



CSRD Update

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CSRD overview

- The Corporate Sustainability Reporting Directive (CSRD) was 5 January 2023 entered into force. This directive has to be implemented in Dutch Law no later than 6 July 2024
- It enforces all large companies (250+ employees) and all listed companies (except listed micro-enterprises) to disclose information on what they see as the risks and opportunities arising from social and environmental issues, and on the impact of their activities on people and the environment.
- Companies must report based on the European Sustainability Reporting standards (ESRS).
- Location and timing of reporting: the EU Taxonomy disclosures and ESRS statements needs to be disclosed in the management report, i.e., at the same time as financial statements
- Timelines
 - 2024 reporting year for NFRD reporters,
 - 2025 for the other large entities
 - 2026 for listed SMEs (with opt-out option until 2028)
 - 2028 for Non-EU companies with branches/subsidiaries

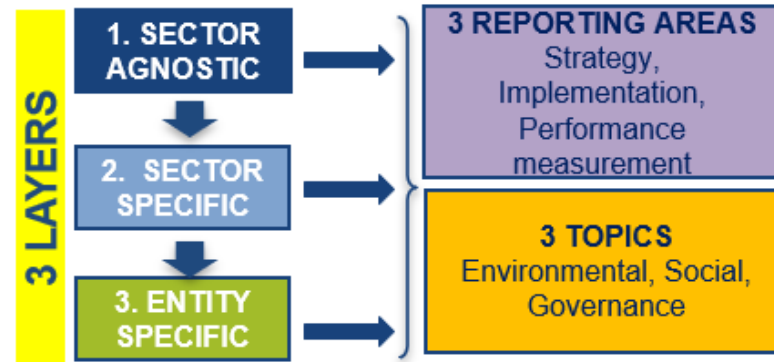
Note: European Parliament rejected the motion to block & delay the introduction of the European Sustainability Reporting Standards

CSRD overview

Phasing in

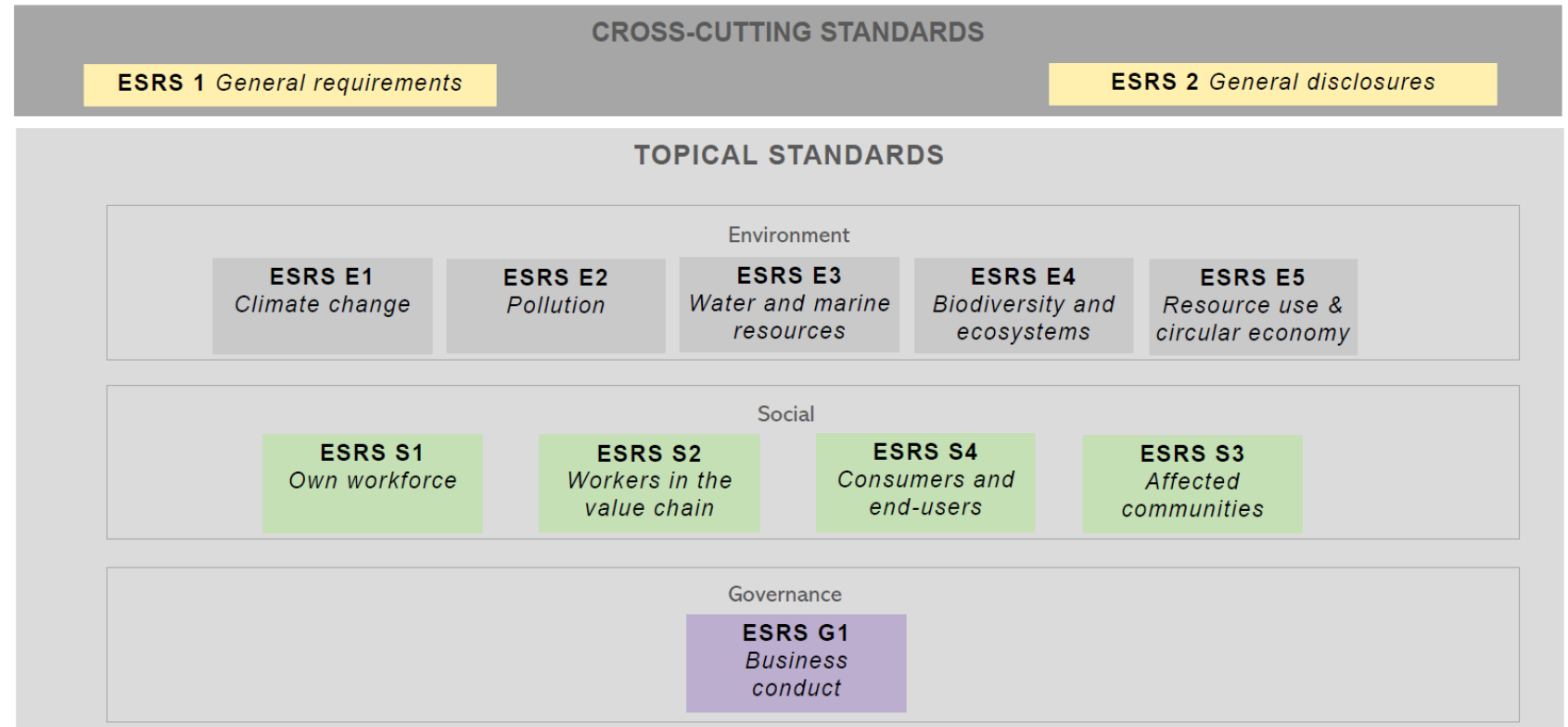
- Undertakings with less than 750 employees may omit
 - First year scope 3 emissions, all disclosures on own work force
 - First two years: all disclosures on biodiversity, value chain workers, affected communities, consumers and end-users
- All undertakings
 - First year: anticipated financial effects on non-climate environmental issues, certain data points on own workforce

Layered approach ESRS



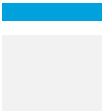
ESRS sector agnostic standard

- Delegated act on ESRS is adopted
- Double materiality
 - Financial materiality
 - Impact materiality



ESRS sector extensions

	Sector	CSRD Priority Sector	CSDDD Priority Sector	GRI Sectoral Standard	Environment					Social				
					GHG	Water /marine	Circular economy	Pollution	Biodiversity	Consumer	Value Chain H. Rights	Working Time	Training / Skills	Physical Risks
1	Agriculture and Farming	X	X	X	X	X		X	X		X	X	X	X
2	Coal mining	X	X	X					X		X			X
3	Mining	X	X	X					X		X			X
4	Oil and Gas – mid to downstream	X	X	X	X				X		X			
5	Oil and Gas – upstream	X	X	X	X				X		X			
6	Food and beverages	X	X							X	X			
7	Textiles, Accessories, Footwear and Jewelleries	X	X				X			X	X		X	
8	Transport (road)	X			X			X		X		X		
9	Motor vehicles	X			X			X		X				
10	Energy production and utilities	X			X					X				



Preliminary planning on sector exposure drafts

- 2023
 - Sector SEC 1 classification (NACE)
 - Mining, Oil and Gas
- 2024
 - Textiles, Food and bevarages, Energy, Motor vehicles, Agriculture, Road Transport
- The reporting requirements for specific sectors are now expected to be adopted by the Commission by June 2026.

Standard Structure of each ESRS

- Main body:
 - First paragraph of each disclosure requirement (bold): the description of the information required
 - Second paragraph: the objective of the disclosure requirement (principles-based approach)
 - Following paragraphs: the specific datapoints to be included (« shall ») under a, b, c..., subdivided, if need be, as (i), (ii), (iii)... (non-limitative list)
- Appendices:
 - A. Defined terms
 - B. Application requirement (« shall consider », « may disclose », « may consider »).
 - Other

Taxonomy

- Digitisation from the first reporting (2025 on reporting year 2024), the ESEF will be used.
- The XBRL taxonomy has **more than 1000 datapoints** with a wide range of types, e.g. GHG emissions, water & energy consumptions, headcount, pollution, and large number of **narrative disclosures** etc.
- It allows users (analysts, investors, etc.) to **easily identify individual disclosures** and **extract numerical data points** for analytical purpose.
- Digital tagging of the ESRS and Article 8 EU Taxonomy disclosures

Detailed ESRS XBRL Taxonomy Architecture and Methodology

- EFRAG is developing the Sustainability Reporting (SR) XBRL Taxonomy
 - ESRS XBRL taxonomy
 - Article 8 XBRL taxonomy
- ESMA is responsible for developing the draft RTS that relies on the taxonomy prepared by EFRAG. The draft RTS regulates the implementation (i.e. timing, level of tagging) of the Sustainability Reporting XBRL taxonomies described above.
- European Commission to adopt the XBRL taxonomy following the submission of the draft RTS from ESMA.
- An extensive XBRL Taxonomy methodology and architecture paper has been published and discussed in the SR TEG and SRB.
<https://efrag.org/Meetings/2303221128397656/EFrag-SR-TEG-Meeting-17-April-2023>

Taxonomy methodology

- Taxonomy centric reporting (no tables in first version)
- Booleans introduced for comparability
- Tagging to be available in line with reporting timeline, link with ESAP

Timelines taxonomy

- Draft list of datapoints available [EFRAG SRB Meeting 25 October – EFRAG](#)
- Draft version available Q1 for 60 day public consultation

Dutch implementation

- First consultation about implementation in Dutch Law has been executed: [Overheid.nl | Consultatie Wet implementatie richtlijn duurzaamheidsrapportering \(internetconsultatie.nl\)](#) (gesloten)
- The directive must be implemented in Dutch regulations than July 6th 2024
- The legislative proposal foccusses on the Auditrichtlijn en Transparantierichtlijn.
- A separate proposal will focus on which ESG information companies has to disclose.

Interoperability ISSB and other standards

- EFRAG has made mapping available
- ISSB has made navigation tool for both ISSB and ESRS
- XBRL international dedicated website [Digital Sustainability Disclosures with XBRL | Digital Sustainability Disclosures](#)