

Vergleichsversion ESRS 2 (General disclosures)

Hinweis

Die durch die [Richtlinie \(EU\) 2022/2464](#) (Corporate Sustainability Reporting Directive, CSRD) geänderte [Richtlinie 2013/34/EU](#) (Bilanzrichtlinie, BilanzRI) verpflichtet bestimmte EU-Unternehmen und EU-Tochterunternehmen oder EU-Niederlassungen von Drittstaatenunternehmen, die EU-Standards zur Nachhaltigkeitsberichterstattung (European Sustainability Reporting Standards, ESRS) anzuwenden. Die ESRS werden als delegierte Rechtsakte durch die Europäische Kommission erlassen (Artikel 29b, 29c und 40b BilanzRI). Mit der fachlichen Ausarbeitung der ESRS ist die European Financial Reporting Advisory Group (EFRAG) beauftragt worden, welche im November 2022 den ersten Satz der [ESRS-Entwürfe](#) (Set 1) als fachliche Stellungnahme gem. Artikel 49 Abs. 3b BilanzRI an die Europäische Kommission übermittelt hat. Die Europäische Kommission hat am 9. Juni 2023 eine einmonatige [Konsultation](#) zum Set 1 begonnen. Die Konsultation umfasst einen Entwurf für einen delegierten Rechtsakt, welcher aus einer Delegierten Verordnung mit zwei Anhängen besteht. Anhang I enthält 12 ESRS-Entwürfe, die sich von den von EFRAG ausgearbeiteten ESRS-Entwürfen unterscheiden.

Die Geschäftsstelle des DRSC stellt in mehreren Paketen Vergleichsdokumente zwischen den ESRS-Entwürfen der EFRAG und den ESRS-Konsultationsentwürfen der Europäischen Kommission zur Verfügung. Dieses Vergleichsdokument wurde von der Geschäftsstelle des DRSC erstellt. Es dient der Unterstützung bei der Erfassung und Beurteilung der von der Europäischen Kommission vorgenommenen Änderungen. Es erhebt keinen Anspruch auf Vollständigkeit oder Richtigkeit, insbesondere wurde auf den Vergleich von Grafiken und Tabellen verzichtet. Im Zuge der Erstellung der Vergleichsversion wurden formale Aspekte überarbeitet, um die Aussagekraft der angezeigten Änderungen zu erhöhen. Dieses Dokument ersetzt keine eigene umfassende Durchsicht des Lesers.

Table of Contents

Objectiv

Objective

1. Basis for preparation

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

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

2. Governance

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

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

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

Disclosure Requirement GOV-4 - Statement on ~~sustainability~~ due diligence

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

3. Strategy

Disclosure Requirement SBM-1 – ~~Market position, strategy~~ Strategy, business model(~~s~~) and value chain ~~10~~

Disclosure

Requirement SBM-2 – Interests and views of stakeholders

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

4. Impact, risk and opportunity management

4.1 Disclosures on the materiality assessment process

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

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

4.2 ~~Reporting on opportunities~~

~~4.3 Disclosure Content~~Minimum disclosure requirement on policies and actions

~~Disclosure Content~~Minimum disclosure requirement - Policies ~~DCMDR~~P – Policies adopted to manage material sustainability matters

~~Disclosure Content~~Minimum disclosure requirement - Actions ~~DCMDR~~A – Actions and resources in relation to material sustainability matters

5. Metrics and targets

~~Disclosure Content~~Minimum disclosure requirement - Metrics ~~DCMDR~~M – Metrics in relation to material sustainability matters

~~Disclosure Content~~Minimum disclosure requirement – Targets ~~DCMDR~~T – Tracking effectiveness of policies and actions through targets

Appendix A: ~~Defined terms~~

~~Appendix B:~~ Application Requirements

1. Basis for preparation

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

2. Governance

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

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

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

Disclosure Requirement GOV-4 – Statement on ~~sustainability~~due diligence

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

3. Strategy

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

Disclosure Requirement SBM-2 – Interests and views of stakeholders

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

4. Impact, risk and opportunity management

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

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

Minimum Disclosure ~~Content~~Requirement - Policies ~~DCMDR~~-P – Policies adopted to manage material sustainability matters

Minimum Disclosure ~~Content~~Requirement - Actions ~~DCMDR~~-A – Actions and resources in relation to material sustainability matters

5. Metrics and targets

Minimum Disclosure ~~Content~~Requirement - Targets ~~DCMDR~~-T – Tracking effectiveness of policies and actions through targets

Appendix ~~CB~~: List of datapoints in cross-cutting and topical standards that are required by EU law

Appendix ~~DC~~: Disclosure/Application Requirements in topical ESRS that are applicable jointly with ESRS 2 General Disclosures

~~Appendix E: Disclosure of ESRS datapoints in accordance with EU laws and ESRS 1 chapter 3~~

Objective

1. This 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 ESRS covers the reporting areas defined in ESRS 1 General requirements section 1.2 ~~Cross-Cutting~~CrossCutting Standards and reporting areas.
2. In the preparation of disclosures under this Standard, the undertaking shall apply the Disclosure Requirements (including their datapoints) set in topical ESRS, as listed in Appendix ~~DC~~ Disclosure/Application Requirements in topical ESRS that are applicable jointly with ESRS 2 General Disclosures of this Standard. The undertaking shall apply ~~these~~the requirements listed in appendix C:
 - a) ~~in all instances for:~~
 - i. ~~those the requirements in ESRS E1 Climate change; and~~
 - ii. ~~a) those in other~~ topical standards related to Disclosure Requirement IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities; and
 - b) ~~For those in other topical Standards, if, for all other requirements listed in appendix C, only if the sustainability topic is material based on the undertaking's materiality assessment (see ESRS 1 chapter 3 Double materiality as the basis for sustainability disclosures), the sustainability topic concerned is material.~~For those in other topical Standards, if, for all other requirements listed in appendix C, only if the sustainability topic is material based on the undertaking's materiality assessment (see 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~~statement

3. The undertaking shall disclose the general basis for preparation of its sustainability ~~statements~~statement.
4. The objective of this Disclosure Requirement is to provide an understanding of how the undertaking prepares its sustainability ~~statements~~statement, including the scope of consolidation, the value chain information and, where relevant, ~~the disclosure exemption per whether the undertaking has used any of the Corporate Sustainability Reporting Directive (CSRD) options for omitting information referred to in points d) and e) in the following paragraph.~~
5. The undertaking shall disclose the following information:
 - a) whether the sustainability ~~statements have~~statement has been prepared on a consolidated or individual basis;
 - b) for consolidated sustainability statements, statement:
 - i. a confirmation that the scope of consolidation is the same as for the financial statements; and;
 - ii. where applicable, an indication of which subsidiary undertakings included in the consolidation are exempted from annual individual or consolidated sustainability reporting;
 - c) to what extent the sustainability statements cover the undertaking's upstream and downstream value chain (see 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 ESRS 1 section 7.7 Information Classified and sensitive information and 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 Directive 2013/34/EU of the European Parliament and of the Council, whether the undertaking has used that exemption.

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~~statement.
8. The undertaking may report this information alongside the disclosures to which they refer.

Time horizons

9. When ~~#the undertaking~~ has deviated from the medium- or long-term time horizons defined by 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;
~~a) identify the metrics; and~~
a) describe the basis for preparation;
b) describe the resulting level of accuracy; and
~~b)c)~~ where applicable, describe the planned actions to improve the accuracy in the future (see ESRS 1 chapter 5 Value chain).

Sources of estimation and outcome uncertainty

11. When significant estimation uncertainty or significant outcome uncertainty exists (see 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.
12. When disclosing forward-looking information, the undertaking may indicate that it considers such information to be uncertain.

Changes in preparation or presentation of sustainability information

~~42.13.~~ 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 ESRS 1 section 7.4 Changes in preparation or presentation in sustainability information), the undertaking shall:

~~a)~~ explain the changes;

~~b)a) explain and~~ the reasons for those changes, including why the replaced metric provides more useful information; and

~~e)b)~~ 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.~~14. When material prior period errors exist (see 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 legislation~~other legislation or generally accepted sustainability reporting pronouncements

~~14-15.~~ When the undertaking includes in its sustainability ~~statements~~statement information ~~based on local legislations~~stemming from other legislation which requires the undertaking to disclose sustainability information or from generally accepted sustainability reporting pronouncements standards and frameworks (see ESRS 1 section 8.2 Content and structure of the sustainability ~~statements~~statement), in addition to the information prescribed by ESRS, it shall disclose this fact. In case of partial application of other reporting ~~pronouncements standards or frameworks~~, the undertaking shall provide a precise reference to the paragraphs of the standard or framework applied.

Incorporation by reference

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

Use of phase-In provisions in accordance with Appendix C of ESRS 1

17. If an undertaking or group not exceeding on its balance sheet date the average number of 750 employees during the financial year decides to omit the information required by ESRS E4, ESRS S1, ESRS S2, ESRS S3 or ESRS S4 in accordance with Appendix C of ESRS 1, it shall nevertheless disclose whether the sustainability topics covered respectively by ESRS E4, ESRS S1, ESRS S2, ESRS S3 and ESRS S4 have been assessed to be material as a result of the undertaking's materiality assessment. In addition, if one or more of these topics has been assessed to be material, the undertaking shall, for each material topic:
- a) disclose the list of matters (i.e. topic, sub-topic or sub-sub-topic) in AR 16 ESRS 1 Appendix A that are assessed to be material and how the undertaking's business model and strategy take account of the impacts of the undertaking related to those matters. The undertaking may identify the matter at the level of topic, sub-topic or sub-sub-topic;
 - b) briefly describe any time-bound targets it has set related to the matters in question, the progress it has made towards achieving those targets, and whether its targets related to biodiversity and ecosystems are based on conclusive scientific evidence;
 - c) briefly describe its policies in relation to the matters in question;
 - d) briefly describe actions it has taken to identify, monitor, prevent, mitigate, remediate or bring an end to actual or potential adverse impacts related to the matters in question, and the result of such actions; and
 - e) disclose metrics relevant to the matters in question.

2. Governance

[46.18](#). The objective of this chapter is to ~~provide~~ set disclosure requirements that enable 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

~~17-19.~~ 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.

~~18-20.~~ 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 and skills of its administrative, management and supervisory bodies on sustainability matters or access to such expertise and skills.

~~19-21.~~ 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~~ the number of members between executive and non-executive; ~~members;~~
- 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 diversity shall be calculated as an average ratio of female to male board members; and
- e) the percentage of independent board members. For undertakings with a unitary board, this corresponds to the percentage of independent non-executive board members. For undertakings with a dual board, it corresponds to the percentage of independent members of the supervisory body.

~~20-22.~~ 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:~~
 - i. ~~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:
 - ii. ~~information about the reporting lines to the administrative, management and supervisory bodies;~~ whether;
 - iii. ~~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.

~~21-23.~~ 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~~ how those skills and expertise relate 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

22-24. 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.

23-25. 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: during the reporting period. 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.

24-26. 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 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 whether they have considered trade-offs associated with those impacts, risks and analysis of sensitivity to uncertainty that may be required opportunities; 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

~~25-27.~~ The undertaking shall disclose information about the integration of its sustainability-related performance in incentive schemes.

~~26-28.~~ 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.

~~27-29.~~ The undertaking shall disclose the following information about the incentive schemes and remuneration policies linked to sustainability matters for members of the undertaking's administrative, management and supervisory bodies, where they exist:

~~a)~~ a description of the key characteristics of the incentive schemes;

~~b)~~ whether performance is being assessed against specific sustainability-related targets and/or impacts—, and if so, which ones.—And;

~~a)c)~~ whether and how sustainability-related performance metrics are being considered as performance benchmarks or included in remuneration policies;

~~b)d)~~ a description of the key characteristics of the incentive schemes including the proportion of variable compensation/remuneration dependent on such metrics; sustainability-related targets and/or impacts; and

~~e)e)~~ the responsibility level in the undertaking that approves and updates at which the terms of incentive schemes are approved and updated.

Disclosure Requirement GOV—4 - Statement on ~~sustainability~~ due diligence

- ~~28:30.~~ The undertaking shall disclose a mapping of the information provided in its sustainability ~~statements~~statement about the ~~sustainability~~-due diligence process~~(es)~~.
- ~~29:31.~~ The objective of this Disclosure Requirement is to facilitate an understanding of the undertaking's due diligence process~~(es)~~ with regard to sustainability matters.
- ~~30:32.~~ The main aspects and steps of ~~sustainability~~-due diligence referred to under ESRS 1 chapter 4 ~~Sustainability due~~Due diligence are related to a number of cross-cutting and topical Disclosure Requirements under the 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~~statement, to allow a depiction of the actual practices of the undertaking with regard to due diligence.
- ~~31:33.~~ 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

~~32.34.~~ The undertaking shall disclose the main features of its risk management and internal control system in relation to the sustainability reporting process(es).

~~33.35.~~ 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.

~~34.36.~~ 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 referred to in point (d) to the administrative, management and supervisory bodies.

3. Strategy

~~35. The objective of this chapter is to set Disclosure Requirements for reporting on:~~

~~37. This chapter sets disclosure requirements that enable an understanding of:~~

- a) the elements of ~~the undertaking's~~ strategy that relate to or affect sustainability matters, its business model~~(s)~~ and its value chain;
- b) how the interests and views of ~~the undertaking's~~ stakeholders are taken into account by the undertaking's strategy and business model~~(s)~~; and
- c) the outcome of ~~the undertaking's~~ assessment of material impacts, risks and opportunities, including how they inform its strategy and business model~~(s)~~.

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

~~36-38.~~ 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.

~~37-39.~~ The objective of this Disclosure Requirement is to describe: the key elements of the undertaking's market position; ~~the elements of its~~ general strategy that relate to or affect sustainability matters, and the key elements of the undertaking's 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.

~~38-40.~~ 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 ban~~that are banned 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~~statement, by significant ESRS sectors. When the undertaking provides segment reporting as required by IFRS 8 Operating segments in its financial ~~statements~~statement, this sector revenue information shall be, as far as possible, reconciled with IFRS 8 information;
- c) a list of the additional significant ESRS sectors beyond the ones reflected under paragraph ~~38~~40(b), such as activities that give rise to intercompany revenues, 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~~they 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) sector, 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 production, i.e., its activities fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006;
 - iii. controversial weapons such as anti-personnel mines, cluster munitions, chemical weapons and biological weapons; and/or
 - iv. the cultivation and production of tobacco;
- e) its sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders;
- f) an assessment of its current ~~market positions~~significant products and/or services, and significant markets and customer groups, in relation to its sustainability-related goals; and
- 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.

41. If the undertaking is based in an EU Member State that allows for an exemption from the disclosure of the information referred to in Article 18, paragraph 1, sub-point (a) of Directive 2013/34/EU, and if the undertaking has made use of that exemption, it may omit the breakdown of revenue by significant ESRS sector required by paragraph 40(b). In this case the undertaking shall nevertheless disclose the list of ESRS sectors that are significant for the undertaking.

~~39-42.~~ 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 ESRS the term "value chain" refers to both single and multiple value chains.~~

Disclosure Requirement SBM-2 – Interests and views of stakeholders

~~41.43.~~ 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~~)model.

~~42.44.~~ 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~~).

~~43.45.~~ The undertaking shall disclose a summarised description of:

a) its stakeholder engagement, including:

i. the undertaking's key stakeholders₁;

ii. whether engagement with them occurs and for which categories of stakeholders₁;

iii. how it is organised₁;

iv. its purpose₁ and

~~a)v.~~ how its outcome is taken into account by the undertaking;

b) the undertaking's understanding of the interests and views of its key 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 Standard);

c) where applicable, amendments to its strategy and/or business model, including:

i. how the undertaking has amended or expects to amend its strategy and/or business model(~~s~~) to address the interests and views of its stakeholders₁~~, including~~₁;

ii. any further steps that are being planned and in what timeline₁ and

~~e)iii.~~ 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)

~~44-46.~~ The undertaking shall disclose its material impacts, risks and opportunities and how they interact with its strategy and business model(s).

~~45-47.~~ 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), including its resources allocation. The information to be disclosed about the management of the undertaking's material impacts, risks and opportunities is prescribed in topical ESRS and in sectorspecific standards, which shall be applied in conjunction with the Minimum Disclosure Requirements on policies, actions and targets established in this Standard.

~~46-48.~~ The undertaking shall disclose ~~theits~~ material impacts, risks and opportunities resulting from its materiality assessment (see Disclosure Requirement IRO-1 of this Standard), ~~together with a brief description.~~ The disclosure shall include the following:

~~a) howthe undertaking's material impacts, risks and opportunities, including:~~

~~i. a brief description of the material negative or positive impacts and how they affect (or, in the case of potential impacts, are expectedlikely to affect) people or the environment;~~

~~ii. whether and how the impacts originate from or are connected to the undertaking's strategy and business model;~~

~~iii. the reasonably expected time horizons for those effects; and~~

~~a)iv. 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;~~

~~e)b) 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) how the financial effects of material risks and opportunities, specifically:~~

~~i-c) could reasonably be expected to have an influence on the current and anticipated effects of material risks and opportunities on its undertaking's business model and value chain; strategy, cash flows, financial performance, financial position and its access to finance and its cost of capital, over the short, medium or long-term including:~~

~~i. the reasonably expected time horizons for those effects; and~~

~~ii. a description of where in its own operations or in its upstream and downstream value chain material risks and opportunities are concentrated;~~

~~iii-d) how materialthe effects on the undertaking's financial position, financial performance and cash flows for the reporting period (current financial effects) including information about how material impacts, risks and opportunities have affected the undertaking's most recently reported financial performance, financial position and cash flows. This includes information and the material impacts, risks and opportunities for which there is a materialsignificant risk that there will be of a material adjustment within the next annual reporting period to the carrying amountamounts of assets and liabilities reported in the related financial statements within the next financial year;~~

~~iv-e) the anticipated financial effects on the undertaking's financial position, financial performance and cash flows over the short-, medium- and long-term. This shall include how the undertaking expects its cash flows, financial performance, and financial position to change over time under the effects of materialthe short, medium and long term, given its strategy to manage risks and opportunities, including, where appropriate, how risks and opportunities are included in the undertaking's financial planning, reflectingtaking into consideration;~~

~~1.i.~~ its ~~current and committed~~ investment ~~and disposal~~ 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); ~~including plans the undertaking is not contractually committed to;~~ and

~~2.ii.~~ its planned sources of funding to implement its strategy;

~~e)f)~~ 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 ESRS 1 (see ESRS 1 chapter 6 Time horizons). When providing quantitative information, the undertaking may disclose single amounts or ranges;

~~f)g)~~ changes to the material impacts, risks and opportunities compared to the previous reporting period; and

~~g)h)~~ specification of those impacts, risks and opportunities that are covered by ESRS Disclosure Requirements as opposed to those covered by the undertaking using additional entity-specific disclosure.

~~47.49.~~ The undertaking may disclose the descriptive information required in paragraph 46 alongside the disclosures provided under the corresponding 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 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:~~

~~50. This chapter sets disclosure requirements that enable an understanding of:~~

- a) the ~~processes~~ process 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~~ its sustainability ~~reporting~~ statement.

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

~~49-51.~~ The undertaking shall disclose its ~~processes~~process to identify its impacts, risks and opportunities and to assess which ones are material.

~~50-52.~~ 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 ESRS 1 ~~Appendix B: Application Requirements for more guidance~~chapter 3 and its related Application Requirements, which set out requirements and principles regarding the process to identify and assess material impacts, risks and opportunities based on the principle of double materiality).

~~51-53.~~ The undertaking shall disclose the following information:

- a) a description of the methodologies and assumptions applied in the described ~~processes~~process;
- 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 ~~an~~ explanation of whether and how the process(es):
 - i. ~~focus(es)~~focuses on specific ~~areas~~issues due to heightened risk of adverse impacts;
 - ii. ~~review(s)~~considers the impacts with which the undertaking is involved through its own ~~activities~~ operations or as a result of its business relationships;
 - iii. ~~include(s)~~includes consultation with affected stakeholders to understand how they may be impacted and with external experts;
 - iv. ~~prioritise(s)~~prioritises negative impacts based on their relative severity and likelihood, (see ESRS 1 section 3.4 Impact materiality) and – if applicable – positive impacts on their relative scale, scope and likelihood, ~~(see ESRS 1 section 3.4 and determines which sustainability matters are material for reporting purposes (including the qualitative or quantitative thresholds and other criteria used as prescribed by ESRS 1 section 3.4 Impact materiality))~~; 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, ~~magnitude~~, and ~~nature of~~ effects ~~associated with them of the identified risk and opportunities~~ (such as the qualitative ~~factors, or~~ quantitative thresholds and other criteria used ~~as prescribed by ESRS 1 section 3.3 Financial materiality~~);
 - 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 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)~~d) a description of the ~~organisation and process of~~ decision-making ~~process~~ and the related internal control procedures;
- ~~b)~~ the extent to which and how the process(es) to identify, assess and manage:
 - ~~i.)~~e) 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.)~~f) the extent to which and how the process to identify, assess and manage opportunities is/~~are~~ integrated into the undertaking's overall management process ~~(where applicable); and~~;
- ~~g)~~ the input parameters it uses (for example, data sources, the scope of operations covered and the detail used in assumptions); and
- ~~e.)~~h) whether ~~and how~~ 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~~statement

~~53-54.~~ The undertaking shall report on the Disclosure Requirements complied with in its sustainability statements.

~~54-55.~~ The objective of this Disclosure Requirement is to provide an understanding of the Disclosure Requirements included in the undertaking's sustainability ~~reporting~~statement and of the topics that have been omitted as not material, as a result of the materiality assessment.

~~55-56.~~ The undertaking shall include a list of the Disclosure Requirements complied with in preparing the sustainability ~~statements~~statement, following the outcome of the materiality assessment (see ESRS 1 chapter 3), including the page numbers and/or paragraphs where the related disclosures are located in the sustainability ~~statements~~statement. This may be presented as a content index.

~~56-57.~~ When all the Disclosure Requirements in a topical ESRS are omitted ~~as~~because the topic is assessed not to be material for the undertaking, the undertaking ~~shall report~~may provide a brief explanation of the conclusions of its materiality assessment for the topic in question.

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~~The ~~undertaking shall consider the materiality of the~~provide an explanation of how it has determined the material 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) ~~58. whether the inclusion of quantitative measures of financial effects is appropriate, taking into account the number of assumptions~~relation to the impacts, risks and opportunities that it could require~~has assessed to be material, including the use of thresholds and/or how it has implemented the criteria in ESRS 1 section 3.2 Material matters and consequential uncertainty~~materiality of information

Disclosure Content 4.2 Minimum disclosure requirements on policies and actions

~~58-59.~~ This section sets out ~~Disclosure Contents~~ minimum disclosure requirements to be included when the undertaking discloses information on its policies and actions to prevent, mitigate and remediate actual and potential material impacts, 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 topical and/or sectorspecific ESRS. They shall also be applied when the undertaking prepares entity-specific disclosures.

~~59-60.~~ The corresponding disclosures shall be located alongside disclosures prescribed by the ~~topical~~ relevant 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 topical ESRS and cross reference to it in its reporting under other topical ESRS.

~~60-61.~~ If the undertaking cannot disclose the information on policies and actions required under ~~the relevant 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.

Minimum Disclosure Content – Requirement – Policies DCMDR-P – Policies adopted to manage material sustainability matters

~~61-62.~~ The undertaking shall apply the minimum disclosure requirements ~~for the content of disclosures defined~~ in this provision when it discloses the policies it has in place with regard to each sustainability matter identified as material.

~~62-63.~~ The objective of this Minimum Disclosure Content Requirement is to provide an understanding of the policies that the undertaking has in place to prevent, mitigate and remediate actual and potential impacts, to address the identification, assessment, management and/or remediation of material sustainability matters risks and to pursue opportunities.

~~63-64.~~ The undertaking shall disclose a policy information about policies adopted to manage ~~a~~ material sustainability ~~matter matters~~. 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~~ relates to and the process for monitoring;
- b) a description of the scope of the policy, or of its exclusions, 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.

Minimum Disclosure Content – Requirement – Actions DCMDR-A – Actions and resources in relation to material sustainability matters

~~64-65.~~ 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.

~~65-66.~~ The objective of this Minimum Disclosure Content Requirement is to provide an understanding of the key actions taken and/or planned to ~~address material~~prevent, mitigate and remediate actual and potential impacts, and to address risks and opportunities, and where applicable achieve the objectives and targets of related policies.

~~66-67.~~ 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.~~

~~67-68.~~ 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 if applicable, the relevant terms of sustainable finance instruments, such as green bonds, social bonds and green loans;~~
- ~~b) a) provide complementary explanatory information, where, the environmental or social objectives, and whether 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~~
- ~~b) provide the amount of current financial resources and explain how significant monetary amounts they relate to the most relevant amounts presented in the financial statements; and~~
- c) provide the amount of future financial resources.

5. Metrics and targets

~~68-69.~~ This chapter sets out Minimum Disclosure Contents Requirements 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 topical ESRS. They shall also be applied when the undertaking prepares entity-specific disclosures.

~~69-70.~~ The corresponding disclosures shall be located alongside disclosures prescribed by the topical ESRS.

~~70-71.~~ If the undertaking cannot disclose the information on targets required under the relevant 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 – Minimum disclosure requirement – Metrics DCMDR-M – Metrics in relation to material sustainability matters

~~71.72.~~ 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.

~~72.73.~~ The objective of this Minimum Disclosure Content Requirement is to provide an understanding of the metrics the undertaking uses to track the effectiveness of its actions to manage material sustainability matters.

~~73.74.~~ The undertaking shall disclose any metrics that it uses to evaluate performance and effectiveness, in relation to a material impact, risk or opportunity.

~~74.75.~~ Metrics shall include those defined in ~~topical~~ ESRS, as well as metrics identified on an entity- specific basis, whether taken from other sources or developed by the undertaking itself.

~~75.76.~~ For each metric, the undertaking shall:

~~a)~~ disclose the methodologies and significant assumptions behind the metric;

~~a)b)~~ disclose whether the measurement of a metric is validated by an external body other than the assurance provider and, if so, which body;

~~b)c)~~ label metrics using meaningful, clear and precise names and descriptions;

~~e)d)~~ when currency is specified as the unit of measure, use the presentation currency of its financial statements.

Minimum Disclosure ~~Content Requirement~~ – Targets ~~DCMDR-T~~ – Tracking effectiveness of policies and actions through targets

~~76-77.~~ 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~~ set with regard to each material sustainability matter.

~~77-78.~~ The objective of this ~~Minimum Disclosure Content Requirement~~ is to provide ~~for each material sustainability matter~~ 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 in the case that the undertaking has not set measurable time-bound outcome-oriented targets, whether and how it nevertheless~~ 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.

~~78-79.~~ The undertaking shall disclose ~~any~~ the measurable, outcome-oriented ~~and time-bound~~ targets ~~on material sustainability matters~~ 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 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 Standard); and
- j) the performance ~~or overall progress~~ against its disclosed targets, including information on how the target is monitored and reviewed ~~and the metrics used~~, 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.

~~79-80.~~ If the undertaking has not ~~adopted~~ set any measurable outcome-oriented ~~target, it shall describe~~ targets:

- a) ~~it may disclose~~ whether such targets will be ~~adopted~~ set and the timeframe for ~~their adoption~~ setting them, or the reasons why the undertaking does not plan to ~~adopt~~ set such targets;
- b) ~~it shall disclose~~ whether it ~~nevertheless~~ 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 BA: Application Requirements

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

1. Basis for preparation

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

AR 1. When describing to what extent the sustainability ~~statements cover~~statement covers the undertaking's upstream and downstream value chain (see 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 ~~is~~when disclosing on metrics.

2. Governance

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

- AR 2. In describing the ~~roles~~role 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 ~~ironmental~~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~~disclose how the governance bodies ~~ensure~~ensure 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. Subject to the provisions of ESRS 1, paragraphs 118 to 121, a listed undertaking may make a reference to ~~this~~its remuneration ~~could be made~~report.

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~~crossreferencing 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~~statement, as set out below.
- AR 8. 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. 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.

Tabelle

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~~Strategy, business model(~~s~~) and value chain

AR 11. To provide the information on sectors required by paragraph ~~38~~40, 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~~For the purposes of the disclosures prescribed by required in paragraph ~~38 of this Disclosure Requirement, in order to determine the significance of groups~~40, a group of products and/or services offered, a group of markets and/or customer groups

~~AR 12. whether served, or an ESRS sector, is significant for the undertaking if it generates revenues above~~meets one or both of the following criteria:

- a) it accounts for more than 10 per cent of the ~~revenues of all its activities; and~~undertaking's revenue;
- b) ~~whether~~ it is connected with material actual impacts or material potential negative impacts ~~of the undertaking.~~

AR 13. In preparing disclosures relating to its business model(~~s~~) and value chain, the undertaking shall consider:

- a) its key activities, resources, distribution channels and customer segments;
- ~~a)b)~~its key business relationships, including with customers, and their key characteristics, ~~its key activities, including relationships with customers and suppliers, resources, distribution channels, and customer segments;~~
- ~~b)c)~~ the cost structure and revenue of its business segments, in line with IFRS 8 disclosure requirements in the financial ~~statements~~statement, where applicable;
- ~~e)d)~~ 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 ESRS 1 chapter 5 and the materiality assessment performed by the undertaking in line with 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~~position 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 Standard and in the 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 ESRS 1 chapter 3 and its related Application Requirements. 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 statementsstatement

~~AR 20~~AR 18. Notwithstanding the basis for the presentation of the information about sustainability matters included in ESRS 1 chapter 8 Structure of sustainability statementsstatement, the undertaking may disclose the list of the Disclosure Requirements complied with in preparing the sustainability statementsstatement (see paragraph ~~554~~) 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 statementsstatement, with the indication of where they are located (page/paragraphs).

Minimum Disclosure Content-Requirement – Policies DCMDR-P – Policies adopted to manage material sustainability matters

~~AR 21~~AR 19. 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 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~~statement. In this case, ~~the disclosure~~ it ~~has to~~should 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~~AR 20. 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 – Minimum disclosure requirement – Actions DCMDR-A – Actions and resources in relation to material sustainability matters

~~AR 23.~~AR 21. Key actions in the context of this Minimum Disclosure Requirement are those actions that materially contribute to achieving the ~~undertakings~~undertaking's objectives in addressing material impacts, risks and opportunities. For reasons of understandability, key actions may be aggregated where appropriate.

~~AR 24.~~AR 22. Information on resource allocation may be presented in the form of a table and broken down between capital ~~expenditures~~expenditure and operating ~~expenditures~~expenditure, and across the relevant time horizons, ~~at a minimum for~~ and between resources applied in the current reporting year, and ~~for~~resources the planned allocation of resources over specific time horizons.

5. Metrics and targets

Minimum Disclosure Content – Requirement – Targets ~~DCMDR-T~~ – Tracking effectiveness of policies and actions through targets

~~AR 25:~~AR 23. When ~~setting~~disclosing 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:~~AR 24. 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.

AR 25.