

# EFRAG Sustainability Reporting Board Consultation Survey 2

Fields marked with \* are mandatory.



## EFRAG Sustainability Reporting Board Consultation Surveys 3A - 3D

### Consultation survey structure

#### 1. Overall European Sustainability Reporting Standards (ESRS) Exposure Drafts' relevance (Survey 1)

- 1A. Architecture
- 1B. Implementation of Corporate Sustainability Reporting Directive (CSRD) principles
- 1C. Exposure Drafts' content

#### 2. European Sustainability Reporting Standards (ESRS) implementation prioritisation / phasing-in (Survey 1)

#### 3. Adequacy of Disclosure Requirements (Survey 2)

- 3A. Cross cutting standards
- 3B Environmental standards
- 3C Social standards
- 3D Governance standards

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## EFRAG Sustainability Reporting Board Consultation Survey 2

### Respondent Profile

#### 1. Personal details

\* Organisation name

Deutsche Schutzvereinigung für Wertpapierbesitz

\* First name

Christiane

\* Surname

Hözl

\* Email (this information will not be published or made public)

christiane.hoelz@dsw-info.de

\* Country of origin

Germany

**\* 2. Type of respondent**

- Academic / research institution
- Audit firm, assurance provider and/or accounting firm
- Business association
- Consumer organization
- ESG reporting initiative
- EU Citizen
- Financial institution (Bank)
- Financial institution (Other financial Market Participant, including pension funds and other asset managers)
- Financial institution (Insurance)
- National Standard Setter
- Non-governmental organisation
- Non-financial corporation with securities listed on EU regulated markets
- Non-financial corporation with securities listed outside EU regulated markets
- Public authority/regulator/supervisor
- Rating agency and analysts
- Trade unions or other workers representatives
- Unlisted non-financial corporations
- Other

**\* 3. Size**

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more employees)
- Not relevant

**\* 4. User/Preparer perspective**

- User

- Preparer
- Both
- Neither

#### \* 5. Subject to CSRD

Separate non-financial corps subject to CSRD from those not subject to CSRD?

- Yes
- No

## 3A. Adequacy of Disclosure Requirements - Cross cutting standards (1/2)

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For the purpose of the questions included in this section, respondents are encouraged to consider the following:

- when sharing comments on a given Disclosure Requirement, and as much as possible, reference to the specific paragraphs being commented on should be included in the written comments,
- in the question asked, for each ESRS, about the alignment with international sustainability standards, these include but are not limited to the IFRS Sustainability Standards and the Global Reporting Initiative Standards. Other relevant international initiatives may be considered by the respondents. When commenting on this particular question, respondents are encouraged to specify which international standards are being referred to.

A complete index of Disclosure Requirements and their corresponding Application Guidance can be found in Appendix I – Navigating the ESRS.

### DR 2-GR 1 – General characteristics of the sustainability reporting of the undertaking

The undertaking shall give general information about (i) its sustainability report, and (ii) the structure of its sustainability statement.

The principle to be followed under this disclosure requirement is to give the necessary context of the sustainability reporting of the undertaking.

**Q1: Please, rate to what extent do you think DR 2-GR 1 – General characteristics of the sustainability reporting of the undertaking**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We understand that the restricted mandate of EFRAG regarding the audit assurance required a clear distinction between the financial and non-financial reporting. Art. 34 of the Accounting Directive (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32013L0034>) provides that statutory auditors shall express an opinion on whether the management report is consistent with the financial statements for the same reporting year and whether the management report has been prepared in accordance with the applicable regulatory requirements. It was therefore necessary to include the sustainability reporting, for which until 1 October 2026 only a limited assurance is required, as (a) separate identifiable section/s in the management report (depending on the options proposed by the ESRS).

DSW as the leading German association of individual investors shares however a common interest in comparable, consistent, and reliable sustainability related information on investment and stewardship decisions. From the investors' point of view the objective is to link the sustainability reporting with the financial reporting in order to publish a common management report. So, consistency between financial and non-financial statements is key for investors. This can only work if the financial data in the sustainability part complies with the data and assumptions in the financial reporting part. Consequently, it is decisive that all information is based on the same requirements with respect to precision, quality, and comparability. This can best be achieved and supported by requiring the same level of audit assurance as for financial statements and will ensure that sustainability- and climate-related reporting gains the same importance as financial reporting - also with respect to auditing.

DSW therefore would have preferred if EFRAG on the one hand would have proposed only one option which would have made the management reports more comparable across undertakings. On the other hand, we would have preferred an integrated reporting of financial and non-financial information in the management report both being subject to a full audit.

Given the restrictive CSRD framework, though, we welcome that the current standards aim at ensuring a high level of connectivity. However, while in principle the incorporation of information in the sustainability section by reference to other parts of the management report does support cohesiveness, it is necessary to point out that that lack of standardization would affect the way investors can access information and therefore impact the usefulness of sustainability data. A single format, machine-readable approach would enhance investor useability and enable them to make better informed decisions.

We also recommend that the key audit matters identified by the external auditors would also apply to sustainability reporting. Interestingly, the independence of the external statutory auditor is not tackled at all in the ESRS. Thus, it would be strongly advisable that EFRAG adds a respective reporting requirement to help investors understand and verify if the statutory auditor can be considered being independent.

DR2-GR1 prescribes that undertakings shall disclose location tables for the presentation of its sustainability statements (DR2-GR1, para. 7-9). Given that ESRS 1, para. 148, provides for three different options to report sector-agnostic sustainability information in the management report (single separately identifiable section, four separately identifiable sections, or aggregated disclosures reported as non-separate blocks) plus the need to include in the location tables also information on disclosures pursuant to Article 8 of the Taxonomy Regulation, we are concerned that these tables will become unreadable and incomprehensible to investors. We therefore recommend including a requirement to hyperlink the tables with the respective sections in the report which would, at least for electronic reports, ease the access to specific sustainability information for investors.

## **DR 2-GR 2 – Sector(s) of activity**

The undertaking shall provide a description of its significant activities, headcount and revenue. The principle to be followed under this disclosure requirement is to allow an understanding of the distribution of the undertaking's activities by reference to a common sector definition.

**Q2: Please, rate to what extent do you think DR 2-GR 2 – Sector(s) of activity**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DSW would like to receive guidance on who falls within the definition of “headcount”. Does it only include employees or also workers? And why is a disclosure of headcounts required instead of full-time equivalents, a unit used in financial disclosure? As already stated above, DSW would like to reiterate the urgent need for consistency between financial and sustainability-/climate-related disclosure.

## **DR 2-GR 3 – Key features of the value chain**

The undertaking shall describe its value chain.

The principle to be followed under this disclosure requirement is to provide an understanding of the value chain in which the undertaking operates, from the initial inputs into a product or service, in the upstream supply chain, to its downstream delivery to end-users, including ultimate disposal, recycling or reuse for physical products.



**Q3: Please, rate to what extent do you think DR 2-GR 3 – Key features of the value chain**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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DSW would like to point out that undertakings' operations, products and services are more largely interconnected than only within the value chain. Value chain is defined in Appendix VI as the "full range of activities or processes needed to create a product or service. This includes entities with which the undertaking has a direct or indirect business relationship, both upstream and downstream of its own activities, which either (a) supply products or services that contribute to the organisation's own products or services, or (b) receive products or services from the organisation." This means, that, as an example, where raw materials are needed to produce the hardware or the cloud server on which for example Microsoft products are running, these do not seem to be captured by the value chain. Consequently, these are also not captured by the materiality assessment and thereby its impact on the value of this specific undertaking, even though the Microsoft software is useless without the respective hardware. Undertakings in fact do not operate in silos but are part of an ecosystem that is interconnected whereby risks and opportunities of stakeholders, particularly those in the value chain closer to the undertaking, may eventually become risks and opportunities of the undertaking. Whilst it may be challenging in the beginning to collect information from the value chain, we believe it is necessary. DSW therefore advocates to review and enlarge the scope of the term "value chain" in the mid- to long-term.

## **DR 2-GR 4 – Key drivers of the value creation**

The undertaking shall describe how it creates value.

The principle to be followed under this disclosure requirement is to provide an understanding of the key drivers of value creation the undertaking is leveraging to contribute to the overall performance of the value chain it operates in taking account of the respective interests of all stakeholders.

**Q4: Please, rate to what extent do you think DR 2-GR 4 – Key drivers of the value creation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR 2-GR 5 – Using approximations on the disclosure in relation to boundary and value chain**

Following the principle on boundaries and value chain of ESRS 1 when the undertaking has used peer group information or sector data to approximate missing data due to impracticability, it shall disclose:

1. Its basis for preparation for the relevant disclosure and indicators, including the scope for which an approximation has been used; and
2. The planned actions to reduce missing data in the future.

**Q5: Please, rate to what extent do you think DR 2-GR 5 – Using approximations on the disclosure in relation to boundary and value chain**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

The ESRS require to identify metrics an undertaking has disclosed that have a significant estimation uncertainty, as well as to disclose the sources and nature of the estimation uncertainties and the factors affecting the uncertainties. The ISSB on the other hand require providing information about inputs and methods of calculation used to produce estimates or approximations to ensure the information's verifiability. Inputs and calculation methods can vary significantly, leading to different outcomes of estimations. DSW recommends that also the ESRS – within the limits of competitive law regulations – would require disclosure of methods and inputs.

## **DR 2-GR 6 – Disclosing on significant estimation uncertainty**

Following the principle of estimating under conditions of uncertainty in ESRS 1, the undertaking shall:

1. identify metrics it has disclosed that have a significant estimation uncertainty, disclose the sources and nature of the estimation uncertainties and the factors affecting the uncertainties, and
2. identify and disclose the sources of significant uncertainty and the factors affecting these sources of uncertainty when explanations of possible effects of a sustainability factor relate to possible future events about which there is significant outcome uncertainty.

**Q6: Please, rate to what extent do you think DR 2-GR 6 – Disclosing on significant estimation uncertainty**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

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When metrics cannot be measured directly but can only be estimated, measurement uncertainty arises. From an investor's point of view, not only metrics that have a significant estimation uncertainty may have an impact on his/her own assessment of the value of an undertaking but also those with a reasonable level of uncertainty. We would therefore prefer that this information is already provided in case of a "reasonable level of uncertainty" and recommend changing the Standard in that respect. Like for assumptions, we consider it useful if undertakings were required to also disclose the inputs and methods used for arriving at estimates. This would enable verification by investors. DSW sees a need to inform users about the methodology used to arrive at estimates. It could be, for example, a more reliable approximation to use an independent external consultant than basing approximations on sampling data from suppliers, clients etc. In any case, further clarity on the assumptions and guidance on the application would benefit investors and other stakeholders alike.

## **DR 2-GR 7 – Changes in preparation and presentation**

Following the principle on changes in preparation or presentation of ESRS 1, the undertaking shall explain changes in preparation and presentation by disclosing:

1. the description of the methodology used for the restatement;
2. the difference between the amount reported in the previous period and the revised comparative amount in case of quantitative metrics;
3. the reasons for the change in reporting policy; and
4. if it is impracticable to adjust comparative information for one or more prior periods, the undertaking shall disclose this fact and the reason why.



**Q7: Please, rate to what extent do you think DR 2-GR 7 – Changes in preparation and presentation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

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**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR 2-GR 8 – Prior period errors**

Following the principles on errors in ESRS 1, if applicable, the undertaking shall disclose the following for prior period errors:

1. the nature of prior period errors;
2. for each prior period disclosed, to the extent practicable, the amount of the corrections; and
3. if retrospective restatement is impracticable for a particular period, the circumstances that led to the impracticability and a description of how and when the error was corrected.

**Q8: Please, rate to what extent do you think DR 2-GR 8 – Prior period errors**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DSW welcomes that the ESRS require the disclosure of material reporting errors discovered in subsequent periods (ESRS 1, DR 1-3, para. 4.6). This disclosure requirement seems to go beyond the ISSB requirements stipulated in ISSB S1 para. 34. From an investor's point of view, a material error in a previous period may still be an important piece of information especially as sustainability-related disclosure is often considered over a long-term for the investor's assessment of the enterprise value. Despite the lack of alignment, we applaud EFRAG in having included this requirement and consider it as important information that should be kept.

## **DR 2-GR 9 – On other sustainability reporting pronouncements**

The undertaking shall disclose if it also reports in full or in part in accordance with generally accepted sustainability reporting pronouncements of other standard setting bodies and non-mandatory guidance including sector-specific, in addition to its report prepared according to ESRS. It shall disclose if such reporting is included in its sustainability statements.

**Q9: Please, rate to what extent do you think DR 2-GR 9 – On other sustainability reporting pronouncements**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We welcome the requirement for disclosure on the use of other sustainability standards, whether mandatory or non-binding. We however would like to ask EFRAG for guidance what exactly would need to be disclosed by undertakings. Would EFRAG consider it sufficient that the standards that are being used are named or would it be expected to also indicate which parts of the sustainability reporting clearly have been prepared according to other than ESRS standards?

Equally, while the ESRS are designed to meet EU policy objectives, this is not applicable with other reporting standards and initiatives. It would be useful if ESRS encourages explanations on how other disclosures relate with the ESRS as this will create a holistic overview of standards and their interoperability which in turn can better inform investor's decision-making processes and ultimately prevent greenwashing.

## **DR 2-GR 10 – General statement of compliance**

The undertaking shall provide a statement of compliance with ESRS.

The principle to be followed under this disclosure requirement is to inform the users about the compliance with ESRS requirements, following mandated disclosure requirements complemented by entity-specific disclosures.

**Q10: Please, rate to what extent do you think DR2-GR 10 – General statement of compliance**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**For part G, please explain how you think further alignment could be reached**

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What is lacking is a statement of non-compliance of certain Disclosure Requirements, e.g. due to transitional exception rules or because disclosure may be considered as being voluntary (see e.g. ESRS 1 para. 93 "decides to disclose"). We consider this information as important for investors and other stakeholders to assess the Standard adherence and the status of the undertaking's transformation progress.

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## **3A. Adequacy of Disclosure Requirements - Cross cutting standards**

**(2/2)**

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### **DR 2-SBM 1 – Overview of strategy and business model**

The undertaking shall provide a concise description of its strategy and business model as a context for its sustainability reporting.

The principle to be followed under this disclosure requirement is to provide relevant contextual information necessary to understanding the sustainability reporting of the undertaking. It is therefore a reference point for other disclosure requirements.



**Q11: Please, rate to what extent do you think DR 2-SBM 1 – Overview of strategy and business model**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Alongside the description of a company's value chain, any details concerning the undertaking's strategy and business model would propel investor understanding regarding the company's exposure to any risks and their impacts.

## **DR 2-SBM 2 – Views, interests and expectations of stakeholders**

An undertaking shall describe how the views, interests and expectations of its stakeholders inform the undertaking' strategy and business model.

The principle to be followed under this disclosure requirement is to provide an understanding of how stakeholders' views, interests and expectations are considered for the undertaking's decision and evolution of its strategy and business model.

**Q12: Please, rate to what extent do you think DR 2-SBM 2 – Views, interests and expectations of stakeholders**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

ESRS 2 requires undertakings to disclose a summary description of its key stakeholders and their views, interests and expectations (DR 2 SBM-2, para. 38). However, the ESRS do not ask for a description of the stakeholder engagement process. According to our understanding, this would mean that it is not required to disclose how stakeholders are identified and prioritized, for which areas and how regular stakeholder engagement has been performed, and for what purpose. Also lacking is a requirement to report on the outcome of the stakeholder engagement. Obtaining key stakeholder's opinions and focus areas is however an essential part of the double materiality approach the ESRS pursue as it could assist undertakings to establish the sustainability strategies that suit own development models based on stakeholders' expectations. We therefore see a need to also require undertakings disclosing the description of the stakeholder engagement process and its outcomes.

Currently, information about stakeholder engagement is required under DR S1-2, DR S2-2, DR S3-2 and DR S4-2, where it is subject to the rebuttable presumption approach and therefore not truly binding. The content of these DRs should be integrated into DR 2-SBM2 to make sure that companies really explain how they take stakeholders into account.

## **DR 2-SBM 3 – Interaction of impacts and the undertaking' strategy and business model**

The undertaking shall describe the interaction between its material impacts and its strategy and business model.

The principle to be followed under this disclosure requirement is to provide an understanding of material impacts on people and the environment and the adaptation of its strategy and business model to such material sustainability impacts.

**Q13: Please, rate to what extent do you think DR 2-SBM 3 – Interaction of impacts and the undertaking’ strategy and business model**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR 2-SBM 4 – Interaction of risks and opportunities and the undertakings’ strategy and business model**

The undertaking shall describe the interaction between its material risks and opportunities and its strategy and business model.

The principle to be followed under this disclosure requirement is to provide an understanding of material risks and opportunities related to sustainability matters that originate from or are connected to the undertakings’ strategy and business model and the adaptation of its strategy and business model to such material risks and opportunities.

**Q14: Please, rate to what extent do you think DR 2-SBM 4 – Interaction of risks and opportunities and the undertakings’ strategy and business model**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR 2-GOV 1 – Roles and responsibilities of the administrative, management and supervisory bodies**

The undertaking shall provide a description of the roles and responsibilities of its governance bodies and management levels with regard to sustainability matters.

The principle to be followed under this disclosure requirement is to provide an understanding of the distribution of sustainability-related roles and responsibilities throughout the undertaking's organisation, from its administrative, management and supervisory bodies to its executive and operational levels, the expertise of its governance bodies and management levels on sustainability matters, and the sustainability-related criteria applied for nominating and selecting their members.



**Q15: Please, rate to what extent do you think DR 2-GOV 1 – Roles and responsibilities of the administrative, management and supervisory bodies**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Undertakings will be required to provide a description of (a) the sustainability-related expertise of the governance body, (b) about training and other educational initiatives and (c) “how it relates to its material sustainability risks, opportunities and impacts.” We would like to receive a clarification of what is meant by (c).

Like standard G1, the standard seems to overlook the general concept of CSRD, i.e., that disclosures shall meet the characteristics of information quality (relevance and faithful representation as well as the enhancing qualities of information, i.e., comparability, verifiability, and understandability). Especially with regard to the enhancing qualities of information, the G1 standard lacks ambition. Based on the information provided, investors will not be able to monitor and verify the actions of the governance bodies nor will they be able to assess and compare them against those of their peers. Furthermore, an understanding of an entity’s governance requires that investors are enabled to understand who is responsible for what, not only in abstract terms but also concretely. DR 2 GOV-1 however contains mainly requirements to publish general /generic information about the relevant governance body/committee with regard to sustainability. In DR 2 GOV-1, for example, there is no distinct requirement to disclose who within the body has sustainability-related expertise, or why a certain member of a governance body had been chosen for appointment nor is it required to disclose the identity of the members of the governance body’s committees or the competence profile for each member. All information could be provided anonymised which would not be sufficiently helpful for investors to verify the information received.

DR 2 GOV-1 when dealing with the nomination process, only require a description of the criteria concerning sustainability applied by the undertaking for nominating and selecting members of its administrative, management and supervisory bodies and other key personnel like e.g., diversity or sustainability-related experience. Missing is, however, how these generic requirements have been put into action in the year under review, i.e., in how far the nomination process has been followed and who has been nominated for which expertise. Any nomination process requires a review of the status quo followed by an intense evaluation of all board members. DSW wonders how an investor or any other stakeholder should be able to understand the role of a governance body, its members’ expertise, and skills without being informed about the outcome of the underlying nomination process. In our view this counteracts the general ESRS concept of information quality.

DSW furthermore wants to reiterate its concerns raised in its answers to the G1 standard (see question 49 of survey 1 for details).

## **DR 2-GOV 2 – Information of administrative, management and supervisory bodies about sustainability matters**

The undertaking shall describe how its governance bodies are informed about sustainability matters. The principle to be followed under this disclosure requirement is to provide an understanding of how governance bodies and management level senior executives are informed about sustainability-related facts, decisions and/or concerns that are within their responsibility so that they can effectively perform their duties in that respect.

**Q16: Please, rate to what extent do you think DR 2- GOV 2 – Information of administrative, management and supervisory bodies about sustainability matters**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR 2 GOV-2 requires undertakings to disclose the process by which the governance bodies are informed about “the sustainability-related perspectives of stakeholders that have an interest in or are affected by the undertaking’s activities;” We would like to receive more guidance on how this information shall be verified by investors if only processes are described.

### **DR 2-GOV 3 – Sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies**

The undertaking shall provide a description of the sustainability matters that were addressed by its administrative, management and supervisory bodies during the reporting period.

The principle to be followed under this disclosure requirement is to provide information on whether the administrative, management and supervisory bodies were adequately informed of the material sustainability-related impacts, risks and opportunities arising or developing during the reporting period. Equally what information and matters it actually spent time addressing, and whether it was able to fulfil its roles and responsibilities, as defined in its mandate and described under DR 2-GOV 1.

**Q17: Please, rate to what extent do you think DR 2- GOV 3 – Sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR 2-GOV 3 requires undertakings to provide a list of the sustainability matters addressed by its governance bodies during the reporting period and a description of how they were dealt with by the administrative, management and supervisory bodies. DSW would consider it necessary to clarify that this reporting includes disclosure about the number and nature of critical concerns that have been communicated to the governance bodies during the year under review to ensure that the information provided is understandable and verifiable for investors.

## **DR 2-GOV 4 – Integration of sustainability strategies and performance in incentive schemes**

The undertaking shall provide a description of the integration of sustainability strategies and performance in incentive schemes.

The principle to be followed under this disclosure requirement is to provide an understanding of how members of the administrative, management and supervisory bodies are incentivised to properly manage the undertaking' sustainability impacts, risks and opportunities and, along with other employees, to take steps towards implementing the sustainability strategy of the undertaking.

**Q18: Please, rate to what extent do you think DR 2- GOV 4 – Integration of sustainability strategies and performance in incentive schemes**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR 2 GOV-4 does not include a requirement to disclose how remuneration during the year under review has actually matched sustainability- or climate-related metrics. Also, it would be helpful for investors if undertakings would be required to report on the proportion of variable compensation conditioned to sustainability KPIs in relation to the whole compensation paid or, in the absence of these variable parts, why it is not conditioned. Based on the current disclosure requirements, even when read in conjunction with G1, investors will not be able to thoroughly assess the remuneration policy of board members from an impact or financial perspective. We therefore ask EFRAG to review and amend DR 2 GOV-4 respectively.

## **DR 2-GOV 5 – Statement on due diligence**

The undertaking shall disclose its general assessment regarding how it embeds the core elements of due diligence.



**Q19: Please, rate to what extent do you think DR 2- GOV 5 – Integration of sustainability strategies and performance in incentive schemes**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR 2-IRO 1 – Description of the processes to identify material sustainability impacts, risks and opportunities**

The undertaking shall provide a description of its processes to identify its sustainability impacts, risks and opportunities and assess which ones are material.

The principle to be followed under this disclosure requirement is to provide information on (i) how the undertaking is organising its identification and assessment and (ii) what is in the scope of its identification and assessment of sustainability matters.

**Q20: Please, rate to what extent do you think DR 2-IRO 1 – Description of the processes to identify material sustainability impacts, risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

ESRS could benefit from consolidating information on the processes which identify material sustainability impacts. This will not only avoid duplication but also enable users in understanding how materiality assessment has been reflected.

## **DR 2-IRO 2 – Outcome of the undertaking’s assessment of material sustainability impacts risks and opportunities as identified by reference to and in compliance with sector-agnostic and sector-specific level ESRS**

The undertaking shall provide a description of the outcome of its assessment processes by reference to mandatory disclosures under ESRS.

The principle to be followed under this disclosure requirement is to give a clear statement of sustainability matters, as addressed by all ESRS, that are material for the undertaking, and to give relevant explanations on (i) how the undertaking related to the material impacts, risks and opportunities identified by its assessment, (ii) when the undertaking has or will put in place initiative to modify its strategy and business model, in order to reduce or eliminate the risk or to benefit from the opportunity and/or in order to prevent and mitigate negative material impacts and enhance positive material impacts (see DR 2-SBM3 and 4), why this was the case and (iii) if and why certain mandatory disclosures are not material under the undertaking’ specific facts and circumstances and therefore disclosed as such.

**Q21: Please, rate to what extent do you think DR 2-IRO 2 – Outcome of the undertaking’s assessment of material sustainability impacts risks and opportunities as identified by reference to and in compliance with sector-agnostic and sector-specific level ESRS**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR 2-IRO 3 – Outcome of the undertaking’s assessment of material sustainability impacts risks and opportunities that are not covered by and ESRS (entity-specific level)**

The undertaking shall provide a description of the outcome of its assessment process in relation to material impacts, risks and opportunities that are not addressed under mandatory disclosure and require entity-specific disclosure.

The principle to be followed under this disclosure requirement is to provide information (i) about all material impacts, risks and opportunities of the undertaking resulting from the undertaking’s specific facts and circumstances for which relevant disclosure requirements do not exist, and (ii) when the undertaking has or will put in place initiatives to modify its strategy and business model, in order to reduce or eliminate the risk or to benefit from the opportunity and/or in order to prevent and mitigate negative material impacts and enhance positive material impacts (see DR 2-SBM 3 and 4), about such impacts, risks and opportunities. For each sustainability matter in the scope of sustainability reporting, the undertaking shall assess which material impacts, risks and opportunities are not covered by ESRS and shall give rise to entity-specific disclosure.

**Q22: Please, rate to what extent do you think DR 2-IRO 3 – Outcome of the undertaking’s assessment of material sustainability impacts risks and opportunities as identified by reference to and in compliance with sector-agnostic and sector-specific level ESRS**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

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## **3B. Adequacy of Disclosure Requirements – Environmental standards (1/5)**

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For the purpose of the questions included in this section, respondents are encouraged to consider the following:

- when sharing comments on a given Disclosure Requirement, and as much as possible, reference to the specific paragraphs being commented on should be included in the written comments;
- in the question asked, for each ESRS, about the alignment with international sustainability standards, these include but are not limited to the IFRS Sustainability Standards and the Global Reporting Initiative Standards. Other relevant international initiatives may be considered by the respondents. When commenting on this particular question, respondents are encouraged to specify which international standards are being referred to.

A complete index of Disclosure Requirements and their corresponding Application Guidance can be found in Appendix I – Navigating the ESRS.

### **DR E1-1 – Transition plan for climate change mitigation**

The undertaking shall disclose its plans to ensure that its business model and strategy are compatible with the transition to a climate-neutral economy and with limiting global warming to 1.5 °C in line with the Paris Agreement.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the transition plan of the undertaking and its compatibility with limiting global warming to 1.5°C.



**Q23: Please, rate to what extent do you think DR E1-1 – Transition plan for climate change mitigation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We recommend that E1-1 and E1-4 are reviewed against each other as it seems they include partially the same requirements.

Clear requirements for climate transition plans will provide clarity to investors which will in turn help them to improve their decision-making processes. Clear information will help to limit the current widespread greenwashing, and thus provide considerable benefits to investors who integrate ESG considerations into their strategies. The lack of reliable information on climate transition plans, including targets and performance measurement KPIs, undermines the ability of investors to make an informed decision about their investments.

## **DR E1-2 – Policies implemented to manage climate change mitigation and adaptation**

The undertaking shall disclose its policies related to climate change mitigation and its policies related to climate change adaptation.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking monitors and manages its GHG emissions, climate-related physical and transition risks and opportunities throughout the value chain.

**Q24: Please, rate to what extent do you think DR E1-2 – Policies implemented to manage climate change mitigation and adaptation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E1-3 – Measurable targets for climate change mitigation and adaptation**

The undertaking shall disclose the climate-related targets it has adopted.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the targets the undertaking has adopted to support its climate change mitigation and adaptation policies and address its material climate-related impacts, risks and opportunities.

**Q25: Please, rate to what extent do you think DR E1-3 – Measurable targets for climate change mitigation and adaptation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

GHG emissions have a significant impact on society and the environment. Therefore, investors are increasingly interested in learning about a company's carbon/GHG footprint and how it is being managed. Climate change and its associated risks are "material" risks and/or financial risks and can have a corresponding impact on investment decisions. DSW therefore welcomes the requirements for the reduction of GHG emission targets which seem to be comprehensive to us. We welcome especially the supplementary information provided in the tables (E1-3, para. 24) as they will help undertakings to better understand the requirements for disclosure of GHG emission targets. DSW considers it very important that GHG targets are required to be science-based, in line with 1,5 C and need to be disclosed in absolute and relative (intensity) values for Scope 1-3 although we would favor if a separate disclosure per scope would be required by E1-3. Given that also Scope 3 emissions are required to be disclosed which may be difficult to retrieve for undertakings, we consider that at least for Scope 3 emissions a prioritization for the first reporting year is not necessary.

## **DR E1-4 – Climate change mitigation and adaptation action plans and resources**

The undertaking shall disclose its climate change mitigation and adaptation action plans and the resources allocated for their implementation.

The principle to be followed under this Disclosure Requirement is to provide transparency on the key actions taken and planned to achieve climate-related targets and to manage GHG emissions, transition and physical risks and opportunities, supporting the understanding of achieved performance improvements and the credibility of the undertaking's policies, strategy and business model with regards to climate change.

**Q26: Please, rate to what extent do you think DR E1-4 – Climate change mitigation and adaptation action plans and resources**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We recommend that E1-1 and E1-4 are reviewed against each other as it seems they include partially the same requirements.

## **DR E1-5 – Energy consumption & mix**

The undertaking shall provide information on its energy consumption.

The principle to be followed is to provide an understanding of the undertaking's absolute energy consumption, improvement in energy efficiency and share of renewable energy in its overall energy mix.



**Q27: Please, rate to what extent do you think DR E1-5 – Energy consumption & mix**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E1-6 – Energy intensity per net turnover**

The undertaking shall provide information on the energy consumption associated with activities in high climate impact sectors per net turnover of these activities.

**Q28: Please, rate to what extent do you think DR E1-6 – Energy intensity per net turnover**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E1-7 – Scope 1 GHG emissions**

The undertaking shall disclose its gross Scope 1 GHG emissions in metric tons of CO2 equivalent.

**Q29: Please, rate to what extent do you think DR E1-7 – Scope 1 GHG emissions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

While ISSB standard S2 requires the separate disclosure of Scope 1 and 2 emissions for consolidated accounting groups, associates, joint ventures, and subsidiaries/affiliates, the ESRS only require the disclosure of gross Scope 1 and 2 emissions. To identify where the major contributions to GHG emissions stem from within a group, DSW considers the ISSB approach to provide more precise and meaningful information for investors.

## **DR E1-8 – Scope 2 GHG emissions**

The undertaking shall disclose its gross indirect energy Scope 2 GHG emissions in metric tons of CO<sub>2</sub> equivalent.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the indirect impacts on climate change caused by the undertaking's consumed energy whether externally purchased or acquired.

**Q30: Please, rate to what extent do you think DR E1-8 – Scope 2 GHG emissions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

While ISSB standard S2 requires the separate disclosure of Scope 1 and 2 emissions for consolidated accounting groups, associates, joint ventures, and subsidiaries/affiliates, the ESRS only require the disclosure of gross Scope 1 and 2 emissions. To identify where the major contributions to GHG emissions stem from within a group, DSW considers the ISSB approach to provide more precise and meaningful information for investors.

## **DR E1-9 – Scope 3 GHG emissions**

The undertaking shall disclose its gross indirect Scope 3 GHG emissions in metric tons of CO<sub>2</sub> equivalent. The principle to be followed under this Disclosure Requirement is to provide an understanding of the GHG emissions that occur in the undertaking's value chain beyond its Scope 1 and 2 GHG emissions. For many undertakings Scope 3 GHG emissions are the main component of the GHG inventory and an important driver of their transition risks.



**Q31: Please, rate to what extent do you think DR E1-9 – Scope 3 GHG emissions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

While ISSB standard S2 requires the separate disclosure of Scope 1 and 2 emissions for consolidated accounting groups, associates, joint ventures, and subsidiaries/affiliates, the ESRS only require the disclosure of gross Scope 1 and 2 emissions. To identify where the major contributions to GHG emissions stem from within a group, DSW considers the ISSB approach to provide more precise and meaningful information for investors.

## **DR E1-10 – Total GHG emissions**

The undertaking shall disclose its total GHG emissions in metric tons of CO<sub>2</sub> equivalent.

The principle to be followed under this Disclosure Requirement is to provide an overall understanding of the undertaking's GHG emissions and whether they occur from its own operations or the value chain. The disclosure is a prerequisite for measuring progress towards reducing GHG emissions in accordance with the undertaking's climate-related targets and EU policy goals as well as for the assessment of the undertaking's transition risks.

**Q32: Please, rate to what extent do you think DR E1-10 – Total GHG emissions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We wonder why there is a separate disclosure requirement for the total GHG emissions while E1-7-9 require disclosure of Scope 1, 2 and 3 emissions separately and therefore recommend deleting E1-10. While understanding that a further extension of the double materiality approach may not be feasible under a cost-benefit analysis at this stage, DSW would like to point out that undertakings' operations, products and services are more largely interconnected than only within the value chain. Value chain is defined in Appendix VI as the "full range of activities or processes needed to create a product or service. This includes entities with which the undertaking has a direct or indirect business relationship, both upstream and downstream of its own activities, which either (a) supply products or services that contribute to the organisation's own products or services, or (b) receive products or services from the organisation." This means, that, for example, where raw materials are needed to produce the hardware or the cloud server on which for example Microsoft products are running, these do not seem to be captured by the value chain. Consequently, these are also not captured by the materiality assessment and thereby its impact on the enterprise value of this specific undertaking, even though the Microsoft software is useless without the respective hardware. Undertakings in fact do not operate in silos but are part of an ecosystem that is interconnected whereby risks and opportunities of stakeholders, particularly those in the value chain closer to the undertaking, may eventually become risks and opportunities of the undertaking. Whilst it may be challenging in the beginning to collect information from the value chain, we believe it is necessary. DSW therefore advocates to review and enlarge the scope of the term "value chain" in the mid- to long-term.

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## **3B. Adequacy of Disclosure Requirements – Environmental standards (2/5)**

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### **DR E1-11 – GHG intensity per net turnover**

The undertaking shall disclose its total GHG emissions per net turnover.

**Q33: Please, rate to what extent do you think DR E1-11 – GHG intensity per net turnover**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E1-12 – GHG removals in own operations and the value chain**

The undertaking shall disclose GHG removals from own operations and the upstream and downstream value chain in metric tons of CO<sub>2</sub> equivalent.

The principle to be followed under this Disclosure Requirement is to provide in a comparable manner transparency on actions to permanently remove or actively support the removal of GHG from the atmosphere.

**Q34: Please, rate to what extent do you think DR E1-12 – GHG removals in own operations and the value chain**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E1-13 – GHG mitigation projects financed through carbon credits**

The undertaking shall disclose the amount of GHG emission reductions or removals from climate change mitigation projects outside its value chain it has financed through the purchase of carbon credits.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent and quality of carbon credits the undertaking has purchased from the voluntary market and cancelled in the reporting period.



**Q35: Please, rate to what extent do you think DR E1-13 – GHG mitigation projects financed through carbon credits**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **(Optional) DR E1-14 – Avoided GHG emissions from products and services**

The undertaking may disclose its estimated total avoided GHG emissions from its products and services in metric tons of CO<sub>2</sub> equivalent.

The principle to be followed under this optional Disclosure Requirement is to provide transparency on the methodologies used and assumptions made by the undertaking when estimating and communicating about the impacts of their products and services on climate change in comparison to other products and services, or in comparison to a situation where their products and services would not exist, considering that there is currently no generally accepted framework for accounting and reporting on such avoided emissions.

**Q36: Please, rate to what extent do you think DR E1-14 – Avoided GHG emissions from products and services**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E1-15 – Potential financial effects from material physical risks**

The undertaking shall disclose the estimated potential financial effects from its material physical risks.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how material climate-related physical risks may affect the undertaking's performance and position over the short, medium and long term, considering that those potential future financial effects may not meet at the reporting date the recognition and measurement criteria set for assets and liabilities.

**Q37: Please, rate to what extent do you think DR E1-15 – Potential financial effects from material physical risks**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E1-16 – Potential financial effects from material transition risks**

The undertaking shall disclose the estimated potential financial effects from material transition risks.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how material climate-related transition risks may affect the undertaking's performance and position over the short, medium and long-term, considering that those potential future financial effects may not meet at the reporting date the recognition and measurement criteria set for assets and liabilities.

**Q38: Please, rate to what extent do you think DR E1-16 – Potential financial effects from material transition risks**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **(Optional) DR E1-17 – Potential financial effects from climate-related opportunities**

The undertaking may disclose its potential financial effects from climate-related opportunities.

The principle to be followed under this optional Disclosure Requirement is to allow users to understand how the undertaking may financially benefit from material climate-related opportunities. The disclosure is complementary to information requested under the Taxonomy Regulation.



**Q39: Please, rate to what extent do you think DR E1-17 – Potential financial effects from climate-related opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **E2-1 – Policies implemented to prevent and control pollution**

The undertaking shall disclose its policies related to pollution prevention and control.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking monitors and manages its pollution-related impacts, risks and opportunities.

**Q40: Please, rate to what extent do you think E2-1 – Policies implemented to prevent and control pollution**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E2-2 – Measurable targets for pollution**

The undertaking shall describe the pollution-related targets it has adopted.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the targets the undertaking has adopted to support its pollution-related policies and address its material related impacts, risks and opportunities.

**Q41: Please, rate to what extent do you think DR E2-2 – Measurable targets for pollution**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E2-3 – Pollution action plans and resources**

The undertaking shall disclose its pollution-related action plans and the resources allocated to their implementation.

The principle to be followed under this Disclosure Requirement is to provide transparency on the key actions taken and planned in order to achieve its pollution-related policy objectives and targets.

**Q42: Please, rate to what extent do you think DR E2-3 – Pollution action plans and resources**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers

For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately

For part G, please explain how you think further alignment could be reached

Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to

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### **3B. Adequacy of Disclosure Requirements – Environmental standards (3/5)**

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#### **DR E2-4 – Pollution of air, water and soil**

The undertaking shall disclose information on a list of pollutants that are generated or used during production processes or that are procured, and that leave its facilities as emissions, as products, or as part of products or services.

The principle to be followed under this Disclosure Requirement is to provide transparency on the emissions that the undertaking generates.



**Q43: Please, rate to what extent do you think DR E2-4 – Pollution of air, water and soil**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E2-5 – Substances of concern and most harmful substances**

The undertaking shall disclose specific information on the substances of concern and most harmful substances that are generated or used during production processes or that are procured, and that leave its facilities as emissions, as products, or as part of products or services.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the impact of the undertaking on health and the environment related to the undertaking's production, use, distribution and commercialisation of substances of concern and most harmful substances, as well as an understanding of the undertaking's exposure towards those substances of concern including risks arising from changes in regulations.

**Q44: Please, rate to what extent do you think DR E2-5 – Substances of concern and most harmful substances**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E2-6 – Pollution-related incidents and deposit impacts and risks, and financial exposure to the undertaking**

The undertaking shall disclose the impact of and its financial exposure to pollution-related incidents and deposits.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how principal pollution-related incidents and deposits may affect the environment and society and/or the undertaking's development, performance and position over the short-, medium- and long-term.

**Q45: Please, rate to what extent do you think DR E2-6 – Pollution-related incidents and deposit impacts and risks, and financial exposure to the undertaking**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E2-7 – Financial effects from pollution-related impacts, risks and opportunities**

The undertaking shall disclose the financial effects of the risks and opportunities arising from pollution-related impacts and dependencies.

The principle to be followed under this Disclosure Requirement is to an understanding of the effects of risks and opportunities, arising from the undertaking's pollution-related impacts and dependencies, on the undertaking's development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value.

**Q46: Please, rate to what extent do you think DR E2-7 – Financial effects from pollution-related impacts, risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E3-1 – Policies implemented to manage water and marine resources**

The undertaking shall disclose its policies related to water and marine resources<sup>2</sup>.

The principle to be followed under this disclosure requirement is to provide an understanding of how the undertaking monitors and manages its material water and marine resources impacts, risks and opportunities.



**Q47: Please, rate to what extent do you think DR E3-1 – Policies implemented to manage water and marine resources**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E3-2 – Measurable targets for water and marine resources**

The undertaking shall disclose the water and marine resources-related targets it has adopted.

The principle to be followed under this disclosure requirement is to provide an understanding of the targets the undertaking has adopted to support its water and marine resources policies and address its material related impacts, risks and opportunities.

**Q48: Please, rate to what extent do you think DR E3-2 – Measurable targets for water and marine resources**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E3-3 – Water and marine resources action plans and resources**

The undertaking shall disclose its water and marine resources action plans and the resources allocated for their implementation.

The principle to be followed under this disclosure requirement is to provide transparency on the key actions take and planned to achieve water and marine resources-related targets and to manage related risks, impacts and opportunities.

**Q49: Please, rate to what extent do you think DR E3-3 – Water and marine resources action plans and resources**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E3-4 – Water management performance**

The undertaking shall provide information on its water management performance.

The principle to be followed under this disclosure requirement is to provide an understanding of the undertaking's water cycle at entity level and how the undertaking is managing to meet the targets it has set.

**Q50: Please, rate to what extent do you think DR E3-4 – Water management performance**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E3-5 – Water intensity performance**

The undertaking may provide information on its water intensity performance.

The principle to be followed under this disclosure requirement is to provide an understanding of how the undertaking is managing to decouple net turnover from the withdrawal, consumption and discharge of water.



**Q51: Please, rate to what extent do you think DR E3-5 – Water intensity performance**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E3-6 – Marine resources-related performance**

The undertaking shall provide information on marine resources-related performance indicators.

The principle to be followed under this disclosure requirement is to provide an understanding of how the undertaking is impacting marine resources and marine waters and how it is managing to meet whichever marine resources-related targets it has set.

**Q52: Please, rate to what extent do you think DR E3-6 – Marine resources-related performance**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers

For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately

For part G, please explain how you think further alignment could be reached

Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to

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### **3B. Adequacy of Disclosure Requirements – Environmental standards (4/5)**

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#### **DR E3-7 – Financial effects from water and marine resources related impacts, risks and opportunities**

The undertaking shall disclose its financial effects of material risks and opportunities arising from water and marine resources-related impacts and dependencies.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the effects of material risks and opportunities, related to the undertaking's water and marine resources-related impacts and dependencies, on the undertaking's development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value, considering that those potential future financial effects may not meet at the reporting date the recognition criteria set for financial statements.

**Q53: Please, rate to what extent do you think DR E3-7 – Financial effects from water and marine resources related impacts, risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E4-1 – Transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full recovery by 2050**

The undertaking shall disclose its plans to ensure that its business model and strategy are compatible with the transition to achieve no net loss by 2030, net gain from 2030 and full recovery by 2050.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the transition plan of the undertaking and its compatibility with the preservation and restoration of biodiversity and ecosystems in line with the Post-2020 Global Biodiversity Framework and the EU Biodiversity Strategy for 2030.

**Q54: Please, rate to what extent do you think DR E4-1 – Transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full recovery by 2050**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E4-2 – Policies implemented to manage biodiversity and ecosystems**

The undertaking shall disclose its policies related to biodiversity and ecosystems.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking has policies that address prevention, mitigation or remediation of actual or potential adverse impacts and protection and restoration of biodiversity and ecosystems and of how the undertaking monitors and manages its material biodiversity and ecosystems-related impacts and risks and opportunities arising from impacts and dependencies and addresses the strategies of no net loss by 2030, net gain from 2030, and full recovery of biodiversity and ecosystems by 2050.



**Q55: Please, rate to what extent do you think DR E4-2 – Policies implemented to manage biodiversity and ecosystems**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E4-3 – Measurable targets for biodiversity and ecosystems**

The undertaking shall disclose the biodiversity and ecosystem-related targets it has adopted.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the targets the undertaking has adopted to support its biodiversity and ecosystems policies and address its material related impacts, dependencies, risks and opportunities.

**Q56: Please, rate to what extent do you think DR E4-3 – Measurable targets for biodiversity and ecosystems**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E4-4 – Biodiversity and ecosystems action plans**

The undertaking shall disclose its biodiversity and ecosystems-related actions and action plans and allocation of resources to meet its policy objectives and targets.

The principle to be followed under this Disclosure Requirement is to provide transparency on the key actions taken and planned to achieve biodiversity and ecosystems-related targets and to manage related risks, impacts and opportunities.

**Q57: Please, rate to what extent do you think DR E4-4 – Biodiversity and ecosystems action plans**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E4-5 – Pressure metrics**

The undertaking shall report pressure metrics.

The principle to be followed under this Disclosure Requirement is to provide information on material impact drivers that unequivocally influence biodiversity, ecosystem services and underlying ecosystems.

**Q58: Please, rate to what extent do you think DR E4-5 – Pressure metrics**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E4-6 – Impact metrics**

The undertaking shall report metrics for material biodiversity and ecosystem-related impacts, either by material geographical locations, and/or by material raw materials.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the progress of the undertaking's towards no net loss and net gain, including how biodiversity offsets may be integrated in this measurement approach.



**Q59: Please, rate to what extent do you think DR E4-6 – Impact metrics**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E4-7 – Response metrics**

The undertaking shall disclose response metrics.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking minimises, rehabilitates or restores material impacts on biodiversity and ecosystems in material geographical locations of sites and/or raw materials identified.

**Q60: Please, rate to what extent do you think DR E4-7 – Response metrics**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E4-8 – Biodiversity-friendly consumption and production metrics**

The undertaking may disclose metrics on its biodiversity-friendly consumption and production.

The principle to be followed under this optional Disclosure Requirement is, if the undertaking so decides, to provide an understanding of its consumption and production that qualifies as being biodiversity-friendly.

**Q61: Please, rate to what extent do you think DR E4-8 – Biodiversity-friendly consumption and production metrics**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **E4-9 – Biodiversity offsets**

The undertaking may disclose the actions, development and financing of biodiversity and ecosystems mitigation projects (offsets) inside and outside its value chain.

The principle to be followed under this optional Disclosure Requirement is to provide an understanding of the extent and quality of the development; investment and implementation of projects or programmes inside or outside the undertaking's value chain that compensate for any residual, significant adverse impacts on biodiversity that cannot be avoided, reduced or removed, minimised, or restore biodiversity loss inside or outside the undertaking's value chain (also commonly referred to as biodiversity offsets).

**Q62: Please, rate to what extent do you think DR E4-9 – Biodiversity offsets**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E4-10 – Financial effects from biodiversity-related impacts, risks and opportunities**

The undertaking shall disclose its financial effects of risks and opportunities arising from biodiversity-related impacts and dependencies.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the effects of risks and opportunities, arising from the undertaking's biodiversity-related impacts and dependencies, on the undertaking's development, performance and position over the short, medium and long term and therefore on its ability to create enterprise value, considering that those potential future financial effects may not meet at the reporting date the recognition criteria set for financial statements.



**Q63: Please, rate to what extent do you think DR E4-10 – Financial effects from biodiversity-related impacts, risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers

For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately

For part G, please explain how you think further alignment could be reached

Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to

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### **3B. Adequacy of Disclosure Requirements – Environmental standards (5/5)**

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#### **DR E5-1 – Policies implemented to manage resource use and circular economy**

The undertaking shall disclose separately its policies (i) to decouple economic activity from extraction of non-renewable resources and (ii) for regeneration of renewable resources and ecosystems.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the undertaking's ability to transition away from extraction of virgin non-renewable resources and to implement practices that secure and contribute to the regeneration of the stock of renewable resources and the ecosystems they are part of.

**Q64: Please, rate to what extent do you think DR E5-1 – Policies implemented to manage resource use and circular economy**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DSW strongly welcomes the inclusion of reporting obligations on policies for circular economy (CE) in the standards as there is still an absence of standardized reporting principles and procedures for publishing progress on circularity. As the EU Commission in its Circular Economy Action Plan (CEAP) 2020 rightly states, “There is only one planet Earth, yet by 2050, the world will be consuming as if there were three (EU Commission Circular Economy Action Plan 2020: [https://eurlex.europa.eu/resource.html?uri=cellar:9903b325-6388-11ea-b73501aa75ed71a1.0017.02/DOC\\_1&format=PDF](https://eurlex.europa.eu/resource.html?uri=cellar:9903b325-6388-11ea-b73501aa75ed71a1.0017.02/DOC_1&format=PDF)). Global consumption of materials such as biomass, fossil fuels, metals and minerals is expected to double in the next forty years (OECD (2018), Global Material Resources Outlook to 2060), while annual waste generation is projected to increase by 70% by 2050.” Scaling up the circular economy is therefore needed to make a decisive contribution to achieving climate neutrality by 2050 and decoupling economic growth from resource use, while ensuring the long-term competitiveness of the EU and its companies. To that end, the growing demand from companies to implement CE strategies requires mandatory and standardized reporting standards.

Academic research stresses that “in order to monitor and prevent rebound effects from the implementation of CE strategies and subsequent greenwashing, it is imperative for companies to be transparent regarding the assessment and reporting of progress on circularity. This could be achieved through the use of quantitative metrics as well as qualitative evaluation approaches” (K. Opferkuch, S. Caeiro, R. Salomone T. B. Ramos (2020), “Circular economy in corporate sustainability reporting: A review of organisational approaches”, <https://onlinelibrary.wiley.com/doi/pdfdirect/10.1002/bse.2854>)

Getting this standard right, however, starts with the definition of “circular economy”. DSW notes that currently, the ESRS define “circular economy” in different ways.

- “Economic system that uses a systemic approach to maintain a circular flow of resources, by regenerating, retaining or adding to their value, while contributing to sustainable development” (Appendix VI, Glossary and ESRS E5, Appendix)
- “Circular economy is a restorative system in which waste and pollution are eliminated and resource use is minimised through systemic design, maintaining and improving the value of products and components and achieving a circular flow of resources, while regenerating natural ecosystems.” (ESRS E5-Objective) Apart from that, DSW notes that the definitions used in the ESRS seem to be narrower than that defined in Article 2 (9) of the Taxonomy Regulation:
  - “‘circular economy’ means an economic system whereby the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental impact of their use, minimising waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy;” (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019 /2088, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32020R0852>) DSW recommends aligning the definitions used within the ESRS and extend the scope to that of the Taxonomy to avoid an unnecessary impairment of output convergence. If these key definitions are not aligned with the Taxonomy Regulation, this will unnecessarily impair reporting outputs’ convergence by ending up in information overload for investors.

## **DR E5-2 – Measurable targets for resource use and circular economy**

The undertaking shall disclose the resource use and circular economy-related targets it has adopted.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the capacity of the undertaking to meet the policy's objectives of resource use and circular economy.

**Q65: Please, rate to what extent do you think DR E5-2 – Measurable targets for resource use and circular economy**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E5-3 – Resource use and circular economy action plans**

The undertaking shall describe its resource use and circular economy-related action plans and the resources allocated to their implementation.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the measures taken to increase the share of circularity in the flows and to optimise the use of resources supporting the credibility of the undertaking's strategy to develop circular business models fostering the transition to a more circular economy.

**Q66: Please, rate to what extent do you think DR E5-3 – Resource use and circular economy action plans**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E5-4 – Resources inflows**

The undertaking shall provide information on its resources' inflows.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the resource use in the course of the undertaking's own operations, considering separately renewable and non-renewable resources and including transparency on virgin versus non virgin materials and on sustainable versus regenerative source.

**Q67: Please, rate to what extent do you think DR E5-4 – Resources inflows**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR E5-5 – Resources outflows**

The undertaking shall provide information on its resources' outflows.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking is contributing to circular economy by increasing the durability, reparability, upgradability, reusability or recyclability of the products and materials.

**Q68: Please, rate to what extent do you think DR E5-5 – Resources outflows**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E5-6 – Waste**

The undertaking shall provide information on its wastes.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the undertaking waste management strategy and of the extent to which the undertaking knows how its waste is managed in its own activities.

**Q69: Please, rate to what extent do you think DR E5-6 – Waste**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E5-7 – Resource use optimisation**

The undertaking shall provide information on its strategy to optimise resource use in creating circular business models.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the intensity of materials and products used by the undertaking and its capability to keep a resource at its highest value.

**Q70: Please, rate to what extent do you think DR E5-7 – Resource use optimisation**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E5-8 – Circularity support**

The undertaking shall provide information on its ability to create partnerships to accelerate the transition from linear to circular economy.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the services and products that contribute to create circular systems initiatives outside its own activities in the value chain.

**Q71: Please, rate to what extent do you think DR E5-8 – Circularity support**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR E5-9 Financial effects from resource use and circular economy-related impacts, risks and opportunities**

The undertaking shall disclose its financial effects of material risks and opportunities arising from resource use and circular economy-related impacts and dependencies.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the effects of material risks and opportunities, related to the undertaking's resource use and circular economy-related impacts and dependencies, on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to create enterprise value, considering that those potential future financial effects may not meet at the reporting date the recognition criteria set for financial statements.

**Q72: Please, rate to what extent do you think DR E5-9 – Financial effects from resource use and circular economy-related impacts, risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

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### **3C. Adequacy of Disclosure Requirements – Social standards (1/4)**

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For the purpose of the questions included in this section, respondents are encouraged to consider the following:

- when sharing comments on a given Disclosure Requirement, and as much as possible, reference to the specific paragraphs being commented on should be included in the written comments,
- in the question asked, for each ESRS, about the alignment with international sustainability standards, these include but are not limited to the IFRS Sustainability Standards and the Global Reporting Initiative Standards. Other relevant international initiatives may be considered by the respondents. When commenting on this particular question, respondents are encouraged to specify which international standards are being referred to.

A complete index of Disclosure Requirements and their corresponding Application Guidance can be found in Appendix I – Navigating the ESRS.

#### **DR S1-1 – Policies relate to own workforce**

The undertaking shall state its policies that address the management of its material impacts on own workforce, as well as associated material risks and opportunities; and provide a summary of the content of the policies and how they are communicated.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of material impacts on the undertaking's own workforce specifically, as well as policies that cover impacts, risks and opportunities in one policy. It also aims to provide an understanding of how both the internal organisation, and the workers whose interests they address, are made aware of their existence and content.

**Q73: Please, rate to what extent do you think S1-1 – Policies relate to own workforce**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Part F: We recommend checking the definition of “own workforce” against the definitions included in the Whistleblower Directive (Article 4) which also include “persons belonging to the administrative, management or supervisory body of an undertaking, including non-executive members, as well as volunteers and paid or unpaid trainees” as well as “any persons working under the supervision and direction of contractors, subcontractors and suppliers”. We ask EFRAG to provide guidance that – in line with the Whistleblower Directive – these groups of persons are also covered by the ESRS.

Part G: We note that while the GRI Standards have established a “control of work” concept, i.e., including all employees/workers whose work an undertaking controls, the ESRS cover employees/workers who are either individuals with contracts with the undertaking to supply labour ('self-employed workers') or workers provided by undertakings primarily engaged in 'employment activities'. This is a clear misalignment with GRI which may lead to reporting difficulties and inconsistencies of reporting among companies.

Other comments: The Exposure Drafts on social aspects (S1-S7) cover a broad range of social responsibility and human rights issues including equality and non-discrimination, forced and child labor, collective bargaining and freedom of association, or grievance mechanisms for workers. The level of detail required in reporting will be granular, including, for example, information about non-employees/workers in the value chain (ESRS S2). We expect that many undertakings will have to establish new internal data collection and verification processes, and work closely with social audit firms, to ensure complete and accurate reporting on these issues as relevant facts for these disclosures may often lie outside of the EU and across companies' global operations. DSW wants, as a general remark, to point to the fact that there is not yet a Social Taxonomy in place on which ESRS could build. (The Platform for Sustainable Finance has published its Final Report on the Social Taxonomy on 23 February, [https://ec.europa.eu/info/sites/default/files/business\\_economy\\_euro/banking\\_and\\_finance/documents/280222-sustainable-finance-platform-finance-report-social-taxonomy.pdf](https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/280222-sustainable-finance-platform-finance-report-social-taxonomy.pdf)) Therefore we consider it of utmost importance that sufficient guidance is provided for undertakings to ensure that reporting quality remains high and comprehensive and represented in a fair way to investors.

In the Objective section 2 (b) (vii) we believe that access to equal opportunities shall include non-discrimination on the base of gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation. We recommend adapting the wording accordingly.

DR S1-1, para. 18 requires reporting on the undertaking's human rights policy commitments that are relevant to own workforce. In going beyond this objective, undertakings shall state commitments that address respect for the human rights of all stakeholders (para. 18 (a)). We consider that this commitment is better placed in the cross-cutting standards ESRS 2 (Cross cutting standards in ESRS 2, Disclosure Requirement 2-GOV 5 Statement on due diligence) than in the standard covering own workforce. The main reason for this being is that this is key information which should not be subject to an undertaking's materiality assessment.

The very same paragraph 18 requires addressing engagement with affected stakeholders about the human rights policy. As we already pointed out in our reply to DR 2 SBM-2, para. 38, here, too, it is not required to disclose how stakeholders are identified and prioritized, for which areas or how regular stakeholder engagement has been performed, and for what purpose. Also lacking is a requirement to report on the outcome of the stakeholder engagement. Obtaining key stakeholder's opinions and focus areas is however an essential part of the double materiality approach the ESRS pursue as it could assist undertakings to establish the sustainability strategies that suit own development models based on stakeholders' expectations. DR S1-1 para. 22 relates to the disclosure about the lack of a human rights policy and states that an undertaking “may report a timeframe in which it aims to have such policy or objectives in place”. All companies have a responsibility to respect human rights. DSW therefore deems it important that companies that have not yet developed a human rights policy are more strongly encouraged to do so. We therefore recommend replacing the word “may” by “should”.



## **DR S1-2 – Processes for engaging with own workers and workers' representatives about impacts**

The undertaking shall explain its general processes for engaging with its own workers and workers' representatives about actual and potential material impacts on its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking engages, as part of its ongoing due diligence process, with its own workers and workers' representatives about material, actual and potential, positive and/or negative impacts that do, or may, affect its own workforce.

**Q74: Please, rate to what extent do you think S1-2 – Processes for engaging with own workers and workers’ representatives about impacts**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S1-3 – Channels for own workers and workers’ representatives to raise concerns**

The undertaking shall describe:

- the channels it has in place for own workers and workers’ representatives to raise their concerns or needs directly with the undertaking, and / or
- the processes through which the undertaking supports the availability of such channels through the workplace of own workers, and
- how it monitors issues raised and addressed.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the formal means by which the undertaking’s own workers and workers’ representatives can make their concerns and needs known directly to the undertaking and/or through which the undertaking supports the availability of grievance mechanisms in the workplace of their own workers and workers’ representatives, how follow up is done with these own workers and workers’ representatives regarding the issues raised, and the effectiveness of these channels.

**Q75: Please, rate to what extent do you think S1-3 – Channels for own workers and workers' representatives to raise concerns**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S1-4 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

The undertaking shall explain any outcome-oriented targets it may have related to:

1. Reducing negative impacts on its own workforce; and/or
2. Advancing positive impacts on its own workforce; and/or
3. Managing material risks and opportunities related to its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure its progress in addressing its negative impacts and/or advancing positive impacts on its own workforce, and/or in managing material risks and opportunities related to its own workforce.

**Q76: Please, rate to what extent do you think S1-4 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-5 – Taking action on material impacts on own workforce and effectiveness of those actions**

The undertaking shall explain:

1. What action is planned or underway to prevent, mitigate or remedy material negative impacts on its own workforce that are connected to its operations, products or services;
2. Any additional initiatives or processes it has in place with the primary purpose of delivering positive impacts for its own workforce; and
3. How it assesses the effectiveness of these actions, programmes and processes in delivering outcomes or its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the types of processes, initiatives or engagements through which the undertaking:

1. Works to prevent, mitigate and remedy material impacts on its own workforce; or
2. Seeks to achieve positive impacts for its own workforce, recognizing that in both instances, the ultimate aim is to deliver improved outcomes in workers' lives.

**Q77: Please, rate to what extent do you think S1-5 – Taking action on material impacts on own workforce and effectiveness of those actions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-6 - Approaches to mitigating material risks and pursuing material opportunities related to own workforce**

The undertaking shall explain:

- What action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on its own workers; and
- What action is planned or underway to pursue material opportunities for the undertaking in relation to own workers.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the ways in which the undertaking is addressing material risks and pursuing material opportunities related to its own workforce.

**Q78: Please, rate to what extent do you think S1-6 - Approaches to mitigating material risks and pursuing material opportunities related to own workforce**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-7 – Characteristics of the undertaking’s employees**

The undertaking shall describe key characteristics of employees in its own workforce.

The principle to be followed under this Disclosure Requirement is, in conjunction with Disclosure Requirement ESRS S1-8, to provide insight into the undertaking’s approach to employment, including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids an understanding of the information reported in other disclosures, and to serve as the basis for calculation for quantitative metrics to be disclosed under other Disclosure Requirements in this Standard, in particular on Working Conditions, Equal Opportunities and Other Work-Related Rights.

**Q79: Please, rate to what extent do you think S1-7 – Characteristics of the undertaking’s employees**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We consider the application of two thresholds in ESRS S1-7, para. 51 (50 employees and 10% of employees) as confusing. Furthermore, guidance is needed to understand how the ESRS expect the 10% to be calculated and whether the breakdowns cover EU countries only or all countries.

## **DR S1-8 – Characteristics of non-employee workers in the undertaking’s own workforce**

The undertaking shall describe key characteristics of non-employee workers in its own workforce.

The principle to be followed under this Disclosure Requirement is, in conjunction with Disclosure Requirement S1-7, to provide insight into the undertaking’s approach to employment, including the scope and nature of impacts arising from its employment practices, to provide contextual information that aids an understanding of the information reported in other disclosures, and to serve as the basis for calculation for quantitative metrics to be disclosed under other Disclosure Requirements in this Standard, in particular on Working Conditions, Equal Opportunities and Other Work-Related Rights.

**Q80: Please, rate to what extent do you think S1-8 – Characteristics of non-employee workers in the undertaking’s own workforce**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Part F: S1-8 requires disclosure of the extent to which training, and development is provided to its own workforce. DSW recommends that breakdowns required by para. 57 (a) to (c) also include a breakdown by gender in line with the equal opportunities' objective of the ESRS. According to the 2022 report on gender equality in the EU ([https://ec.europa.eu/info/sites/default/files/aid\\_development\\_cooperation\\_fundamental\\_rights/2022\\_report\\_on\\_gender\\_equality\\_in\\_the\\_eu\\_en.pdf](https://ec.europa.eu/info/sites/default/files/aid_development_cooperation_fundamental_rights/2022_report_on_gender_equality_in_the_eu_en.pdf)), "women's representation in corporate leadership is improving, but progress remains painfully slow and there are notable differences between Member States." While the employment rate of women has decreased, under the impact of the COVID-19 crisis, slightly less than that of men, significant gender differences persist. In 2020, the employment rate of women (age 20-64) went down to 66.9%, 0.5 pps lower than in 2019, while for men it decreased to 78%, 0.9 pps below its value in the previous year. (Proposal for a joint employment report from the Commission and the Council (2021), [https://ec.europa.eu/info/sites/default/files/economy-finance/2022\\_european\\_semester\\_proposal\\_for\\_a\\_joint\\_employment\\_report\\_0.pdf](https://ec.europa.eu/info/sites/default/files/economy-finance/2022_european_semester_proposal_for_a_joint_employment_report_0.pdf)) Disaggregating data by gender is therefore crucial to support closing the gender gap.

Supplementing our comment on part F, DSW considers that the work-life balance concept of ESRS and that of the Directive on work-life balance are too narrow as both seem to focus only on the entitlement to family-related leaves. Other factors however may also impact the work-life balance, for example commuting time, ability to work remotely, night/weekend work. DSW understands, however, that the respective data may be hard to collect and to reconcile but considers it important to widen the concept at a later stage, when reporting disclosure has evolved among undertakings.

## **DR S1-9 – Training and skills development indicators**

The undertaking shall disclose the extent to which training and development is provided to its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the training and skills development-related activities that have been offered to own workers, within the context of continuous professional growth, to upgrade own workers' skills and facilitate continued employability.

**Q81: Please, rate to what extent do you think S1-9 – Training and skills development indicators**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR S1-9 on training could include the processes of identifying and addressing skills gaps and measuring and evaluating the impact of training. This information is important as it would help companies to ensure the effectiveness of its training.

## **DR S1-10 – Coverage of the health and safety management system**

The undertaking shall disclose information on the extent to which its own employees are covered by its health and safety management system.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the coverage of the undertaking's management system to prevent harm and promote health amongst the undertaking's employees.

**Q82: Please, rate to what extent do you think S1-10 – Coverage of the health and safety management system**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR S1-10 does not seem to pay sufficient attention to the matter of health. We would welcome if it would include information on access to sick pay, average number of sick days per employee and median length of sickness absence.

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### **3C. Adequacy of Disclosure Requirements – Social standards (2/4)**

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#### **DR S1-11 – Performance of the health and safety management system**

The undertaking shall disclose the number of incidents associated with work-related injuries, ill health and fatalities of its own workers.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the quality and performance of the established health and safety management system to prevent work-related incidents. The undertaking shall provide the following information to comply with paragraph this Disclosure Requirement:

- the number of fatalities as a result of work-related injuries and work-related ill health;
- the number and rate<sup>[1]</sup> of recordable work-related injuries;
- the number of cases of recordable work-related ill health; and
- the number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.

[1] This information supports the information needs of financial market participants subject to Regulation (EU) 2019/2088 as reflecting an additional indicator related to principal adverse impacts as set out by indicator #2 in Table 3 of Annex 1 of the related Delegated Regulation with regard to disclosure rules on sustainable investments (“Rate of accidents”).

**Q83: Please, rate to what extent do you think S1-11 – Performance of the health and safety management system**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **(Optional) DR S1-12 – Working hours**

The undertaking shall disclose the percentage of its own workers that exceed 48 hours of work per week over the applicable reference period.

The principle to be followed under this Disclosure Requirement is to provide an understanding of whether the undertaking respects the thresholds established by the EU and ILO standards on weekly working hours (48 hours per week over a reference period) to protect own workers' physical and mental health and their safety and work-life balance.

**Q84: Please, rate to what extent do you think S1-12 – Working hours**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR S2-1 could also ask companies to provide a description of the structure of its supply chain including its activities, the business model, the types of suppliers and tiers or levels of the supply chain, along with company efforts to map the supply chain and make it more transparent. This information would make undertakings more accountable to investors and other stakeholders.

## **DR S1-13 – Work-life balance indicators**

The principle to be followed under this Disclosure Requirement is to provide an understanding of the actual practices amongst the employees to take family-related leave in a gender equitable manner.

**Q85: Please, rate to what extent do you think S1-13 – Work-life balance indicators**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR S1-13 should further encompass family leave policies.

## **DR S1-14 – Fair remuneration**

The principle to be followed under this Disclosure Requirement is to provide an understanding of whether all of an undertaking's own workers are earning a fair wage, and, if this is not the case, an understanding of what percentage of own workers are earning less than a fair wage.

**Q86: Please, rate to what extent do you think S1-14 – Fair remuneration**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our comment to S1-9. Disaggregating data by gender is crucial to support closing the gender pay gap and would support the reporting requirement in S1-16. DSW in addition considers it important to disclose the methodology used for calculating the "fair" wage.

also, we consider the definition of 'fair wages' ("a wage that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions") is rather loose and needs more clarification/guidance.

## **DR S1-15 – Social security eligibility coverage**

The undertaking shall disclose the percentage of its own workers eligible for social security.

The principle to be followed under this Disclosure Requirement is to understand whether there are own workers of the undertaking that are not eligible for social security and, as a result, are especially vulnerable to major social risks.

**Q87: Please, rate to what extent do you think S1-15 – Social security eligibility coverage**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our comment to S1-9. Disaggregating data is important to support closing the gender gap.

## **DR S1-16 – Pay gap between women and men**

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent of any gap in the pay between women and men amongst the undertaking's employees.

**Q88: Please, rate to what extent do you think S1-16 – Pay gap between women and men**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

To report a global figure on any gender pay gap does not seem to be meaningful as a potential pay gap may differ between countries the undertaking operates in and/or positions of workers/employees within the organization. DSW therefore argues for the disclosure of more granular data, for example by employee /workers category and country which will support closing the gender pay gap.

## **DR S1-17 – Annual total compensation ratio**

The undertaking shall disclose the ratio between the compensation of its highest paid individual and the median compensation for its employees.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the level of compensation inequality inside the undertaking, whether wide pay disparities exist and how such disparities have evolved over time.

**Q89: Please, rate to what extent do you think S1-17 – Annual total compensation ratio**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

The calculation of executive compensation is a complex exercise. Regarding the total compensation ratio, it starts with the identification of the “median employee”. Undertakings may choose statistical sampling, reasonable estimates or just use pieces of compensation that are easily identifiable (e.g., the payrolls). The calculation method in addition may change from year to year. From an investor’s viewpoint, to make an assessment, the following information would be required to be reported by undertakings: Which calculation method has been chosen to calculate the total compensation ratio and is it substantially identical to the rules for calculating sums provided in director compensation disclosures? Have the underlying calculation methods changed compared to the previous year, and if so how and why? DSW furthermore wonders, why in S1-17 the remuneration to be reported is based on the median annual total compensation of all employees and why workers are excluded from this requirement. We recommend aligning this disclosure requirement with others in this draft.

## **DR S1-18 – Discrimination incidents related to equal opportunities**

The undertaking shall disclose the number of work-related discrimination incidents, any corrective actions taken during the reporting period and any related material fines or sanctions.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the incidence of work-related discrimination, including sexual and non-sexual harassment, the corrective actions that the undertaking has taken for its own workforce, and any related material fines and sanctions.

**Q90: Please, rate to what extent do you think S1-18 – Discrimination incidents related to equal opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S1-19 – Employment of persons with disabilities**

The undertaking shall disclose the percentage of persons with disabilities amongst its own workforce. The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which persons with disabilities are included in an undertaking's workforce, and its composition by gender.

**Q91: Please, rate to what extent do you think S1-19 – Employment of persons with disabilities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-20 – Differences in the provision of benefit to employees with different employment contract types**

The undertaking shall disclose information on benefits which are standard for full-time permanent employees but are not provided to employees with temporary, part-time and non-guaranteed hour contracts. The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which certain employees (those with temporary, part-time and/or non-guaranteed hour contracts) do not receive the same benefits as full-time, permanent employees.

**Q92: Please, rate to what extent do you think S1-20 – Differences in the provision of benefits to employees with different employment contract types**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

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### **3C. Adequacy of Disclosure Requirements – Social standards (3/4)**

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#### **DR S1-21 – Grievances and complaints related to other work-related rights**

The undertaking shall state the number of grievances and complaints received and resolved relating to workers' other work-related rights.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the undertaking's grievance mechanism or channel. This is the mechanism or channel through which those workers whose other work-related rights are impacted by the undertaking are able to lodge a concern or complaint, and that can provide access to remedy by resolving those complaints. Furthermore, it is to provide an understanding of the number of complaints raised and resolved at National Contact Points for OECD Multinationals.

**Q93: Please, rate to what extent do you think S1-21 – Grievances and complaints related to other work-related rights**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DR S1-3 requires undertakings to report about channels they have in place for own workers/workers' representatives to raise concerns or needs directly with the undertaking. This shall be disclosed in addition to any other mechanisms an undertaking may use to gain insight into the management of impacts on workers, such as compliance audits (AG 44) and it should be explained whether it operates the channels itself or participates in any third-party grievance mechanisms (AG 45). While internal reporting often is the best way to get information to people within an undertaking's organization that can contribute to an early and effective solution, sometimes there may be a need for affected persons to report concerns externally. Also, the Whistleblower Directive (WD) has acknowledged this concept and covers reporting also through external reporting channels. DSW therefore welcomes that DR S1-21 requires not only disclosure of the number of complaints and grievances filed through internal grievance mechanisms but also those raised to National Contact Points for the OECD Multinational Enterprises.

DSW however wonders why only complaints raised to such National Contact Points shall be reported, especially as not all EU Member States have adhered to the OECD National Contact Point Guidelines for Multinational Enterprises (yet). In addition to a potential restricted availability of such National Contact Points in certain Member States and also outside the EU, employees may use other external players (regulators, state prosecutors, trade unions...) to report complaints or grievances. We therefore recommend requiring undertakings to report the number of complaints raised/resolved to National Contact Points for the OECD Multinational Enterprises or to any other external party of which the undertaking was informed during the reporting year.

We also note that a comparable requirement is not included in ESRS S2 meaning that value chain workers' complaints or grievances would not have to be reported. We would like to suggest adding a respective reporting requirement at a later stage to the standards.

## **DR S1-22 – Collective bargaining coverage**

The undertaking shall disclose information on the extent to which the working conditions and terms of employment of its own workforce are determined or influenced by collective bargaining agreements. The principle to be followed under this Disclosure Requirement is to provide an understanding of the importance of collective bargaining agreements for its own workforce.

**Q94: Please, rate to what extent do you think S1-22 – Collective bargaining coverage**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S1-23 – Work stoppages**

The undertaking shall disclose the extent of major work stoppages (including both strikes and lockouts) because of disputes between the undertaking and its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent of worker disputes and their impact on the undertaking's operations.

**Q95: Please, rate to what extent do you think S1-23 – Work stoppages**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-24 – Social dialogue**

The undertaking shall disclose the extent and functioning of social dialogue with workers' representatives of its own workforce.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the institutional prerequisites for social dialogue in the undertaking exist and the extent to which rights to social dialogue are respected in the undertaking's operations, particularly for those which are located in the European Economic Area (EEA).

**Q96: Please, rate to what extent do you think S1-24 – Social dialogue**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-25 – Identified cases of severe human rights issues and incidents**

The undertaking shall disclose the number of severe human rights issues and incidents connected to own workforce which occurred in the reporting year.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which severe human rights issues (e.g. forced labour, human trafficking or child labour) and incidents affecting the undertaking's own workforce through its activities or business relationships occurred in the reporting year.

**Q97: Please, rate to what extent do you think S1-25 – Identified cases of severe human rights issues and incidents**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S1-26 – Privacy at work**

The undertaking shall disclose the right to privacy at work for its own workforce.

The principle underlying this Disclosure Requirement is to provide an understanding of an undertaking's measures on personal data protection concerning its workforce and the nature and extent of worker surveillance that is conducted.

**Q98: Please, rate to what extent do you think S1-26 – Privacy at work**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S2-1 - Policies related to value chain workers**

The undertaking shall state its policies that address the management of its material impacts on value chain workers, as well as associated material risks and opportunities; and provide a summary of the content of the policies and how they are communicated.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of material impacts on value chain workers specifically, as well as policies that cover material risks or opportunities related to value chain workers, or policies that cover impacts, risks and opportunities in one policy. It also aims to provide an understanding of how both the internal organisation, and the value chain workers whose interests they address, are made aware of their existence and content.

**Q99: Please, rate to what extent do you think S2-1 – Policies related to value chain workers**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

The Exposure Drafts on social aspects (S1-S7) cover a broad range of social responsibility and human rights issues including equality and non-discrimination, forced and child labor, collective bargaining and freedom of association, or grievance mechanisms for workers. The level of detail required in reporting will be granular, including, for example, information about non-employees/workers in the value chain (ESRS S2). We expect that many undertakings will have to establish new internal data collection and verification processes, and work closely with social audit firms, to ensure complete and accurate reporting on these issues as relevant facts for these disclosures may often lie outside of the EU and across companies' global operations. DSW wants, as a general remark, to point to the fact that there is not yet a Social Taxonomy in place on which ESRS could build. (The Platform for Sustainable Finance has published its Final Report on the Social Taxonomy on 23 February, [https://ec.europa.eu/info/sites/default/files/business\\_economy\\_euro/banking\\_and\\_finance/documents/280222-sustainable-finance-platform-finance-report-social-taxonomy.pdf](https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/280222-sustainable-finance-platform-finance-report-social-taxonomy.pdf)) Therefore we consider it of utmost importance that sufficient guidance is provided to undertakings to ensure that reporting quality remains high and comprehensive and represented in a fair way to investors.

In the Objective section 2 (b) we believe that any material actual and potential impacts on value chain workers shall refer to non-discrimination. We recommend adapting the wording accordingly.

DR S2-1, para. 11 requires reporting on the undertaking's human rights policy commitments that are relevant to value chain workers. In going beyond this objective, undertakings shall state commitments that address respect for the human rights of all stakeholders (para. 18 (a)). We consider that this commitment is better placed in the cross-cutting standards ESRS 2 (Cross cutting standards in ESRS 2, Disclosure Requirement 2-GOV 5 Statement on due diligence) than in the standard covering value chain workers. The main reason for this being that this is key information which should not be subject to an undertaking's materiality assessment.

The very same paragraph 18 requires addressing engagement with affected stakeholders about the human rights policy. As we already pointed out in our replies to DR 2 SBM-2, para. 38 and DR S1-1, here, too, it is not required to disclose how stakeholders are identified and prioritized, for which areas or how regular stakeholder engagement has been performed, and for what purpose. Also lacking is a requirement to report on the outcome of the stakeholder engagement. Obtaining key stakeholder's opinions and focus areas is however an essential part of the double materiality approach the ESRS pursue as it could assist undertakings to establish the sustainability strategies that suit own development models based on stakeholders' expectations.

DR S2-1 para. 17 relates to the disclosure about the lack of a human rights policy or objectives and states that an undertaking "may report a timeframe in which it aims to have such policy or objectives in place". All companies have a responsibility to respect human rights. DSW therefore deems it important that companies that have not yet developed a human rights policy are encouraged to do so. We therefore recommend replacing the word "may" by "should".

## **DR S2-2 - Processes for engaging with value chain workers about impacts**

The undertaking shall explain its general processes for engaging with value chain workers and their representatives about actual and potential material impacts on them.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking engages, as part of its ongoing due diligence process, with value chain workers and related trade union and worker representatives about material actual and potential positive and/or negative impacts that do or may affect them, and whether and how perspectives of value chain workers are taken into account in the decision-making processes of the undertaking.

**Q100: Please, rate to what extent do you think S2-2 – Processes for engaging with value chain workers about impacts**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S2-3 – Channels for value chain workers to raise concerns**

The undertaking shall describe:

1. the channels it has in place for value chain workers to raise their concerns or needs directly with the undertaking; and/or
2. the processes through which the undertaking supports the availability of such channels through the workplace of value chain workers; and
3. how it monitors issues raised and addressed.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the formal means by which value chain workers can make their concerns and needs known directly to the undertaking and/or through which the undertaking supports the availability of grievance mechanisms in the workplace of value chain workers, how there is follow up with these workers regarding the issues raised and the effectiveness of these channels.



**Q101: Please, rate to what extent do you think S2-3 – Channels for value chain workers to raise concerns**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S2-4 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

The undertaking shall explain the outcome-oriented targets it may have related to:

1. reducing negative impacts on value chain workers; and/or
2. advancing positive impacts on value chain workers; and/or
3. managing material risks and opportunities related to value chain workers.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure its progress in addressing negative impacts, and/or advancing positive impacts, on value chain workers, and/or in managing material risks and opportunities related to value chain workers.

**Q102: Please, rate to what extent do you think S2-4 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

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### **3C. Adequacy of Disclosure Requirements – Social standards (4/4)**

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#### **DR S2-5 - Taking action on material impacts on value chain workers and effectiveness of those actions**

The undertaking shall explain:

1. what action is planned or underway to prevent, mitigate or remedy material negative impacts on value chain workers that are connected to its operations, products or services;
2. any additional initiatives or processes it has in place with the primary purpose of delivering positive impacts for value chain workers; and
3. how it assesses the effectiveness of these actions, programmes and processes in delivering intended outcomes for value chain workers.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the types of process, initiative or engagement through which the undertaking (a) works to prevent, mitigate and remedy material impacts on value chain workers, or (b) seeks to achieve positive impacts for value chain workers, recognising that in both instances, the ultimate aim is to deliver improved outcomes in workers' lives.

**Q103: Please, rate to what extent do you think S2-5 – Taking action on material impacts on value chain workers and effectiveness of those actions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S2-6 - Approaches to mitigating material risks and pursuing material opportunities related to value chain workers**

The undertaking shall explain:

1. what action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on value chain workers; and
2. what action is planned or underway to pursue material opportunities for the undertaking in relation to value chain workers.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to workers in its value chain.

**Q104: Please, rate to what extent do you think S2-6 – Approaches to mitigating material risks and pursuing material opportunities related to value chain workers**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S3-1 – Policies related to affected communities**

The undertaking shall state its policies that address the management of its material impacts on communities, as well as associated material risks and opportunities; and provide a summary of the content of the policies and how they are communicated.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of material impacts on local communities specifically, as well as policies that cover material risks or opportunities related to affected communities, or policies that cover impacts, risks and opportunities in one policy. It also aims to provide an understanding of how both the internal organisation, and the local communities whose interests they address, are made aware of their existence and content.



**Q105: Please, rate to what extent do you think S3-1 – Policies related to affected communities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See out comment to S1-1.

## **DR S3-2 – Processes for engaging with affected communities about impacts**

The undertaking shall explain its general processes for engaging with affected communities and their representatives about actual and potential material impacts on them.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking engages as part of its ongoing due diligence process with affected communities about material actual and potential positive and/or negative impacts that do or may affect them, and whether and how perspectives of affected communities are taken into account in the decision-making processes of the undertaking.

**Q106: Please, rate to what extent do you think S3-2 – Processes for engaging with affected communities about impacts**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S3-3 – Channels for affected communities to raise concerns**

The undertaking shall describe:

1. the channels it has in place for affected communities to raise their concerns or needs directly with the undertaking; and/or
2. the processes through which the undertaking supports the availability of such channels by its business relationships; and
3. how it monitors issues raised and addressed.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the formal means by which affected communities can make their concerns and needs known directly to the undertaking, and/or through which the undertaking supports the availability of mechanisms by its business relationships, how there is follow up with these communities regarding the issues raised, and the effectiveness of these channels.

**Q107: Please, rate to what extent do you think S3-3 – Channels for affected communities to raise concerns**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See out comment to S1-1.

### **DR S3-4 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

The undertaking shall explain the outcome-oriented targets it may have related to:

1. reducing negative impacts on affected communities; and/or
2. advancing positive impacts on affected communities; and/or
3. managing material risks and opportunities related to affected communities.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure progress in addressing negative impacts, and/or advancing positive impacts, on affected communities.

**Q108: Please, rate to what extent do you think S3-4 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

**DR S3-5 – Taking action on material impacts on affected communities and effectiveness of those actions**



**Q109: Please, rate to what extent do you think S3-5 – Taking action on material impacts on affected communities and effectiveness of those actions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

### **DR S3-6 - Approaches to mitigating material risks and pursuing material opportunities related to affected communities**

The undertaking shall explain:

1. what action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on local communities; and
2. what action is planned or underway to pursue material opportunities for the undertaking in relation to local communities.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to affected communities.

**Q110: Please, rate to what extent do you think S3-6 – Approaches to mitigating material risks and pursuing material opportunities related to affected communities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S4-1 – Policies related to consumers and end-users**

The undertaking shall state its policies that address the management of its material impacts of its products and/or services on consumers and end-users, as well as associated material risks and opportunities; and provide a summary of the content of the policies and how they are communicated.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of impacts on consumers and end-users specifically, as well as policies that cover material risks or opportunities related to consumers and end-users, or policies that cover impacts, risks and opportunities in one policy. It also aims to provide an understanding of how both the internal organisation, and the consumers and end-users whose interests they address, are made aware of their existence and content.

**Q111: Please, rate to what extent do you think S4-1 – Policies related to consumers and end-users**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our comment to S1-1.

## **DR S4-2 – Processes for engaging with consumers and end-users about impacts**

The undertaking shall explain its general processes for engaging with consumers and end-users and their representatives about actual and potential material impacts on them.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the undertaking engages as part of its ongoing due diligence process with consumers and end-users about material actual and potential positive and/or negative impacts that do or may affect them, and whether and how perspectives of consumers and end-users are taken into account in the decision-making processes of the undertaking.

**Q112: Please, rate to what extent do you think S4-2 – Processes for engaging with consumers and end-users about impacts**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our comment to S1-1.

### **DR S4-3 – Channels for consumers and end-users to raise concerns**

The undertaking shall describe:

1. the channels it has in place for consumers and end-users to raise their concerns/complaints or needs directly with the undertaking; and/or
2. the processes through which the undertaking supports the availability of mechanisms by its business relationships; and
3. how it monitors issues raised and addressed.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the formal means by which consumers and end-users can make their concerns and needs known directly to the undertaking and/or through which the undertaking supports the availability of mechanisms by its business relationships, how there is follow up with these consumers and end-users regarding the issues raised, and the effectiveness of these channels.



**Q113: Please, rate to what extent do you think S4-3 – Channels for consumers and end-users to raise concerns**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our comment to S1-1.

## **DR S4-4 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

The undertaking shall explain the outcome-oriented targets it may have related to:

1. reducing negative impacts on consumers and end-users; and/or
2. advancing positive impacts on consumers and end-users; and/or
3. managing material risks and opportunities.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the extent to which the undertaking is using outcome-oriented targets to drive and measure progress in addressing negative impacts, and/or advancing positive impacts, on consumers and end-users.

**Q114: Please, rate to what extent do you think S4-4 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S4-5 – Taking action on material impacts on consumers and end-users and effectiveness of those actions**

The undertaking shall explain:

1. what action is planned or underway to prevent, mitigate or remedy material negative impacts on consumers and end-users who are connected to its operations, products or services;
2. any additional initiatives or processes it has in place with the primary purpose of positively contributing to improved social outcomes for consumers and end-users; and
3. how it assesses the effectiveness of these actions, programmes and processes in contributing to intended outcomes for consumers and end-users.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the types of process, initiative or engagement through which the undertaking:

1. works to prevent, mitigate and remedy material impacts on consumers and end-users, and
2. seeks to achieve positive impacts for consumers and end-users, recognising that in both instances, the ultimate aim is to deliver improved outcomes for consumers' and end-users' lives.

**Q115: Please, rate to what extent do you think S4-5 – Taking action on material impacts on consumers and end-users and effectiveness of those actions**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR S4-6 – Approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users**

The undertaking shall explain:

1. what action is planned or underway to mitigate material risks for the undertaking arising from its impacts and dependencies on consumers and end-users; and
2. what action is planned or underway to pursue material opportunities for the undertaking in relation to consumers and end-users.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the ways in which the undertaking is addressing the material risks and pursuing the material opportunities related to consumers and end-users.

**Q116: Please, rate to what extent do you think S4-6 – Approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

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## **3D. Adequacy of Disclosure Requirements – Governance standards (1/2)**

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For the purpose of the questions included in this section, respondents are encouraged to consider the following:

- when sharing comments on a given Disclosure Requirement, and as much as possible, reference to the specific paragraphs being commented on should be included in the written comments,
- in the question asked, for each ESRS, about the alignment with international sustainability standards, these include but are not limited to the IFRS Sustainability Standards and the Global Reporting Initiative Standards. Other relevant international initiatives may be considered by the respondents. When commenting on this particular question, respondents are encouraged to specify which international standards are being referred to.

A complete index of Disclosure Requirements and their corresponding Application Guidance can be found in Appendix I – Navigating the ESRS.

### **DR G1-1 – Governance structure and composition**

The undertaking shall provide information on its governance structure and composition.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the structure and composition of the governance and the distribution of roles and responsibilities throughout the undertaking's organisation, from its administrative, management and supervisory bodies to its executive and operational levels.



**Q117: Please, rate to what extent do you think G1-1 – Governance structure and composition**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Objective: Missing in G1 is a standard on the responsibilities of the (annual) shareholders meeting (AGM) which is most often an important governance body of an undertaking. Regulation on the competencies of an AGM differ from Member State to Member State -also depending on the board structure (two-tier vs. one-tier). For example, in Germany, the Boards need to be discharged annually by the AGM while this is not the case in France. Another example is that a vote on the sustainability report is required in Spain but not in Germany. Users of the sustainability report could find information on the competencies of the AGM helpful. To cover this topic, either the definition of "(highest) governance body" could be changed to include also the AGM or another standard dealing with this topic could be introduced.

Objective: Related party transactions (RPT) may undermine the functioning of an undertaking's corporate governance as such transactions may compromise the independence of one or more governance body members. Disclosure of RPT provides transparency on how an undertaking's financial and non-financial position and performance may be affected by transactions with related parties, which may or may not be conducted on an arm's length basis. SRD II for example leaves it to the MS to devise a quantitative threshold for RPT and tailor it to local conditions. It would be helpful for users of the sustainability report to understand what is considered a related party, how the (highest) governance body has dealt with RPT, where they have occurred during the reporting period and whether a fairness opinion has been obtained from a third party. Certain information on this already needs to be provided under IAS 24 and SRD II but it is deemed helpful to also include at least a reference to this information in the sustainability report. Any such requirement could be included either as a separate standard (preferably) or in Appendix B.

G1-1, para. 14 (d) requires the disclosure of the independence of members. First of all, we consider it necessary for undertakings to have a "two-tier" corporate governance to include a clarification that the independence criterion, which is a core element of good corporate governance, is required only for members of the supervisory/administrative body and not for management/executive board members. AG 5 (a) provides some guidance on the term "independence" which is however rather vague ("the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making") and leaves too much room for interpretation. Moreover, independence criteria established in various markets may differ. DSW therefore considers it important to improve guidance on the term independence.

G1-1 para. 14 (g) requires disclosure on "representation of stakeholder groups". This term does not appear in ESRS 1 or 2 nor is a guidance provided in Appendix VI. Here again, we understand that this information is required for non-executive board members (supervisory/administrative body) only and ask for further clarification in that respect. Moreover, we wonder why only the representation of stakeholder groups needs to be disclosed. It is unclear to us, how this information is important for investors to make their assessment unless this disclosure is deemed to reveal potential conflicts of interest. If that is the intention of this disclosure requirement, we ask for widening the scope to "representation of any third party with a significant interest in the undertaking" to cover also e.g., other companies or natural/legal persons holding a significant interest in the undertaking.

G1-1 para. 14 (h) requires disclosure of competencies "relevant to the sector, products and geographic locations of the undertaking and associated regulation". AG 5 (c) supplements the competencies by those with respect to corporate reporting and audit. We wonder if "competency" is the right term to use here or is it rather "knowledge, skills and professional experience" that is being requested from a governance body

member? For example, the German CG Code (C.14) uses the wording “knowledge, skills and professional expertise. We recommend extending the wording to cover not only competencies but also the expertise etc. of governance body members.

We furthermore consider the scope of competencies as such already rather narrow. For example, management experience, or R&D experience as well as soft skills like integrity, accountability, motivation are not mentioned. We therefore recommend 1) to add corporate reporting and audit to the standard itself (instead of hiding it in the Application Guidance) and 2) to extend para. 14 (h) by adding “knowledge, skills and expertise the undertaking has identified as relevant”. See more in our Annex.

## **DR G1-2 – Corporate governance code or policy**

The undertaking shall disclose the corporate governance code, policy or practices that determine the function of its administrative, management or supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about any legal or regulatory requirements that mandate and influence the design of the governance structure of the undertaking, together with information on aspects implemented that are over and above any relevant legal or regulatory requirements.

**Q118: Please, rate to what extent do you think G1-2 – Corporate governance code or policy**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2.

DR G1-2 (para. 15) states that “The undertaking shall disclose the corporate governance code, policy or practices that determine the function of its administrative, management or supervisory bodies.” Para. 16 of DR G1-2 requires undertakings to provide information about any legal or regulatory requirements that mandate and influence the design of the governance structure of the undertaking. Reading the two paragraphs together, they may be understood as implying that corporate governance codes designed exclusively as soft law, like for example in France (Afp-Medev Code, <https://afep.com/en/themes/governance/>). This might imply full or partial exclusion from the scope of this disclosure requirement. This would however contradict the rest of this DR. We therefore recommend a respective clarification.

## **DR G1-3 – Nomination process**

The undertaking shall provide information about the nomination and selection processes for its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the criteria used for selecting and nominating the members of the undertaking’s administrative, management and supervisory bodies.

**Q119: Please, rate to what extent do you think G1-3 – Nomination process**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2. GR 1-3 which deals with the nomination process only requires a description of the nomination process including the criteria used for nominating members of the governance bodies. Missing is, however, how these generic requirements have been put into action in the year under review, i.e., in how far the nomination process has been followed. Any nomination process requires a review of the status quo followed by an intense evaluation of all board members. DSW wonders how an investor or any other stakeholder should be able to understand the role of a governance body, its members' expertise and skills without being informed about the underlying nomination or evaluation process that had taken place during the year under review. In our view this would counteract the general ESRS concept of information quality.

## **DR G1-4 – Diversity policy**

The undertaking shall provide information on the diversity policy applied in relation to its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the undertaking's diversity policy to promote a diversified composition of its administrative, management and supervisory bodies. This shall also include the diversity criteria adopted with the associated rationale on their prioritisation, and the mechanism adopted to foster diversity representation.

**Q120: Please, rate to what extent do you think G1-4 – Diversity policy**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

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See our general remarks on the inclusion of this standard into ESRS 2.

DSW welcomes the reporting requirements on disclosure of the undertaking's diversity policy. As of today, there seems to be no EU-wide legal requirement to reporting in that respect. We note that the upcoming Directive on improving gender balance among non-executive board members ([https://ec.europa.eu/commission/presscorner/detail/en/IP\\_22\\_3478](https://ec.europa.eu/commission/presscorner/detail/en/IP_22_3478)) in its current version will require undertakings among others to report the reasons and the measures they are taking to address shortcomings with regard to the implementation of the Directive's requirements (among them being the requirement to have at least 40% of the underrepresented gender to be represented in non-executive boards of listed companies). We consider a harmonized reporting requirement on the undertaking's diversity policy which is extended to a report on the reasons and measures for non-implementation (i.e., on the outcomes) to be also stipulated in the ESRS as highly important, as this Directive is not yet formally adopted nor published in the Official Journal and there will be a transposition period of two years for Member States after publication.

G1-4 requires disclosure about the undertaking's diversity policy and how it has been implemented, which we welcome. We note that disclosure shall among others specify (GR1-4, para. 26 (b)) whether the diversity representation is over or above any relevant legal and regulatory requirements. To enable investors' understanding that there is a need for improvement regarding diversity, it would be more helpful if the Standard would require disclosure if diversity levels were below any relevant legal and regulatory requirements. Noting that a reference to ESRS 1, Disclosure Principle 1-2 is missing, we furthermore consider that the Standard should also require disclosure of timelines for achieving targets in para. 26 (c).

## **DR G1-5 – Evaluation process**

The undertaking shall describe the process, if any, followed for evaluating the performance of its administrative, management and supervisory bodies in overseeing the management of the undertaking.

The principle to be followed under this Disclosure Requirement is to provide transparency on the process implemented by the undertaking for the evaluation of the performance of its administrative, management and supervisory bodies in supervising the management of the undertaking.

**Q121: Please, rate to what extent do you think G1-5 – Evaluation process**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

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See our general remarks on the inclusion of this standard into ESRS 2.

Here again, we deem it important to underline that not only the process for evaluating the performance of the administrative, management or supervisory body of an undertaking is deemed to be important for investors and other stakeholders to understand and verify the information provided in that respect. It is also necessary to receive information on the outcomes of any such evaluation process performed during the reporting year if the information is supposed to follow the general concept of the ESRS (fair representation of information).

DSW therefore recommends including at least the requirement to report whether an evaluation had taken place during the year under review and what the outcome of the evaluation was.

## **DR G1-6 – Remuneration policy**

The undertaking shall describe the policy used for the remuneration of its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the undertaking's policy for the remuneration of the administrative, management and supervisory bodies.

**Q122: Please, rate to what extent do you think G1-6 – Remuneration policy**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

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See our general remarks on the inclusion of this standard into ESRS 2.

G1-6 does not include a requirement to disclose how remuneration during the year under review has actually matched sustainability- or climate-related metrics (outcome information). Also, other (often regular) remuneration elements for executive board members, namely benefits in kind, remuneration from third parties, or payments agreed for post-contractual non-competition obligations are not mentioned in the draft, meaning that a full picture of the remuneration package may not be necessarily provided. Based on the disclosure foreseen by G1, even when read in conjunction with ESRS 2-GOV 4 para. 62-64, investors will therefore not be able to thoroughly assess the remuneration policy of board members from an impact or financial perspective.

We would furthermore welcome a clarification in the accompanying guidelines (G1-6, AG 14 (a) (ii) if indeed the remuneration of senior executives shall be described, as the DR itself (unlike ESRS 2-GOV 4) does not refer to senior executives at all but only to the governance body, defined as “administrative, management and supervisory bodies” in ESRS 2.

## **DR G1-7 – Risk management processes**

The undertaking shall provide information on its risk management processes, with regards to risk arising for the undertaking and for the stakeholders.

The principle to be followed under this Disclosure Requirement is to inform about the undertaking's risk management processes. This includes an understanding of the supervision and monitoring of risk management by the undertaking's administrative, management and supervisory bodies.

**Q123: Please, rate to what extent do you think G1-7 – Risk management processes**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2.

Disclosure of processes or policies only focus on risk management; a disclosure of identifying significant risks and opportunities and materiality assessment is not required, which is key for investors' understanding. Also, we would consider it helpful if EFRAG would provide guidance whether compliance management is considered being part of risk management. There are different understandings in that regard in the markets. Risk management processes do not necessarily include compliance management systems, on the contrary, there often is an inadequate linkage between risk and compliance, the risks of fraud are not captured by a risk management system because they are often "systemic" risks from a risk management perspective that defy formal capture (and evaluation even with simple value-at-risk methods) from a practical perspective. The standards should therefore ensure that undertakings should also provide information on its compliance management or disclose, whether it is covered by the risk management.

## **DR G1-8 – Internal control processes**

The undertaking shall provide information on its internal control processes, including in relation to the sustainability reporting process.

The principle to be followed under this Disclosure Requirement is to inform about the aspects related to the governance factors that affect the undertaking's internal control processes, including in relation to sustainability reporting. This also includes an understanding of the supervision and monitoring of those processes by the undertaking's administrative, management and supervisory bodies.

**Q124: Please, rate to what extent do you think G1-8 – Internal control processes**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2.

## **DR G1-9 – Composition of the administrative, management and supervisory bodies**

The undertaking shall provide information about the composition of its administrative, supervisory and management bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the diversity of the members of its administrative, management and supervisory bodies and committees.

**Q125: Please, rate to what extent do you think G1-9 – Composition of the administrative, management and supervisory**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2.

G1-9 requires disclosure of the composition of the undertaking's administrative, management and supervisory body which we welcome, because this information is currently not required to be reported in a harmonized way across EU Member States. We advise, though, to use a gender-neutral wording in para. 44 to not exclude genders other than male or female.

## **DR G1-10 – Meetings and attendance rate**

The undertaking shall provide information about the number of meetings and the attendance rate for its administrative, management and supervisory bodies and committees.

The principle to be followed under this Disclosure Requirement is to provide information about the rate of participation in meetings of the members of the administrative, management and supervisory bodies and committees.

**Q126: Please, rate to what extent do you think G1-10 – Composition of the administrative, management and supervisory bodies and committees**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our general remarks on the inclusion of this standard into ESRS 2.

Next to the disclosure of the number of members who participated in each meeting in the reporting period (para. 48 (b)), the personalised attendance of each member in meetings of the governance body and its committees is needed as useful information for investors, too. Users are enabled to draw conclusions on the commitment of a respective member from this information and this can be taken into account when a member is proposed for re-appointment at a general meeting. The undertaking reserves of course the option to explain any higher rates of non-attendance of a certain member. It is therefore recommended that personalised information on individual meeting attendance is requested by the standards.

## **DR G2-1– Business conduct culture**

The undertaking shall disclose its initiatives to establish, develop and promote a business conduct culture.

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the administrative, management and supervisory bodies are involved in forming, monitoring, promoting and assessing the business conduct culture.

**Q127: Please, rate to what extent do you think G2-1 – Business conduct culture**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

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As stated in the Objective (para. 3.), business conduct covers “a wide range of behaviours that support transparent and sustainable business practices to the benefit of all stakeholders.” G2, however, focuses on business conduct culture, anti-corruption, anti-bribery, anti-competitive behaviour and political engagement only. This despite the fact that CSRD requires the Commission to take to the greatest extent possible - account of “the work of global standard-setting initiatives for sustainability reporting, and existing standards and frameworks for natural capital accounting and for greenhouse gas accounting, responsible business conduct, corporate social responsibility, and sustainable development;” (Article 19b (3) (a) of the Directive of the European Parliament and of the Council amending Directive 2013/34/EU, Directive 2004/109/EC, Directive 2006/43/EC and Regulation (EU) No 537/2014, as regards corporate sustainability reporting: <https://www.consilium.europa.eu/media/57644/st10835-xx22.pdf>)

While DSW notes that the areas covered by the ESRS are of high importance for stakeholders, we are concerned that other, likewise important areas, are left out of this Standard. For example, we explicitly point out that transparency about taxation matters is not covered by the Standard. Taxes are however a key mechanism by which companies contribute to the economy of the countries in which they operate. Companies have an obligation to comply with tax legislation and a responsibility to their stakeholders to meet expectations of good tax governance. DSW considers that, in line with the double materiality approach, tax reporting should be part of the sustainability reporting as tax behavior of undertakings may severely impact various dimensions of sustainability, e.g., citizens, environment. Besides, tax reporting increases transparency and promotes trust and credibility in the tax practices of the reporting companies with investors and other stakeholders. This understanding of business conduct is in line with for example the GRI Standards (GRI 207 recommends companies to disclose their approach to tax; tax governance, control and risk management; stakeholder engagement and management of concerns related to tax, as well as country-by-country-reporting.). DSW recommends expanding the scope of business culture at least in the mid-term.

## **DR G2-2 – Policies and targets on business conduct**

The undertaking shall provide information about its policies with respect to business conduct matters.

The principle to be followed under this disclosure requirement is to provide an understanding of the undertaking’s ability (i) to mitigate any negative impacts and maximise positive impacts related to business conduct throughout its value chain, and (ii) to monitor and manage the related risks.

**Q128: Please, rate to what extent do you think G2-2 – Policies and targets on business conduct**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



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We consider that G2-1, G2-2, and G2-8 would be better placed in the cross-cutting standards (ESRS 2) as they should not be subject to a materiality assessment by undertakings and are transversal to all sustainability subject matters, as defined in Article 19b of CSRD.

We point to our concerns about the lack of disclosure of outcomes mentioned elsewhere in our reply and recommend including a requirement to not only disclose description of the mechanism for reporting concerns about unethical or unlawful behaviour (para. 20 (a)), the policies on whistle-blowers (para 20 (d)), or the potential commitment to investigate business conduct (para. 20 €), but also HOW these policies etc. have translated into action in the reporting year, i.e., the outcome of their application.

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## **3D. Adequacy of Disclosure Requirements – Governance standards (2/2)**

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### **DR G2-3 – Prevention and detection of corruption and bribery**

The undertaking shall provide information about its system to prevent and detect, investigate, and respond to allegations or incidents relating to corruption and bribery.

The principle to be followed under this disclosure requirement is to provide transparency on the key procedures of the undertaking to prevent and detect, investigate and respond to corruption or bribery-related incidents or allegations.

**Q129: Please, rate to what extent do you think G2-3 – Prevention and detection of corruption and bribery**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our similar concerns raised above. It is not only important for investors and other stakeholders to learn about the key procedures of the undertaking to prevent and detect, investigate and respond to corruption or bribery-related incidents or allegations but also whether or not these procedures had been effective during the reporting year.

## **DR G2-4 – Anti-competitive behaviour prevention and detection**

The undertaking shall provide information about its system to prevent and detect, investigate, and respond to allegations or incidents relating to anti-competitive behaviour.

The principle to be followed under this disclosure requirement is to provide transparency on the key procedures of the undertaking to prevent and detect, investigate and respond to allegations or incidents of anti-competitive behaviour.

**Q130: Please, rate to what extent do you think G2-4 – Anti-competitive behaviour prevention and detection**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

See our similar concerns raised above. It is not only important for investors and other stakeholders to learn about the key procedures of the undertaking to prevent and detect, investigate and respond to allegations or incidents of anti-competitive behavior but also whether or not these procedures had been effective during the reporting year.

## **DR G2-5 – Anti-corruption and anti-bribery training**

The undertaking shall provide information about any anti-corruption and anti-bribery training programmes offered.

The principle to be followed under this disclosure requirement is to provide an understanding of the undertaking's training and educational initiatives to develop and maintain awareness related to anti-corruption or anti-bribery and business conduct within the undertaking as well as in the value chain.

**Q131: Please, rate to what extent do you think G2-5 – Anti-corruption and anti-bribery training**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR G2-6 – Corruption or bribery events**

The undertaking shall provide information on legal proceedings related to corruption or bribery during the reporting period.

The principle to be followed under this disclosure requirement is to provide transparency on legal proceedings relating to corruption or bribery incidents during the reporting period and the related outcomes.

**Q132: Please, rate to what extent do you think G2-6 – Corruption or bribery events**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>



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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR G2-7 – Anti-competitive behaviour events**

The undertaking shall provide information on any publicly announced investigation into or litigation concerning possible anti-competitive behaviour it is facing during the reporting period.

The principle to be followed under this disclosure requirement is to provide transparency on publicly announced investigations into or litigation concerning possible anti-competitive behaviour of the undertaking that are ongoing during the reporting period.

**Q133: Please, rate to what extent do you think G2-7 – Anti-competitive behaviour events**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

## **DR G2-8 – Beneficial ownership**

The undertaking shall provide information about its beneficial owners (as defined in article 3(6) of Directive (EU) 2015/849) and control structure.

The principle to be followed under this disclosure requirement is to provide transparency on the individuals who ultimately own or control the undertaking's organisational and control structure, including beneficial owners.

**Q134: Please, rate to what extent do you think G2-8 – Beneficial ownership**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

We consider that G2-1, G2-2, and G2-8 would be better placed in the cross-cutting standards (ESRS 2) as they should not be subject to a materiality assessment by undertakings and are transversal to all sustainability subject matters, as defined in Article 19b of CSRD.

## **DR G2-9 – Political engagement and lobbying activities**

The undertaking shall provide information on its political contributions and lobbying or advocacy activities.

The principle to be followed under this disclosure requirement is to provide transparency on the types, purpose and cost of political contributions and lobbying activities of the undertaking during the reporting period.

**Q135: Please, rate to what extent do you think G2-9 – Political engagement and lobbying activities**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

DSW welcomes the requirement of disclosure of undertakings' political engagement and lobbying activities as this supports the disclosure requirements foreseen by this Standard. We would suggest, however, to add a further disclosure requirement. We note that representatives of an undertaking or their paid consultants may perform lobbying activities through membership in for example governmental/regulator's expert commissions or close contacts to political leaders (A very recent example from Germany is an allegedly close contact between the CEO of Porsche and the (later) German Minister of Finance during the coalition negotiations of the German Government: <https://www.handelsblatt.com/politik/deutschland/lobbyismus-standleitung-zum-porsche-chef-lindner-soll-aus-koalitionsverhandlungen-berichtet-haben/28544018.htm>). Through such memberships or contacts, undertakings may significantly influence decisions of governments or regulators. DSW therefore considers it important for investors and other stakeholders that DR G2-9, para. 50, is extended insofar that it also includes a requirement to disclose memberships by representatives of the undertaking (executive and/or non-executive) in respective public expert commissions or comparable positions as well as other means of influence exercised on governments/regulators that took place during the reporting year.

Furthermore, we would like to receive clarification about what is understood by a "previously held position" in para. 50. Is there a certain time limit, e.g., 5 years, foreseen by the Standard or do undertakings have to disclose any former membership of governance bodies' members in a public administration regardless of how long ago this membership had ended? We deem it important that the ESRS provide further guidance in that respect.

From an investor-user perspective, climate-relevant political and policy engagement from investee companies can pose a company and system-level risk and represents increasingly material information for investors. However, this information is not readily accessible or comprehensive. Currently, an investor seeking to understand company-level activities would need to learn and then navigate numerous, disparate disclosure mechanisms providing incomplete and sporadic information. Investors simply do not have the capacity to do this across all relevant EU policies.

Comprehensive company-level lobbying disclosures via G2-9 could simplify this process for investors, providing a source of clear, comparable disclosures on policy influencing activities. However, in order to fulfil this potential, as with the alignment with existing standards, disclosures must include information on industry /trade organisation policy engagement in order to match the criteria of investor demand.

## **DR G2-10 – Payment practices**

The undertaking shall provide information on the payment practices to support transparency about these practices given the importance of timely cash flows to business partners.

The principle to be followed under this disclosure requirement is to provide insights on the contractual payment terms and the average actual payments.

**Q136: Please, rate to what extent do you think G2-10 – Payment practices**

	Not at all	To a limited extent with strong reservations	To a large extent with some reservations	Fully	No opinion	Not applicable
A. Requires relevant information about the sustainability matter covered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
B. Requires information that is relevant for all sectors (sector-agnostic only information)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
C. Can be verified / assured	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
D. Meets the other objectives of the CSRD in term of quality of information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
E. Reaches a reasonable cost / benefit balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
F. Is sufficiently consistent with relevant EU policies and other EU legislation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
G. Is as aligned as possible to international sustainability standards given the CSRD requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
H. Represent information that must be prioritised in first year of implementation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>



**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**

**For part G, please explain how you think further alignment could be reached**

**Please share any comment and suggestion for improvement you might have relating to the above questions, referring explicitly to the part of the question you are providing comment to**

Payment delays complicate the financial management of undertakings, especially SMEs[1], who rely on predictable flows of cash to operate. According to the relevant EU legislation (Directive 2011/7/EU) a payment is late when the creditor has not received the funds at the expiry of the period negotiated in the contract. And yet, even payments performed within the contractually negotiated period can hide unfair payment practices. Very often businesses accept payment terms longer than they are comfortable with[2], as such terms may reflect the one party's power compared to the other, such as by virtue of its size or brand.

[1] SMEs (Small and Medium-sized enterprises) are defined according to the Commission Recommendation 2003/361/EC [https://ec.europa.eu/growth/smes/sme-definition\\_en](https://ec.europa.eu/growth/smes/sme-definition_en)

[2] According to the Intrum European payment Report 2021, on average 49% of businesses in the EU accepted payment terms longer than they are comfortable with out of fear of losing their customers or damaging business relations.

**Q137: do you consider that the indicators in G2-10 (in isolation or jointly) capture the following sufficiently:**

	Yes	No	No opinion
the extent to which accounts payable or creditors at period end have been outstanding	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
the fairness of the undertaking's payment practices	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

If not, please provide your rationale and indicate the sector(s) for which you deem add-ons necessary.

**Q 138: what alternative indicators would you propose? Please specify whether your proposal(s) are of sector-agnostic or sector-specific nature.**

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**If you have any other comments in the form of a document please upload it here**

**[557a3714-9765-4fa6-8f57-85c789871723/DSW\\_reply\\_survey\\_2.pdf](#)**

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## **Contact**

[Contact Form](#)