

# EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS) QUICK REFERENCE

You can reference the [EFRAG website](https://www.efrag.org) for official updates and detailed information on ESRS or click any indicator or standard – on this quick reference sheet – for more specific details. Provided as a free public service by G&A Institute, Inc. helping to *Navigate the way to Sustainability*. To find out more: [www.ga-institute.com](https://www.ga-institute.com).

## Categories of ESRS:

- + Cross-cutting standards – **mandatory**
- + Topical standards (Environmental, Social and Governance standards) – **subject to materiality assessment**
- + Sector-specific standards – **applicable to all entities within a sector; not yet adopted**

## Mandatory Cross-Cutting Standards – ESRS 2 General Disclosures

### Basis for Preparation

- BP-1** General basis for preparation of its sustainability statement
- BP-2** Disclosures in relation to specific circumstances

### Governance

- GOV-1** The role of the administrative, management and supervisory bodies
- GOV-2** Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
- GOV-3** Integration of sustainability-related performance in incentive schemes
- GOV-4** Statement on due diligence
- GOV-5** Risk management and internal controls over sustainability reporting

### Strategy

- SBM-1** Strategy, business model and value chain
- SBM-2** Interests and views of stakeholders
- SBM-3** Material impacts, risks and opportunities and their interaction with strategy and business model

### Impact, Risk, and Opportunity (IRO) Management

- IRO-1** Description of the process to identify and assess material impacts, risks and opportunities
- IRO-2** Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

### Minimum Disclosure Requirements

When disclosing policies, actions, metrics, or targets, entities must include certain criteria (i.e., the minimum disclosure requirements) for those policies, actions, metrics, or targets

## Topical Standards – Environment

### ESRS E1 Climate Change

- E1-1** Transition plan for climate change mitigation
- E1-2** Policies related to climate change mitigation & adaptation
- E1-3** Actions & resources in relation to climate change policies
- E1-4** Targets related to climate change mitigation & adaptation
- E1-5** Energy consumption & mix
- E1-6** Gross Scopes 1, 2, 3 & Total GHG emissions
- E1-7** GHG removals & GHG mitigation projects financed through carbon credits
- E1-8** Internal carbon pricing
- E1-9** Anticipated financial effects from material physical & transition risks & potential climate-related opportunities

### ESRS E2 Pollution

- E2-1** Policies related to pollution

- E2-2** Actions & resources related to pollution
- E2-3** Targets related to pollution
- E2-4** Pollution of air, water & soil
- E2-5** Substances of concern & substances of very high concern
- E2-6** Anticipated financial effects from material pollution-related risks and opportunities

### ESRS E3 Water and Marine Resources

- E3-1** Policies related to water & marine resources
- E3-2** Actions & resources related to water & marine resources
- E3-3** Targets related to water & marine resources
- E3-4** Water consumption
- E3-5** Anticipated financial effects from material water & marine resources-related risks and opportunities

### ESRS E4 Biodiversity and Ecosystems

- E4-1** Transition plan & consideration of biodiversity / ecosystems in strategy & business model

- E4-2** Policies related to biodiversity & ecosystems
- E4-3** Actions & resources related to biodiversity & ecosystems
- E4-4** Targets related to biodiversity & ecosystems
- E4-5** Impact metrics related to biodiversity & ecosystems change
- E4-6** Anticipated financial effects from material biodiversity & ecosystem-related risks and opportunities

### ESRS E5 Resource Use and Circular Economy

- E5-1** Policies related to resource use & circular economy
- E5-2** Actions & resources related to resource use & circular economy
- E5-3** Targets related to resource use & circular economy
- E5-4** Resource inflows
- E5-5** Resource outflows
- E5-6** Anticipated financial effects from material resource use & circular economy-related risks and opportunities

## Entity-Specific Disclosures

When an impact, risk, or opportunity is not covered by an ESRS but is material to an entity, it shall provide entity-specific disclosures concerning this topic. Guidance on entity-specific disclosures is contained in ESRS 1 Appendix A: Application Requirements.

## Topical Standards – Governance

### ESRS G1 Business Conduct

- G1-1** Business conduct policies & corporate culture
- G1-2** Management of relationships with suppliers
- G1-3** Prevention & detection of corruption & bribery
- G1-4** Incidents of corruption or bribery
- G1-5** Political influence & lobbying activities
- G1-6** Payment practices

## Topical Standards – Social

### ESRS S1 Own Workforce

- S1-1** Policies related to own workforce
- S1-2** Processes for engaging with own workforce & workers' reps about impacts
- S1-3** Processes to remediate negative impacts & channels for workforce to raise concerns
- S1-4** Taking action on material impacts on own workforce, & approaches to managing material risks & pursuing material opportunities related to own workforce, & effectiveness of those actions
- S1-5** Targets related to managing material negative impacts, advancing positive impacts, & managing material risks & opportunities
- S1-6** Characteristics of the undertaking's employees
- S1-7** Characteristics of non-employee workers in the undertaking's own workforce
- S1-8** Collective bargaining coverage & social dialogue

- S1-9** Diversity metrics

- S1-10** Adequate wages

- S1-11** Social protection

- S1-12** Persons with disabilities

- S1-13** Training & skills development metrics

- S1-14** Health & safety metrics

- S1-15** Work-life balance metrics

- S1-16** Remuneration metrics (pay gap & total remuneration)

- S1-17** Incidents, complaints & severe human rights impacts

### ESRS S2 Workers in the Value Chain

- S2-1** Policies related to value chain workers
- S2-2** Processes for engaging with value chain workers about impacts
- S2-3** Processes to remediate negative impacts & channels for value chain workers to raise concerns

- S2-4** Taking action on material impacts on value chain workers, & approaches to managing material risks & pursuing material opportunities related to value chain workers, & effectiveness of those action

- S2-5** Targets related to managing material negative impacts, advancing positive impacts, & managing material risks & opportunities

### ESRS S3 Affected Communities

- S3-1** Policies related to affected communities
- S3-2** Processes for engaging with affected communities about impacts
- S3-3** Processes to remediate negative impacts & channels for affected communities to raise concerns
- S3-4** Taking action on material impacts on affected communities, & approaches to managing material risks & pursuing material opportunities related to affected communities, & effectiveness of those actions

- S3-5** Targets related to managing material negative impacts, advancing positive impacts, & managing material risks & opportunities

### ESRS S4 Consumers and End-Users

- S4-1** Policies related to consumers & end-users
- S4-2** Processes for engaging with consumers & end-users about impacts
- S4-3** Processes to remediate negative impacts & channels for consumers & end-users to raise concerns
- S4-4** Taking action on material impacts on consumers & end-users, & approaches to managing material risks & pursuing material opportunities related to consumers & end-users, & effectiveness of those actions
- S4-5** Targets related to managing material negative impacts, advancing positive impacts, & managing material risks & opportunities

## Disclosure & Application Requirements in Topical ESRS Related to ESRS 2

Specific requirements within topical ESRS are applicable in conjunction with the general disclosure requirements in ESRS 2. These topical disclosures are subject to materiality assessment with the exception of disclosures related to **IRO-1 which are mandatory**

ESRS 2 Disclosure Requirement	Related Topical ESRS
<b>GOV-1</b> The role of the administrative, management and supervisory bodies	G1 Business Conduct, paragraph 5
<b>GOV-3</b> Integration of sustainability-related performance in incentive schemes	E1 Climate Change, paragraph 13
<b>SBM-2</b> Interests and views of stakeholders	S1 Own Workforce, paragraph 12 S2 Workers in the Value Chain, paragraph 9 S3 Affected Communities, paragraph 7 S4 Consumers and End-Users, paragraph 8
<b>SBM-3</b> Material impacts, risks and opportunities and their interaction with strategy and business model	E1 Climate Change, paragraphs 18-19 E4 Biodiversity and Ecosystems, paragraph 16 S1 Own Workforce, paragraphs 13-16 S2 Workers in the Value Chain, paragraphs 10-13 S3 Affected Communities, paragraphs 8-11 S4 Consumers and End-Users, paragraphs 9-12
<b>IRO-1</b> Description of the processes to identify and assess material impacts, risks, and opportunities	<b>E1 Climate Change, paragraphs 20-21</b> <b>E2 Pollution, paragraph 11</b> <b>E3 Water and Marine Resources, paragraph 8</b> <b>E4 Biodiversity and Ecosystems, paragraphs 17-19</b> <b>E5 Resource Use and Circular Economy, paragraph 11</b> <b>G1 Business Conduct, paragraph 6</b>

## Double Materiality Assessment

**Impact materiality:** Actual/potential, positive/negative impacts of an entities' activities on society and/or the environment over the short, medium, or long term

**Financial materiality:** Financial risks and opportunities to an entity arising from social or environmental impacts, business relationships, and/or dependencies on natural, human, and social resources

### ESRS disclosures related to double materiality assessment:

- + **SBM-3** Material impacts, risks and opportunities and their interaction with strategy and business model
- + **IRO-1** Description of the process to identify and assess material impacts, risks and opportunities
- + **IRO-2** Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Double materiality assessment must include stakeholder input and considerations across an entity's value chain

## Phased-In Disclosure Requirements

Certain disclosures may be omitted during the first year(s) of reporting to allow entities more time to establish the necessary management or data collection processes.

Disclosure	All Entities
<b>SBM-1</b> Strategy, business model and value chain	Shall report information in paragraph 40(b) and 40(c) starting from 30 June 2026
<b>SBM-3</b> Material impacts, risks and opportunities and their interaction with strategy and business model	May omit paragraph 48(e) anticipated financial effects for first year or may comply with paragraph 48(e) by reporting only qualitative disclosures for first three years
◆ <b>E1-6</b> Gross Scopes 1, 2, 3 & Total GHG emissions	-
<b>E1-9</b> Anticipated financial effects from material physical & transition risks & potential climate-related opportunities	May omit for first year or may comply by reporting only qualitative disclosures for first three years
<b>E2-6</b> Anticipated financial effects from material pollution-related risks and opportunities	May omit E2-6 for first year. Except for paragraph 40(b), may comply by reporting only qualitative disclosures for first three years
<b>E3-5</b> Anticipated financial effects from material water & marine resources-related risks and opportunities	May omit for first year or may comply by reporting only qualitative disclosures for first three years
○ <b>ESRS E4 (all)</b> Biodiversity and Ecosystems	-
<b>E4-6</b> Anticipated financial effects from material biodiversity & ecosystem-related risks and opportunities	May omit for first year or may comply by reporting only qualitative disclosures for first three years
<b>E5-6</b> Anticipated financial effects from material resource use & circular economy-related risks and opportunities	May omit for first year or may comply by reporting only qualitative disclosures for first three years
■ <b>ESRS S1 (all)</b> Own Workforce	-
<b>S1-7</b> Characteristics of non-employee workers in the undertaking's own workforce	May omit for first year
<b>S1-8</b> Collective bargaining coverage & social dialogue	May omit disclosure requirement with regard to own employees in non-European Economic Area (EEA) countries for first year; may omit reporting on non-employees for first year
<b>S1-11</b> Social protection	May omit for first year
<b>S1-12</b> Persons with disabilities	May omit for first year
<b>S1-13</b> Training & skills development metrics	May omit for first year
<b>S1-14</b> Health & safety metrics	May omit cases of work-related ill-health and number of days lost to injuries, accidents, fatalities, and work-related ill-health for first year
<b>S1-15</b> Work-life balance metrics	May omit for first year
○ <b>ESRS S2 (all)</b> Workers in the Value Chain	-
○ <b>ESRS S3 (all)</b> Affected Communities	-
○ <b>ESRS S4 (all)</b> Consumers and End-Users	-

**Entities With <750 Employees:** ◆ May omit Scope 3 emissions and total GHG emissions for first year ■ May omit for first year ○ May omit for first two years

## Omissions

- + If a topic is deemed not material, an entity may omit all disclosures in the associated topical standard
- + If the topic of climate change is deemed not material an entity must explain the conclusions of its materiality assessment (this explanation may not be omitted and must be disclosed in IRO-2)
- + If any topic is deemed not material (other than climate change), an entity may explain the conclusions of its materiality assessment (this explanation may be omitted or it may be disclosed in IRO-2)
- + If a topic is deemed material but where policies, actions, and targets have not been adopted, an entity must state the reasons for omitting information on policies, actions, and targets and may report a timeline in which it aims to have these in place
- + If data is classified or sensitive information, it may be omitted even if it is considered material; use of this omission option must be disclosed in BP-2
- + If an entity omits a datapoint derived from other EU legislation (Appendix B of ESRS 2), it shall explicitly state that the information is "not material"