertakings with less than 250 employees



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