

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Re- sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocation to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1126 1 - explanation question		n/a	Environment		0 What are the CSRD requirements regarding heating values (LHV vs. HHV) and does it differ based on the location of the responding company.	Disclosure Requirement E1-5 – Energy consumption and mix AND Disclosure Requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	ESRS E1 paragraph AR 32 explicitly asks for MWh in LHV or net calorific value. HHV are commonly used in US and Canada. GHGP does not specify one over the other. There are conversion methods that can be used, but they are fuel and region specific.	Professional Services	Preparer	United States of America
1155 1 - explanation question		n/a	Environment	location and market based energy mix	For the energy mix disclosures prescribed by DR E1-5 (% of renewable versus fossil energy sources for electricity, heating, cooling and steam) and the calculation of Scope 3.3 upstream emissions for those energy sources, are companies free to choose between the location-based and market-based method?	ESRS E1-5 and E1-6	An undertaking should align his methodology with the methodology disclosed for Scope 2.	Professional Services	Preparer	Germany
1167 1 - explanation question		n/a	Environment	Scope 2	In order to calculate the "Approximate gross Scope 2 GHG Emissions covered by internal carbon pricing scheme (tCO2eq)", should we apply the market-based method or the location-based method?	ESRS-E1.8 para 63d	Both methods	Not applicable	Other	Belgium
1204 1 - explanation question		n/a	Environment	GHG removal projects	If the company has no GHG removal projects and has not bought any carbon credits, does it have to report something under E1-7?	E1-7	Would it be material information considering ESRS 1 Parag. 31? If it is it shall disclose that it has no removals in value chain. Also evaluate whether a PAT disclosure is needed.	Not applicable	Industry Group	Germany
1220 1 - explanation question		n/a	Environment	climate change mitigation and adaptation	Can you give more explanation wrt AR 16 and the distinction between climate change mitigation and adaptation?	AR16	cfr ESRS definition	Information Technology	Preparer	Belgium
1221 1 - explanation question		n/a	Environment	EU Paris-aligned benchmarks	What is the "excluded from the EU Paris aligned Benchmarks"?	para 16g	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R1818&from=EN Article 12 1 (d) to (g)	Information Technology	Preparer	Belgium
1222 1 - explanation question		n/a	Environment	carbon credit cancellation	What is meant with "planned to be cancelled"?	E1 para 59b	according to CDP: cancellation: Internal transfer of a unit to a cancellation account, in order that it may not be used for compliance; with an emission target.	Information Technology	Preparer	Belgium

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b: cat. to be sent to SRT

Re- sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1236 1 - explanation question		n/a	Environm ent	Substances of (very high) concern - materiality	Question 1: Is the Disclosure Requirement ESRs E2-5 subject to assessing the materiality of a Substance of Concern (SoC) or Substance of Very High Concern (SVHC)? Question 2: Could Disclosure Requirement ESRs E2-5 be omitted if the undertaking considers that the SoCs/SVHCs that are connected to its operations do not cause material impacts, risks or opportunities due to processes and practices the undertaking has taken to mitigate their impacts?	Disclosure Requirement E2-5 paragraphs 34 and 35	Clarifying the connection between the SoC and SVHC sustainability matters and DR E2-5, as well as provisions on omissions.	Chemicals	Preparer	Finland
1237 1 - explanation question		n/a	Environm ent	Water withdrawal: flows included and boundaries	Do I have to consider demineralized water delivered by a raw material supplier in the disclosure of water consumption?	E3-4-28	2 main points in the question: 1) boundaries of reporting (own operations, value chain) 2) water sources to be included in water consumption. Overall can be answered with explanation, even though the second point (together with the comments on MQC E3 faced recently) might open the possibility to broaden the IG Water Stroage to a more comprehensive 'IG E3 on water consumption, withdrawal, storage'...	Chemicals	Industry Group	Netherlands
1241 1 - explanation question		ID 910	Environm ent	Target, phase- in	Do companies that fall under the phase-in disclosure requirement in year 1 concerning ESRs E1-6 and therefore omit the datapoints on scope 3 emissions have to set targets for scope 3? Or can they also omit setting scope 3 targets in year one and only set targets for scope 1 & 2?	ESRS E1-4 paragraph 34 b), ESRs E1-6 Page 32 Gross Scopes 1, 2, 3 and Total GHG emissions	Link with ID 910 for the phase-in on GHG emissions (undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the datapoints on Scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement' (see ESRs 1 Appendix C: List of phased in Disclosure Requirements) -> if the undertaking is under that phase-in, no target is needed for scope 3	Professional Services	Industry Group	Germany
1248 1 - explanation question		n/a	Environm ent	financial institutions	May financial institutions disregard the above mentioned datapoints in ESRs E1 and E4 which asks entities to relate CapEx and OpEx to their Taxonomy reporting (Commission Delegated Regulation (EU) 2021/2178) based on fact that templates reported by financial institutions under the Taxonomy relates to their GAR rather	E1-3 29cii, 16c AR 22; E1-3 29cii, 16c AR 20; E1-3 AR 22; E1-1 16e and ESRs E4-3 AR 18.	dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the datapoints on Scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement' (see ESRs 1 Appendix C: List of phased in Disclosure Requirements) -> if the undertaking is under that phase-in, no target is needed for scope 3	Credit Institutions	Industry Group	Belgium
351 1 - explanation question		n/a	Social	Days lost to fatalities	What constitutes the optimal data collection methodology for adhering to mandated reporting on 'days lost to fatalities'—whether stemming from work-related ill health or work-related accidents?	ESRS S1 paragraph 88(e), ESRs S1 paragraph AR95	The calculation method for days lost to fatalities can be further explained through an explanation (based on ESRs S1 paragraph AR95 as well as EC Regulation 1338/2008 on Community statistics on public health and health and safety at work, which defines a limitation period for the maximum number of days lost). No comments or response on the value subquestion.	Electronics and electrical equipment	Preparer	Germany
388 1 - explanation question		548	Social	Calculation of gender pay gap - consolidation, disaggregation by country	(1) Does the gender pay gap focus only on staff members who remain employed at the end of the financial year and disregard those that left during the year? (2) How are newly recruited staff within the last three months of the financial year treated? Are they omitted from the gender pay gap analysis? (3) Do we compute the	ESRS S1-16	To explain that: 1, 2/ the gender pay gap should include all employees, based on the methodology used to compile the total head count of employees in ESRs S1 paragraph 50(a), (d); for information on how to calculate the average number of employees see ID 1144; 3/ the gender pay gap does not have to be computed for each country the undertaking operates in	Education	Academia	Germany

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Response ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocation to E, S, G, x-cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
391 1 - explanation question		n/a	Social	Calculation Annual Total Remuneration Ratio	When computing the annual total remuneration do we account for currency conversion and purchasing power adjustment?	ESRS S1 paragraph 97(b), (c), ESRS S1 paragraph 99, ESRS S1 paragraph AR102	To explain that ESRS S1 paragraph 99 addresses accounting for purchasing power adjustment and that regarding currency conversion the undertaking should consider connectivity with its financial statement (Note: question partially rejected)	Education	Academia	Germany
452 1 - explanation question		n/a	Social	Social protection; criteria for fulfilment of requirement	Is the requirement only fulfilled if employees receive a payment, which has the objective to (temporarily) replace the income?	ESRS S1 paragraph 73; ESRS S1 paragraph 74; ESRS S1 paragraph AR75	No; DR S1-11 requires information on whether employees are covered by social protection and does not impose an obligation to provide payment to employees. [Julian: I would, however, add that the DR Social Protection clearly means protection against loss of income. That doesn't mean that the company has to pay, but it isn't protection if there isn't some form of substitute income or guarantee of continued wage payments.]	Chemicals	Preparer	Germany
489 1 - explanation question		n/a	Social	Severe human rights incidents - definition	On paragraph 104 in S1, undertakings are asked to disclose (a) the number of severe human rights incidents connected to the undertaking's workforce in the reporting period. Forced labour, human trafficking, and child labour are listed as examples. Can you please indicate the exact definition of severe human rights incidents? Are	S1-17 - Incidents, Complaints and severe human rights impacts, paragraph 104 referring to identified cases of severe human rights incidents	Clarification of the scope of "severe human rights incidents" can be provided as an explanation; ESRS S1-17 requires information on "identified cases of severe human rights incidents" which are further defined in ESRS S1 paragraph AR105. Severe human rights incidents may include incidents of forced labour, human trafficking or child labour.	Power Production and Energy Utilities	User	Denmark
562 1 - explanation question		n/a	Social	Non-employees, contractors	Does the definition of non-employees within own workforce include all contractor workers working on the site? If not, can you please provide more details to the current guidance?	ESRS S1 paragraph 4, AR 3	To answer based on the definition of non-employees as provided in the Glossary as well the explanation (ESRS S1 paragraph 4) and the examples of self-employed people from ESRS S1 paragraph AR 3 (non-employees include contractors)	Oil and Gas	Preparer	Finland
692 1 - explanation question		n/a	Social	Gender Pay Gap	Is it compliant with the directive to include the following remuneration components: Basic salary, Fixed allowances incl. holiday/Christmas bonuses, variable remuneration (one-year/multi-year), one-off payments, commissions, Benefits in kind: only benefits granted on a negotiated basis. Benefits that apply to all employees or are accessible to all employees due to e.g. Group guidelines, works council agreements etc. are excluded, as no discrimination based on gender is possible here.	ESRS S1-16	To explain the scope of the definition of 'pay', based on the definition provided in the glossary. To also include the pay components addressed ID 693.	Not applicable	User	Germany
748 1 - explanation question		n/a	Social	Annual remuneration, CEO or per country	Is it the highest paid individual in an industry group (the CEO) that is supposed to be compared to the median of all employees' total remuneration (in our case 40 countries) in the industry group or is it the highest paid individual in each specific country compared to the median total remuneration in that specific country, to be disclosed?	ESRS Disclosure Requirements S1-16	To explain that ESRS S1 paragraph 97(b) requires a disclosure of the ratio between the annual total remuneration of the highest paid individual (likely the CEO) and the median annual total remuneration of all employees. The remuneration ratio is an SFDR indicator (#8 Table 3 'Excessive CEO Pay Ratio')	Chemicals	Industry Group	Sweden

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Re- sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
755 1 - explanation question		ID 691	Social	Measurement basis Gender Pay Gap, Remuneration Ratio	Which period should be used as the measurement basis for remuneration and pay?	ESRS S1-16	To explain that the measurement basis for remuneration should align with the information provided the undertaking's financial statement.	Professional Services	Assurance Services Provider	Germany
793 1 - explanation question		n/a	Social	Scope ESRs S4	Does the S4 standard allows application for only consumers OR end-users?	ESRS S4 paragraph 1	To clarify that ESRs S4 includes both consumers and end-users and to furthermore clarify that the definition of "consumer" does not include resale, commercial or trade, business, craft or profession purposes (the example refers to products being used by pharmaceutical companies).	Pharma and Biotechnology	Preparer	Germany
1022 1 - explanation question		898, 392	Social	Adequate wage Hierarchy	Can you confirm my understanding of the process of defining the Benchmark for Adequate Wages below please?	S1-10	To explain that in the EEA the adequate wage benchmark to be used for comparison for the lowest wage shall not be lower than the minimum wage set in accordance with Directive 2022/2041 (until the Directive enters into application the benchmark to be used is the applicable minimum wages set by legislation or through collective bargaining; if this is not available the adequate wage benchmark should not be lower than the minimum wage in a neighboring country with a similar socio- economic status or not lower than a commonly-referenced international norm such as 60% of the country's median wage and 50% of the gross average wage (ESRS S1 paragraph 73(a))	Professional Services	Industry Group	France
1071 1 - explanation question		n/a	Social	Remuneration metrics - cash flow or vestment/accr ual basis?	Please define if for the GPG and the "CEO" Remuneration Ratio, the vestment principle vestment/accr ("Erdienungsprinzip") or actual payments made ("Zufussprinzip") shall be the basis.	ESRS S1-16 97a/b	To explain the connectivity between sustainability and financial statements for the calculation [we should align on this one with what we say for the ESRs 2 GOV-3 remuneration; see also annual total remuneration definition in Annex II]	Chemicals	Preparer	Germany
1074 1 - explanation question		n/a	Social	Workers working on the undertaking's sites	Are we correct to assume that "other workers working on the undertaking's site" are neither employees or non- employees (not part of the own workforce)? We found that, in the table provided in Annex-2-Draft-ESRS-Set1- illustrative-examples-of-XBRL-reports, the table asks for the data point on other workers to be disaggregated between employees and non- employees which does not make sense to us.	ESRS S1-14 88b	To explain that 'other workers working on the undertaking's sites' in ESRs S1 paragraph 88 refers to value chain workers (ESRS S2)	Not applicable	Other	Belgium
1082 1 - explanation question		1070	Social	Gender pay gap - SFDR	Is the gender pay gap according to disclosure requirement S1-16 identical to the gender pay gap to be disclosed under Regulation (EU) 2022/1288 with regard to disclosure rules on sustainable investments?	ESRS Disclosure Requirement S1-16	To explain that the unadjusted gender pay gap is a SFDR datapoint and is aligned with the SFDR (despite the difference in terminology of pay/earnings)	Insurance	Preparer	France
1094 1 - explanation question		ID 901, same question	Social	Gross hourly pay level	When calculating the average gross hourly pay level, what is the definition of hours to be used? Should the REGULAR CONTRACTUAL hours be used, e.g. 40 hours/week times 52 weeks per year (and hours reduced by the part-time factor for part-timers)? Or is it the ACTUAL hours worked, including overtime hours and call-out time for employees who are on call? If it is actual hours worked, should time for paid or unpaid sick leave or other paid or unpaid time off be deducted?	ESRS S1-16 97a, AR 98	The ESRs do not specify on which basis to calculate gross hourly wages. Undertakings may provide contextual information to explain the data used, including whether the calculation is based on standard (regular contractual hours) or actual hours. Applying a consistent methodology, however, would be imperative to ensure comparability and measurement of the gender pay gap over time.	Machinery and Equipment	User	Sweden

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Re- sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc.already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1100 1 - explanation question		n/a	Social	Remuneration ratio	Is it necessary to calculate total remuneration for all employees to identify the median employee or does AR 102 allow to define a estimation methodology based on the undertakings specific remuneration situation to identify the median employee?	ESRS S1-16 AR102	To explain that the median annual total remuneration of all employees is based on ESRs S1 paragraph AR 101(b), which is based on the undertaking's remuneration policies. The undertaking may disclose its methodology in line with ESRs S1 paragraph AR 102.	Professional Services	Preparer	Italy
1169 1 - explanation question		n/a	Social	Age distribution employees	The distribution of the employees by age (under 30, 30/50, more than 50 years old) should be done in number and in percentage?	S1-9	The distribution of employees by age group according to ESRs S1 paragraph 66(b) can be disclosed as a percentage or number (see also IG 3)	Not applicable	Other	Italy
1208 1 - explanation question		n/a	Social	Gender Pay Gap - Existing Legislation	Are companies in countries, like Ireland, with existing Gender Pay Gap reporting legislation, where the reporting timeframe, required calculation methodologies and some metrics, are different to those specified within CSRD now required to report two annual gender pay gaps at different times, which are likely to produce different figures given the different methodologies required?	ESRS DR S1-16	The CSRD specifies that 'sustainability reporting standards that address gender equality and equal pay for work of equal value should specify, amongst other things, information to be reported about the gender pay gap, taking account of other relevant Union law' (Recital 49). The ESRs are aligned with the EU Pay Transparency Directive, which mandates companies to report on the gender pay gap. Undertakings are expected to report on the gender pay gap (ESRS S1-16), if assessed to be material.	Professional Services	Other	Ireland
1264 1 - explanation question		392, 898, 1022	Social	Adequate wage hierarchy	My question concerns definition of "adequate wage" for multinational companies with operations both in and outside of the EEA. I understand that for EEA countries, the min wages set in accordance with Directive (EU) 2022/2041 should be used as definition. However, if the company has operations in many countries outside of the EEA, it is then considered compliant to use the same definition for ALL countries, such as living wage benchmark provided by Wage Indicator Foundation or similar?	ESRS S1-10	To explain the hierarchical approach to defining 'adequate wages' in non-EEA countries	Not applicable	Preparer	Sweden
1235 1 - explanation question		n/a	x-cutting	Targets, at which level?	Does the MDR-T ask for targets to be reported at a corporate level, or does it include site-level?	ESRS 2, MDR-T, Paragraph 80, page 55	1 - Explanation question There is no requirement in ESRs 2 para 80 to report at site level, but undertaking may provide information on the targets at a lower level (e.g. Site level (ESRS E2 AR 18)) where relevant to support the policies it has adopted	Chemicals	Preparer	Norway
1297 1 - explanation question		n/a	x-cutting	Level of disaggregatio n	What is the rule of disaggregation for a group made of multiple legal entities per country, in EU and outside EU	ESRS 1 Level of Disaggregation	The submitter asks whether in the group sustainability statement information must be disaggregated by legal entities. There is no such requirement in CSRD and ESRs, nobody has asked the same or related question before. The submitter concludes in his/her own answer that there is no such requirement. ESRS 1 para 55 also states that (only in certain cases) "a disaggregation by subsidiary MAY be necessary." Therefore, it is assumed that this question is non-widespread SRB agreed 30 Oct to have this question for educational purposes	Construction and Industry Group Engineering		France

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b: cat. to be sent to SRT

Re-sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocation to E, S, G, x-cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1316 1 - explanation question		n/a	x-cutting	MDR PAT and topical DR when no PAT	For the cases where a company does not adopt policies, actions and (or) targets: 1) if a company reports not adopting policies or actions for S1 for example, would this statement also apply to the policy/ action -related data points within S1 beyond the MDRs and therefore the company would not be required to report for these related data points? 2) what is the difference between MDR-T datapoints captured in paragraph 72 and those captured in paragraph 81. a)?	ESRS 2 Disclosure Requirement IRO-2	explain that (1) when undertaking has no PAT it can of course also not disclose on the topical PAT datapoints (2) research and explain whether there is a difference between ESRs 2 para 72 and 81 (a) (assuming there is no difference - to be verified)	Not applicable	Other	Switzerland
1319 1 - explanation question		n/a	x-cutting	Severe impacts shared with other contributors	Do severe impacts have to be considered regardless of the size of the company's contribution or is severity scaled down when shared with other contributors?	ESRS 1 AR10; ESRs 2 DR IRO-1 paragraph 53	do research and try to answer in an explanation;	Professional Services	Assurance Services Provider	Germany
1033 2a - implementation guidance (new)		[ESRS E1 - GHG emissions] ID 1076	Environment	GHG emissions intensity targets and credit institutions	In the context of ESRs E1 34a and in a situation where a credit institution has set GHG emissions intensity targets, are credit institutions expected to provide associated absolute values in relation to their emissions intensity targets even if such metric is not used to steer the portfolio and due to the fact that it can be neither predictive or of confirmatory value due to the business model of the credit institutions?	ESRS E1 paragraph 34a & ESRs E1 Application Requirement 23	EBF flagged this as an urgent issue. Secretariat suggested it could be addressed through as implementat guidance to have feedback on it. Given priority, decided to try to addrss it, at least partially. This is also specificton the banking sector and likely to be discussed in the Sector work. (link with ID 1076, ID 1122 and ID 1248)	Credit Institutions	User	Netherlands
1225 2a - implementation guidance (new)		n/a	Environment	Water storage (5)	There are many ways to calculate total water stored that will lead to different outcomes. Total water stored can be a point in time measurement at the beginning or end of the reporting period, an average over the reporting period, the median over the reporting period, or the maximum over the reporting. Total water stored is indicated as having the 'period type' in XBRL of 'duration' implying it is not a point in a time calculation. What method is ESRs looking for to maximize comparability?	E3-4 28d	We could include this question in the Water Storage IG, since it's asking some details on how to report on water storage.	Professional Services	Other	United States of America
1329 2b - implementation guidance (addendum to existing one)		[IG 1 Materiality Assessment - FAQ 23] gross / net and mitigation / remediation; ID 1 and 117, ID 1109	x-cutting	Gross or net (impact) materiality	Are impacts to be assessed with or without taking into account existing mitigation actions? Is there a difference between taking mitigation actions into account when assessing actual and potential impacts?	ESRS 1 paragraph 45	same question as asked under ID 1109, therefore combined with this one ID 1109: Is the severity of an impact to be assessed before or after mitigation/prevention? There is a contradiction/unclarity within the IG 1.	Not applicable	Assurance Services Provider	Germany

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Re- sponse ID	Category of question: * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc.already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
867	4 - out-of-scope of EFRAG	n/a	Social	Data retention - gender pay gap	Is there a data retention, for which the gender gap payment analysis/disclosure should be kept by the company?	ESRS S1 - 2	The ESRs do not address requirements regarding data retention (data retention for the purposes of sustainability reporting should not conflict with data protection legislation e.g. GDPR)	Not applicable	Other	Germany
1268	4 - out-of-scope of EFRAG	n/a	Social	CSRD Workers' Representatives	Article 29a(6) of the CSRD requires that: "The management of the parent undertaking shall inform the workers' representatives at the appropriate level and discuss with them the relevant information (...)". The question is what "the appropriate level" refers to. It is unclear whether the parent undertaking shall inform the workers' representatives only at the level of this parent undertaking or whether it shall also inform workers' representatives at the level of its subsidiaries.	ESRS S1 Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	Out of scope, question related to CSRD	Not applicable	Other	Poland
1299	4 - out-of-scope of EFRAG	n/a	x-cutting	Reporting period for subsidiary(ies) differ	If the reporting date of the subsidiary is different from the reporting date of the parent company, do I have to prepare an ESRs report for the subsidiary and the parent company?	ESRS 1 paragraph 7.6	Question is on subsidiary exemption as stipulated in CSRD / Accounting Directive therefore not on ESRs	Constructions and Furnishing	User	Austria
1300	4 - out-of-scope of EFRAG	n/a	x-cutting	Non-EU parent company and EU subsidiary reporting requirements	We are a global agriculture company, with operations in 17 EU states. If we are reporting as a "40a" reporter, at a consolidated level do we have to produce a report by [one of] our subsidiaries (which are not listed in EU)? I note in a finance.europe FAQ doc "Subsidiaries may be exempted from reporting if their parent undertakings report at a consolidated level."; what does 'may be' indicate here?	Bp-1	Question relates to Non-EU reporting and which undertaking needs to prepare a sustainability statement	Agriculture, Farming and Fishing	Preparer	United Kingdom
1315	4 - out-of-scope of EFRAG	n/a	x-cutting	No parent company; only contractual agreement	topic: Scoping: Does CSRD allow 1 EU company to create 1 overall consolidated CSRD report for multiple company entities(in the same EU country) that are reporting individual financial reports but do not have a parent company(neither in (same)EU country nor in non-EU country) but are only connected by contractual agreement?	ESRS 1	CSRD / Accounting directive when it is required to prepare consolidated financial statements and a consolidated management report that then also has sustainability statement included	Professional Services	Other	Belgium
1254	5a -rejection: non-conclusive	n/a	x-cutting	Subsidiaries with minority shares?	To what extent do we need to provide details on ESRs topics for players with subsidiaries in other countries, particularly those with minority shares? What level of detail is expected?	ESRS 1	Question asked not clear. What are "players with subsidiaries ... with minority shares". The term subsidiary implies that financial control (based on accounting rules) exists. This is both for subsidiaries without or with minority interest (i.e., fully-owned, non-fully owned) . Also, in sustainability statement no difference between the two kind of subsidiaries is made.	Professional Services	User	United Kingdom

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b: cat. to be sent to SRT

Re- sponse ID	Category of question: * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1240 5b - widespread	rejection: non- widespread	n/a	x-cutting	Phase-in 750 employees	If a company is reporting at the level of the in-scope entity, but has performed the DMA at group level and will be reporting sustainability information consolidated at the group level, can the entity still avail of the < 750 employee phase-in reliefs, as the in-scope entity (who will be reporting the information) has < 750 employees?	ESRS 1 paragraph 102	Very specific, - in our view - non-realistic (as not in line with ESRS requirements) fact pattern (Materiality assessment not done at reporting entity level (=EU subs) but at ultimate parent company level) Question asked whether for the reporting entity (=EU subs) the 750 employee criteria still applies? Answer = yes, why not therefore question rejected as very specific fact pattern, not expected to occur widely	Not applicable	Preparer	United Kingdom
1243 5b - widespread	rejection: non- widespread	n/a	x-cutting	Non-material IRO-1 Disclosure Requirements and content index	How to handle non-material mandatory environmental (IRO-1) reporting requirements in content index?	ESRS 2 IRO-2 §56, ESRS 1 §35	It is considered obvious that the EU-legislation datapoint content index of DR IRO-2 cannot be extended by analogy to environmental DRs (also not to ESRS E1 DR related to ESRS 2)	Credit Institutions	Preparer	Sweden
1289 5b - widespread	rejection: non- widespread	n/a	x-cutting	ESRS, broad question on application	Is the whole ESRS 2 session mandatory to disclose?	ESRS 2	Rejected: 1) question too broad, 2) no answer provided, 3) to a certain extent (ask for sample report) not a technical question, 4) question is on the very basics showing that submitter did not really try to find an own answer	Information Technology	Preparer	India
1125 5d - already asked/answered	rejection: already asked/answered	Please provide ID of question already asked!	Environm ent		0 If companies set emission reduction targets, does the target year need to be 2030 in any case or are other target years applicable, too (e.g. 2032 as near-term target year)?	ESRS E1-4		0 Professional Services	Preparer	Germany
1164 5d - already asked/answered	rejection: already asked/answered		831 Environm ent	contractual instruments	What is the correct formula to calculate the share of contractual instruments used for the sale and purchase of energy bundled with attributes about the energy generation or for unbundled energy attribute claims?	ESRS E1-6, AR 45d)		0 Not applicable	User	Austria
1239 5d - already asked/answered	rejection: already asked/answered		1155 Environm ent	location and market based, energy mix	Should we report market-based or location-based electricity mix?	ESRS E1-5, AR 34 (5), (7) and (9) and AR 37		0 Metal Processing	Preparer	Germany
1255 5d - already asked/answered	rejection: already asked/answered		1155 Environm ent	energy mix	Should electricity purchased from the grid, which is required for the calculation of energy consumption (E1-5), be broken down on the basis of the national energy mix, even if it does not represent with certainty the mix with which the energy received was generated? For example, how do I recover the final share of energy from nuclear sources?	ESRS E1-5, paragraph 37(b)		0 Not applicable	User	Italy
1045 5d - already asked/answered	rejection: already asked/answered	ID 351	Social	Days lost to fatality	What is the proper quantification of the number of days lost due to a fatality from one work-related accident or ill health case?	ESRS S1-14 paragraph 88(e)	Already asked, in ID 351 ("What constitutes the optimal data collection methodology for adhering to mandated reporting on 'days lost to fatalities'—whether stemming from work-related ill health or work-related accidents?")	Tobacco	Preparer	United Kingdom
1052 5d - already asked/answered	rejection: already asked/answered		797 Social	Pensions ESRS S1	In S1.16 should we include pension value in the calculation of the Annual Total Remuneration Ratio (S1.16-97(b))	S1.16	Already asked in ID 797 ("I don't see the concept of "pension" mentioned in S1-10 or in S1-16. Is pension to be included in S1-10 Adequate wages? Is pension to be included in S1-16 Compensation indicators disclosure requirement 92 a (the male-female pay gap)? Is pension to be included in S1-16 Compensation indicators disclosure requirement 92 b (the organizations "compensation inequality ratio")")	Professional Services	Industry Group	France

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b. cat. to be sent to SRT

Re- sponse ID	Category of question: * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1086 5d - rejection: already asked/answered		583	Social	XBRL taxonomy - IG3	Could you please indicate which paragraph in the DR or AR requires the "number of reviews in proportion to the agreed number of reviews by the management." mentioned by AR 77 b ? Could you also please precise what is required ?	ESRS S1 - AR 77 b	Already asked in ID 583 'AR 77 requires that (a) and (b) be calculated in order to disclose the information required by 83 (a).My first question is, how the participation ratio calculation in 83 (a) is derived from AR 77 (a) and (b), and the computational connections between AR 77 (a) (b) and 83 (a).My second question is, what does AR 77 (b) "(b) number of reviews in contribution to the agreed number of reviews by the management" mean?'	Not applicable	Preparer	France
1131 5d - rejection: already asked/answered		351	Social	Days lost	How should we handle the maximum lost days from work as well as counting them for fatalities	S1-14-88-e	Already asked in ID 351: 'What constitutes the optimal data collection methodology for adhering to mandated reporting on 'days lost to fatalities'—whether stemming from work-related ill health or work- related accidents?'	Chemicals	National or European Standard Setter	Netherland s
1147 5d - rejection: already asked/answered		ID 1026	Social	Definition of end-user	How can the difference between S2 and S4 be defined for a B2B company? (e.g are the employees of the client part of the workers in the VC or the consumer/end user of a product, in case they use the product in their job)? How are these situations commonly treated?	ESRS S4/ESRS S2 (full)	Already answered in ID 1026: 'Does the definition of End-user include workers at the client?'	Not applicable	Industry Group	Netherland s
1199 5d - rejection: already asked/answered		33	Social	Definition Non Employees	who are the " non-employees " people with contracts with the undertaking to supply labour ?	ESRS S1 paragraph 4; (page 166/284)	Already answered in ID 33 'Which groups can be considered as employees or non-employees workers in line with the German HGB respectively other national laws?' as well as other IDs on non-employees, IDs 356, 434, 562	Professional Services	Industry Group	Italy
1279 5d - rejection: already asked/answered		583	Social	Regular performance review - calculation and definitions	AR 77 b) is unclear. What do you mean by 'agreed number of reviews by the management'? The number of reviews officially planned to be carried out by the company? Or the number of reviews they approved after they were carried out? Or something else? Please clarify.	ESRS S1-13 AR 77b	Already asked in ID 583 'AR 77 requires that (a) and (b) be calculated in order to disclose the information required by 83 (a).My first question is, how the participation ratio calculation in 83 (a) is derived from AR 77 (a) and (b), and the computational connections between AR 77 (a) (b) and 83 (a).My second question is, what does AR 77 (b) "(b) number of reviews in contribution to the agreed number of reviews by the management" mean?'	Not applicable	User	Hungary
1282 5d - rejection: already asked/answered		434	Social	Definition non- employees, value chain workers	When an employee of a contracted company (leasing of workforce), are delivering services mostly in the workplace of the undertaking, should they be presented in the sustainability statement under CSRD as a undertaking's own workforce (ESRS S1), or as its value chain worker (ESRS S2)?	ESRS S1 par. 1	Already answered, ID 434 ('Regarding the differentiation between non employees and employees of the value chain (standards S1-7 and S2), could it be considered that the main difference is that non employees carry out core activities of the company and employees of the value chain only accessory or supply activities?')	Not applicable	User	Poland
1247 5d - rejection: already asked/answered		ID 552	x-cutting	data for previous years - phase in	A parent undertaking has to prepare the consolidated sustainability statement(SS)under ESRS in 2024.In the same year(2024)a subsidiary undertaking(SU)is exempted in accordance to art19a(8)-29a(8) of Dir 2013/34.In the following year(2025)or after,this SU decides to apply ESRS not using the exemption provided for in Dir2013/34.Therefore,if this SU prepares the SS under ESRS,is it allowed not to disclose comparative information according with Sec7.1 in its first year of preparation(2025 or after)?	ESRS 1 GENERAL REQUIREMENTS, 10.3 Transitional provision related to section 7.1 Presenting comparative information, paragraph 136	ID 552: Does the company need to report data for previous years? In this ID it is also stated: "A phase-in provision exists exempting undertakings for the first year of preparation of the sustainability statement to provide comparative information (ESRS 1 para 136).	Credit Institutions	Preparer	Italy

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b: cat. to be sent to SRT

Response ID	Category of question: * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocation to E, S, G, x-cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1275 5d - rejection: already asked/answered		IG 2	x-cutting	Sustainability reporting rules for consolidation	If a subsidiary is part of the parent company for < 50%, but is under operational control of the parent company, should this subsidiary deliver information for ESRs G1? If yes, proportionally?	ESRS 1 paragraph 62; ESRs 1 pa; ESRs 1 paragraph 67; ESRs E1 paragraph 50; ESRs G	IG 2 sustainability rules for consolidation, stating that reporting boundaries are that of financial statements. All subsidiaries are under financial control of the parent company otherwise they would not be called "subsidiaries". Financial control can also exist if interest is <50% (e.g. because voting rights grant financial control). Operational control is only relevant for certain environmental disclosures. As subsidiary the entity shall be included in all topical standard disclosures (if material) including ESRs G1.	Not applicable	Preparer	Belgium
1281 5d - rejection: already asked/answered		ID 148	x-cutting	scope of consolidation non EU - unconsolidated subsidiaries	If an undertaking's subsidiary consolidated in its financial statement operates in different sector than primary business and accounts for less than 10% of revenue – is it possible to conclude that this subsidiary is not material (does not relate with any material impacts) without firstly conducting a double materiality assessment? If yes, does it mean that this subsidiary can be excluded from the scope of sustainability statement, or only from disclosures regarding undertaking's strategy?	ESRS 2 par. 40, ESRs 2 AR13	ID 148 Does the (consolidated) sustainability statement of a parent company has to include all its subsidiaries even if some of them are located out-side of the EU and/or if some are not (financially/legally) consolidated? Answer states that all subsidiaries must be included in the materiality assessment which includes those having less than 10 percent of group revenue	Not applicable	User	Poland
1285 5d - rejection: already asked/answered		IG 1 Materiality assessment chapter 2.3 and 2.4 (see explicitly paragraph 59)	x-cutting	IRO-1 related disclosures in topical standards; level of detail?	Irrespective of the outcome of the materiality assessment, understandings [sic] must report on ESRs 2 IRO-1 datapoints including in the topical standards that are not deemed material. In practical terms how should undertakings address these requirements? All early CSRD reporters do not go into the level of detail of E4 para 19 if not a material topic as an example so what is the expectation under limited assurance?	ESRS 1 paragraph 29	IG 1 paragraph 59 states: "The DRs and datapoints in ESRs 2 are to be reported irrespective of the outcome of the materiality assessment. In this case, the criteria to assess the materiality of information (ESRS 1 paragraph 31) are expected to support the determination of the level of detail of narrative disclosure that is necessary to meet the Disclosure Requirements in ESRs 2 (ESRS 1 paragraph 31 refer to the 'applicable information')."	Not applicable	Assurance Services Provider	Ireland
1290 5d - rejection: already asked/answered		ID 166 (and 939)	x-cutting	scope of consolidation timing of acquisitions, divestment of subsidiaries	How does the timing of an M&A transaction during a reporting year impact scoping and reporting in the buyer's CSRD report? (Refer to 2.4. for further details). For example, if an acquisition occurs during a reporting period, is there a grace period/transition period before the acquirer's reporting obligation is required to take into account the acquisition (i.e. the combined group structure)?	ESRS 1 paragraph 7.6	ID 166: In case an undertaking acquires / (divests from) one or more of its subsidiaries how should he undertake report on them in the year of acquisition (divestment)? To note: ISSB TIG discussed in its June 13 meeting the following question: Agenda Paper 2 Application of the requirements on comparative information when acquiring or disposing of a subsidiary	Food and Beverage Services	Industry Group	United States of America
1320 5d - rejection: already asked/answered		ID 1144	x-cutting	Phase-in 750 employees calculation: average number of employees	Are the phased-in disclosure requirements applicable, if a company has a headcount of more than 750 people, but they are equivalent to less than 750 full-time employees? ?	ESRS 1 Appendix C	ID 1144: In the phase-in section, companies with 750 or more employees have to start reporting from the first year. The question is how to calculate the number of employees for this? For e.g., if I count in headcount a company has 800 employees. So, the company must comply with ESRs standards and start reporting from the 1st year. But, if I count employees with FTEs, it is 700. So, the company can opt for phase-out.	Professional Services	User	Germany

Batch of categorisations to be approved by SRT meeting 07.11.2024

Mailing from ESRs Q&A Platform to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 07/11/2024 Mailing for: SRT Mailing type: b: cat. to be sent to SRT

Re- sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and Sc already asked)	Allocatio n to E, S, G, x- cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
1266	5e - rejection: on standards not yet Delegated Acts	n/a	x-cutting	Governance and artificial consolidation	How should companies that have opted for a virtual consolidation group and do not have an overarching parent company in Europe report the required governance structures (Gov-1, -2) for oversight of ESG topics, especially when the individual entities are independently reportable and are unlikely to delegate responsibility to the management of the consolidating entity?	ESRS 2 Gov-1 & Gov-2	question is on non-EU groups and artificial consolidation	Not applicable	Preparer	Germany
1291	5e - rejection: on standards not yet Delegated Acts	n/a	x-cutting	Non-EU parent company with EU subsidiaries and acquisition of a non-EU group which has also EU subs during financial year	If the acquirer, a non-E.U. parent company with E.U. subsidiaries, elects to file a global CSRD report while the acquired entity, also a non-E.U. parent company with E.U. subsidiaries, is prepared to file a consolidated European sustainability report under the artificial consolidated approach, what options are there, if any, for the acquired company's CSRD report using artificial consolidation to be either combined with or filed separately from the acquiring company's global CSRD report?	ESRS 1 paragraph 7.6	The question is on how Non-EU groups report when making an acquisition of another Non-EU group both with subsidiaries in the EU - what reporting options are available - out-of-scope and related to forthcoming ESRs on 3rd country reporting (i.e., not an ESRs standard yet	Food and Beverages	Industry Group	United States of America