

Batch of categorisations to be approved by SRB meeting 15.05.2024

Mailing from ESRS Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: **25/05/2024** Mailing for: **SR Board** Mailing type: **a: cat. to be sent to SRB**

| Re- sponse ID | Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal) | bundling of related questions (only applicable for implementation guidance and 5c already asked) | Allocatio n to E, S, G, x- cutting and others | Q+A Title (Secretariat) | Question asked (Secretariat) | ESRS reference (Secretariat) | Reason for categorisation | Main Sector | Stakeholder group | Country question coming from |
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| 535 | 1 - explanation question | n/a | Environm ent | List of regulated Emission Trading schemes | Is there a clear definition or exhaustive list of ' regulated Emission Trading Schemes'? | ESRS E1 paragraph 48b | Please update rationale as per CdP request 13.3.24: ESRS E1 AR 45 details that the undertaking shall consider GHG emissions from the installations it operates that are subject to regulated Emission Trading Schemes (ETS), including the EU-ETS, national ETS and non-EU ETS, if applicable; and only include emissions of CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3. There is currently no authoritative list of regulated ETS within ESRS available materials. We have engaged with DG Clima to understand if there are such official list within the EU space that could serve as a basis (waiting for reply). If no list exists, this will benefit of research and public feedback (to make sure it is complete) and should become an IG. | Information Technology | Preparer | Belgium |
| 718 | 1 - explanation question | n/a | Environm ent | Disaggregatio n of GHG emissions | It seems like in the disclosure requirements, there is no distinction in GHG emissions based on fossil resources and non-fossil resources. Why is this, and would EFRAG recommend to emphasize this difference in CSRD- reporting anyway? | ESRS E1 paragraph 41 | E1 does not split GHG emissions based on fossil resources. This aims to clarify method of disaggregation and relation to GHGP as methodology. Reference to AR41 on disaggregation of GHG emissions, as well as entity specific disclosures." | Not applicable | Other | Netherlands |
| 722 | 1 - explanation question | ID 432 | Environm ent | net zero target | If we have set a net-zero target . Does that mean under that prgraph 60, we cant use carbon credit to reach our goal ? | ESRS Climate Change E1-7 Paragraph 60 and 61 | As some relation to ID 432, but goes beyond. ID432 talks of removals, while here the mention is made to carbon credits, which can include removals but also other type of cabron credits (e.g. avoided emissions). An answer will be provided clarifying that net-sero targets as defined in ESRS do not encompass the possibility of "netting off" footprints (net accounting) with carbon credits, in particular, avoided emissions. | Information Technology | Other | Ireland |
| 727 | 1 - explanation question | n/a | Environm ent | PCAF Scope 3 | is it possible for asset managers refer also/or to SFDR PAI number 1 (ghg emissions) methodology in scope 3 calculation in addition to the PCAF standard? | ESRS E1 - appendix A - RA 46b | This will be investigated, as the extent to which the PAI methodology differs form the GHG protocol and PCF is not clear to us at the moment. The issue of double reporting and double effort is a relevant one, considering also political priorities. We will engage with EC to understand this issue and ESMA guidelines. | Not applicable | Preparer | Italy |
| 734 | 1 - explanation question | n/a | Environm ent | 0 | Is the understanding correct that undertakings can add the amount of emissions reduced before their new base year to the actual emissions of the new base year and therefore suggest that the past emissions haven't been realized? | ESRS E1 AR 25.d) | ESRS E1 paragrapg 34 (c) and ESRS E1 paragraph AR 25 (d) state that an undertaking may disclose progress in meeting climate-related targets. An undertaking may disclose amount of reduction as well as explanations of achievement of those progresses. Consequently, it can be quantitative and/or qualitative information. | Not applicable | Preparer | Germany |

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| 758 1 - explanation question | n/a | Environment | Energy consumption metric | What is the perimeter of the energy consumption metric? Should it cover energy consumption from operations that are operationally controlled by the entity, similarly to the perimeter of GHG emissions reporting scope 1 and 2? | ESRS Disclosure Requirement E1-53 | The question is pertinent and answer requires consistency with GHG CO2 approach. Two solutions emerge: control also refers to operational control, which case there will be no additivity of energy and emissions; 2) control is limited to what is within the organizational boundary, and so operationally controlled energy not included (and thus additivity is ensured). | Professional Services | Assurance Services Provider | France |
| 759 1 - explanation question | n/a | Environment | Energy consumption metric | What is the perimeter of the energy production metric? Should it be the same as the perimeter retained for energy consumption metric? | ESRS Disclosure Requirement E1-53 | The question is pertinent and answer requires consistency with GHG CO2 approach. There is still a pending issue here, related to what Total emission mean, which deserve proper discussion. We will have opportunity to have this discussion when answering this question. Two solutions emerge: control also refers to operational control, which case there will be no additivity of energy and emissions; 2) control is limited to what is within the organizational boundary, and so operationally controlled energy not included (and thus additivity is ensured). | Professional Services | Assurance Services Provider | France |
| 796 1 - explanation question | n/a | Environment | Percentage of emissions calculated; primary data | For: "disclose the percentage of emissions calculated using primary data obtained from suppliers or other value chain partners." -- Does this appendix item require preparers to report the % of emissions that come from suppliers (supplier survey for example) AND separately disclose the % that comes from other value chain partners (CDP, for example)? Or, can this be disclosed as an aggregated metric? | ESRS E1 AR 46 (g) | The % of primary data does not intend to distinguish how that primary data is gathered – directly from suppliers or through intermediate. As such, it can be clarified that it is the aggregate number that is being sought in AR46(g) | Not applicable | Other | United Kingdom |
| 816 1 - explanation question | n/a | Environment | Target year and interim target year | Are target year and interim target years compulsory, both?, what happens if there are no interim target years? | ESRS E5-5 Disclosure Requirement E1-4; 34(a) and AR23 | The % of primary data does not intend to distinguish how that primary data is gathered – directly from suppliers or through intermediate. As such, it can be clarified that it is the aggregate number that is being sought in AR46(g) | Information Technology | Industry Group | Germany |
| 295 2a - implementation guidance (new) | n/a | Environment | Transition plan | Are there specific datasets which will be mandatory for modeling the transition plans? | E1 | The standard does not mandate the use of particular scenarios, although it does recommend the use of certain scenarios. Incoming TP IG guidance will address this issue. | Information Technology | Preparer | Germany |
| 743 2a - implementation guidance (new) | n/a | Environment | Climate scenario analysis | Are there any further requirements regarding the climate scenario analysis? | ESRS E1 in combination with ESRS 2 IRO-1 paragraph 20 b and AR 13 - AR 15 | We detailed the objective of climate-related scenario analysis in ID 245. Here, the question asks for more guidance (how detailed the analysis should be) which can also be found in AR14 (TCFD Tech. Supplement; ISO 14091; and NGFS. Consequently, it can be either an IG or referring to ID 245 and reiterating AR14 with some other available sources (to be investigated) or trying to provide concrete example in a new explanation. | Professional Services | Other | Germany |
| 839 2a - implementation guidance (new) | n/a | Environment | | 0 Can you please provide more guidance / quantitative thresholds on a) how to evaluate if company assets can be classified as stranded and b) how to apply 1.5 degree scenario analysis in regard to this asset class | ESRS E1-9 | This would require considerable methodological development or research into existing methods (e.g., Carbon Tracker Least Cost Methodology for oil and Gas reserves), which could also imply considerable discussions to ensure their validity in this specific context. We recommend an IG, but to decide if we do an IG or cover it in an explanation. | Professional Services | Preparer | Germany |
| 740 5d - rejection: already asked/answered | ID 338 | Environment | High Climate sectors | What are the "high climate impact sectors" referred to in ESRS E1 DR E1-5 paragraph 38? | ESRS E1 DR E1-5 paragraph 38 | ID 338: How is "associated with activities in high climate impact sectors" to be understood - does it refer exclusively to the sectors in which the reporting undertaking itself is active? | Not applicable | Preparer | Finland |

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| 834 5d - rejection: already asked/answered | ID 414 | Environment | 0 | What does "annual % target/base year" concretely mean in the table to disclose GHG emissions and the company's related targets disaggregated by Scope 1, and 2 and significant Scope 3? | ESRS-E1 AR 48 | In ID 414 explanation, we already detail the meaning of each column | Not applicable | Other | Belgium |
| 473 4 - out-of-scope of EFRAG | n/a | Social | Work-related injuries and fatalities disclosure; national regulations | We think that disclosing (e)the number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health of non-employees would be non-compliant and against the law in Japan. Is it not against the law under European law? How should we deal with such disclosure? | ESRS S1 paragraph 88 89 Disclosure Requirement S1-14 | Questions interpreting national law are out of scope | Information Technology | Industry Group | Japan |
| 892 4 - out-of-scope of EFRAG | n/a | x-cutting | CSRD requirement to prepare sustainability statement | I am a sustainability reporting consultant and I have a doubt about the reporting scope of a client who will be obliged to report according to CSRD, as it is a listed company that is not a micro-enterprise. This listed company is part of a group, that do not meet the CSRD requirements, in terms of employee and turnover, how should I need to consider this case? Should I report only on the listed company or I need to consider the group scope? | ESRS1 | Is on CSRD when to prepare sustainability statement in a group situation | Not applicable | Assurance Services Provider | Italy |
| 591 5d - rejection: already asked/answered | ID 496 | x-cutting | own operations; waste generated | As a construction company (general contractor) in which scope do I have to disclose waste? Do I have to disclose the waste of the subcontractors that work for my project? | ESRS E5-5 paragraph 37 | ID 496: How should "own operations" be understood in the case of a construction company (general contractor)? | Construction and Engineering | Preparer | Germany |
| 810 5d - rejection: already asked/answered | ID 141 | x-cutting | qualitative vs quantitative disclosures for DR SBM 3 financial effects | Regarding financial effects in monetary terms, is it only mandatory to report that in the E and not the S and G? | ESRS S1 AR9 | ID 141 was categorized as implementation guidance ID 141: Is there a corresponding requirement through ESRS2 SBM3 §48 d) and e) to also monetarily quantify S- and G risk and opportunities or does ESRS2 SBM3 §48 d) and e) just imply a qualitative description of financial effects for S- und G-risks and opportunities? | Information Technology | Preparer | United Kingdom |
| 828 5d - rejection: already asked/answered | IG 4 /ID 177, 846 | x-cutting | Mapping sustainability matters to disclosure requirements | Will official EFRAG mapping tables (in Excel or another format) be provided to link the data points to the respective topics and sub-topics? | ESRS 1 para AR 16. | Same question already received (ID 177: Is there a mapping link between the sustainability matters listed in AR 16 and the disclosure requirements in the topical standards or must judgement be used in deciding the disclosures required for a material sustainability matter?) question to be added to IG4 | Information Technology | Industry Group | Germany |

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| 846 5d - rejection: already asked/answered | IG 4/ID 177, 828 | x-cutting | Mapping sustainability matters to disclosure requirements | ESRS2-IRO-2-§56 requires the company to publish the list of DRs derived from its materiality analysis, which will greatly help the auditor's work. However, the list of topics to be analysed first (ESRS 1 - AR16) does not exactly follow the list of DRs in each standard. Furthermore, what should be done when a company has not used the AR16 list but a list of specific issues, which it has then translated into transversal ESRSs? | ESRS2 - IRO-2 - 56; ESRS2 - AR19 | Same question already received (ID 177: Is there a mapping link between the sustainability matters listed in AR 16 and the disclosure requirements in the topical standards or must judgement be used in deciding the disclosures required for a material sustainability matter?) question to be added to IG4 | Not applicable | Preparer | France |
| 850 5d - rejection: already asked/answered | IG 3 | x-cutting | | 0 The explanatory note of the data points says that 134 of the 141 data points in ESRS 2 (excluding the 12 dp that are voluntary) have to be reported irrespective of the materiality assessment. So which are the 7 dp that are excluded? | ESRS data points | Those 7 DPs are those relating to ESRS 2 paragraph 17. This is already remarked in the explanatory note published for comment. The final version of IG 3 will soon be published, and that this will be made clearer. | Marketing | Other | Spain |
| 859 5d - rejection: already asked/answered | IG 4 /ID 177, 846 | x-cutting | Mapping sustainability matters to disclosure requirements | If I've identified two sub-topics related to climate change (i.e. climate change mitigation and energy) as material which are the datapoints that I must disclose? | ESRS 1 | question to map DR to sustainability matters already received (ID 177: Is there a mapping link between the sustainability matters listed in AR 16 and the disclosure requirements in the topical standards or must judgement be used in deciding the disclosures required for a material sustainability matter?) question to be added to IG4 | Not applicable | Industry Group | Italy |
| 880 5d - rejection: already asked/answered | ID 177 | x-cutting | Mapping sustainability matters to disclosure requirements | Doubt on how to determine which DRs have to be applied when any topic, subtopic or sub-sub-topic had been assessed as a sustainability matters by a materiality assesment | ESRS 1 AR 16 | ID 177 was considered as IG; then as explanation; ID 177: Is there a mapping link between the sustainability matters listed in AR 16 and the disclosure requirements in the topical standards or must judgement be used in deciding the disclosures required for a material sustainability matter? | Professional Services | Non-Governmental Organisation | Spain |
| 887 5d - rejection: already asked/answered | ID 504 | x-cutting | Disclosure requirements on material metrics when information is not available | ESRS 1 paragraph 33 discusses what needs to be disclosed if companies do not have policies, actions, and/or targets. What do companies need to do if they do not have information available on material ESRS metrics, on disclosure requirements related to strategy (e.g. ESRS E4-1), and on disclosure requirements related to impacts, risks and opportunities management (e.g. ESRS S1-2 and S1-3)? | ESRS 1 paragraph 33 | ID 504: If the undertaking cannot disclose the information regarding policies actions and targets shall, then it shall disclose this to be the case and it may report on a timeframe to have these elements in place. Is this also the case for metrics? | Construction and Engineering | Preparer | United States of America |
| 888 5d - rejection: already asked/answered | ID 504 | x-cutting | data not calculated/available - what to report, enforceability | How acceptable would be a reporting practice to include statements like "we do not calculate/do not obtain the information" for certain disclosures. This does not concern specific cases on not-material subtopics or disclosures which explicitly require company to say "we dot have it" and "when we will have it" (like for example, E1-1 Art17 on climate transition plan). | E5-5 paragraph 36 or paragraph 37c | Question already answered: ID 504: If the undertaking cannot disclose the information regarding policies actions and targets shall, then it shall disclose this to be the case and it may report on a timeframe to have these elements in place. Is this also the case for metrics? | Information Technology | Preparer | Latvia |