

The current state of development of binding European Sustainability Reporting Standards

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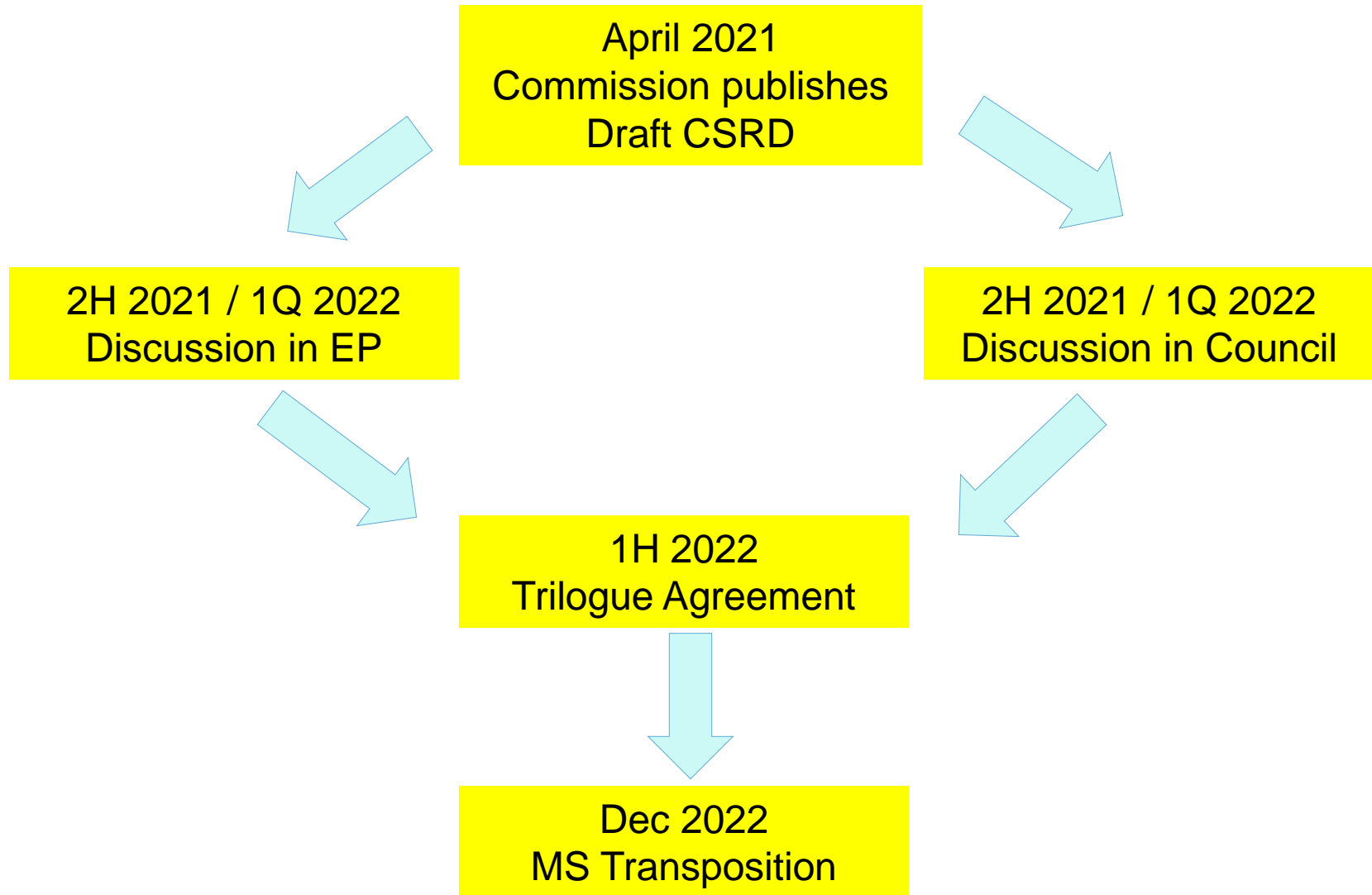
Corporate Sustainability Reporting Directive - Scope

- All companies (except micro) listed on an EU exchange
AND
- Large EU companies as defined in the Accounting Directive
 - Two of three criteria to meet
 - Employment of 250+
 - balance sheet total: EUR 20 000 000
 - net turnover: EUR 40 000 000;
 - Legal form covered by Accounting Directive (mainly companies with limited liability)
 - An estimated 50-60,000 companies will be covered!

Where does the CSRD fit in?



Commission's Timeline for the CSRD



CSRD Level 2 Process + Timetable

Sept 2020-March 2021 EFRAG PTF
on Non-financial Reporting

June 2021- April 2022 EFRAG PTF
on European Sustainability Reporting
Standards (ESRS)

1 April 2022 – EFRAG Reform
Sustainability Reporting Pillar – ESRS
proposal to Commission 2Q 2022

May – July 2022 – Publication of
EFRAG PTF proposals for ESRS – 60
day public commentary period

Commission publication of ESRS in
Delegated Acts mid-2022, adoption of
October 2022, use by firms FY 2023

CSRD definition of reporting topics

Content of proposal Coverage of sustainability topics

Environment

1. Climate change mitigation
2. Climate change adaptation
3. Water & marine
4. Resource use & CE
5. Pollution
6. Biodiversity & ecosystems

Mirrors EU Taxonomy

Social

1. Equal opportunities
2. Working conditions
3. Human rights

1 & 2 build on European Pillar of Social Rights

Governance

1. Role & composition of board and management
2. Ethics & corp. culture (inc. bribery & corruption)
3. Political engagements
4. Business relationships
5. Control & risk management

➤ Article 19b, paragraph 2

➤ Recitals: 40, 43, 44

EFRAG Project Task Force („Level 2“) – Social Indicators

	European Pillar of Social Rights Principles
- Equal opportunities for all	3
- Gender equality	2a
- Equal pay for equal work	2b
- Training and skills development	1
- Employment and inclusion of people with disabilities	17
- Working conditions	
- Secure and adaptable employment	5
- Wages	6
- Social dialogue	8
- Collective bargaining and the involvement of workers	8
- Work-life balance	9
- Healthy, safe and well adapted work environment	10
- Respect for the HRs, etc. established in	
- International Bill of Human Rights and other core UN human rights conventions	
- ILO's Declaration on Fundamental Principles and Rights at Work	
- ILO fundamental conventions	
- Charter of Fundamental Rights of the European Union	

Thank you for your attention!

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