

**WE MEAN
BUSINESS
COALITION**



EARLY ADOPTERS' CSRD REPORTING

Inspiring reporting practice from
reporting year 2023

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INTRODUCTION

We Mean Business Coalition welcomes the EU's newly adopted Corporate Sustainability Responsibility Directive (CSRD)¹ with its underlying ESRS², which will be mandatory to report against from the reporting year 2024.

But already from the reporting year 2023, we have begun to see early adopters, who have voluntarily chosen to publish fully or partially in accordance with the CSRD. Even companies that appear to be covered at a later stage than reporting year 2024, have now already voluntarily taken on the challenge and are reporting fully or partially in alignment with the CSRD. This indicates that at least some companies value the new standards and legislation.

Since the CSRD is also very new in many aspects for many companies, even for companies in the reporting vanguard, we have chosen to review 30 early adopters' reports, and single out interesting examples, which other companies may find inspiring for their upcoming reports. As we do not have a full overview of all companies that can be categorized as CSRD early adopters, we cannot claim that these examples are complete. In fact, we are certain that there are many other early adopters' reports in existence, which are not included in this report. Hence, we neither claim that the report is scientific in any way, nor can we provide any statistical analysis. Additionally, we do not claim that the examples included are 100% aligned with the regulation – in fact, often they are not. Neither do we indicate the companies' reports are 100% aligned with the CSRD – in fact most often they are only partially aligned, something which many companies also indicate

themselves. Finally, we do not indicate the reports' content is valid or sustainable. The examples in the report are simply interesting solutions by principle, which we hope many companies – and their auditors – will find encouraging, when thinking about their own companies' reporting needs.

For practicality reasons, this report does not in any way cover all CSRD's disclosure requirements³, some of which are reasonably mature; like reporting on Greenhouse Gas (GHG) Scope 1 or 2 (E1-6), number of employees (S1-6) or the board's gender diversity ratio (GOV-1). We have chosen to focus on elements or solutions, which have been rarely seen before, and which we know are challenging from our dialogues with companies. We have not, therefore, included examples from all 30 reviewed company reports, as some of the report solutions are fairly generic or seen many times before, but we have included all 30 reports with links at the end of the report. This way readers have a chance of their own to evaluate the reports in their entirety. Each chapter of this report begins with a reference to the main regulations and guidelines that cover the topic of the chapter - but is not in any way a complete recap of these. We recommend that the reader also read the regulations, and we have included links to these in the endnotes.

We hope, you find the report inspiring.

REFERENCE INDEX

The first chapter in this report is related to an element, the Reference index, which might remind many readers of something they have seen before: GRI tables⁴. But the disclosure requirement is for good reasons both new and different according to the ESRS, and it also demands references to other legislations and frameworks. See for instance the demands in ESRS 2, 15. Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements or 16. Incorporation by reference. See also the scheme in Appendix B in the ESRS, which many of the reports are inspired by. Finally, also see Disclosure Requirement IRO-2

– Disclosure Requirements in ESRS covered by the undertaking's sustainability statement, 54. The undertaking shall report on the Disclosure Requirements complied with in its sustainability statements.

H+H (p. 79) has developed a bit more on the scheme shown in ESRS Appendix B, as they have added the two last columns, where it is also possible to see which elements are considered material or immaterial, and the reference to where each disclosure requirement can be found.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Paragraph or page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 41-43, 70
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 39
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				Material	p. 52
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	p. 57
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Not material	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	p. 60
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I				Material	p. 61

The next example is from Arla Foods (p. 154), who, in one illustration, inform the reader which page each material element can be found, but also which elements they have deemed immaterial, and what compliance-status and hence quality each material element have.

DISCLOSURE REQUIREMENTS

EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS) COVERED BY ARLA'S SUSTAINABILITY STATEMENTS

Progress towards compliance with CSRD requirements:

- Under materiality threshold
- Internal work initiated
- Moderate progress
- Advanced progress

Status	Standard	Page
●	ESRS 2 BP-1	32
●	ESRS 2 BP-2	30-32, 40, 41, 43, 50
●	ESRS 2 GOV-1	26, 32, 43, 75-80, 86
●	ESRS 2 GOV-2	26, 32, 43, 76
●	ESRS 2 GOV-3	81
●	ESRS 2 GOV-4	62
●	ESRS 2 GOV-5	26-27, 43-44
●	ESRS 2 SBM-1	10, 26-27, 29, 32, 75
●	ESRS 2 SBM-2	26-27, 32
●	ESRS 2 SBM-3	26-27, 30-32, 43
●	ESRS 2 IRO-1	26-27, 30-32, 43-44
●	ESRS 2 IRO-2	26-27, 30-32, 154
●	ESRS E1 GOV-3	81
●	ESRS E1-1	29, 32-38, 45, 52, 58, 68
●	ESRS E1 SBM-3	26-27, 43
●	ESRS E1 IRO-1	30-32, 34, 43-44
●	ESRS E1-2	34, 42, 76
●	ESRS E1-3	33-42
●	ESRS E1-4	33-36, 40-42, 76
●	ESRS E1-5	41-42
●	ESRS E1-6	40-41
●	ESRS E1-7	34, 40, 41, 46
●	ESRS E1-8	42

Status	Standard	Page
●	ESRS E1-9	
●	ESRS E2 IRO-1	
●	ESRS E2-1	
●	ESRS E2-2	
●	ESRS E2-3	
●	ESRS E2-4	
●	ESRS E2-5	
●	ESRS E2-6	
●	ESRS E3 IRO-1	
●	ESRS E3-1	
●	ESRS E3-2	
●	ESRS E3-3	
●	ESRS E3-4	
●	ESRS E3-5	
●	ESRS E4 SBM-3	26-27
●	ESRS E4 IRO-1	
●	ESRS E4-1	
●	ESRS E4-2	46-47, 51, 76
●	ESRS E4-3	
●	ESRS E4-4	45-47, 50
●	ESRS E4-5	
●	ESRS E4-6	
●	ESRS E5 IRO-1	32
●	ESRS E5-1	42, 51, 53
●	ESRS E5-2	53-55, 57
●	ESRS E5-3	34, 53-56

Status	Standard	Page
●	ESRS E5-4	
●	ESRS E5-5	53-54, 56-57
●	ESRS E5-6	
●	ESRS S1 SBM-3	26-27, 30-32
●	ESRS S1-1	60-63, 67
●	ESRS S1-2	60, 66
●	ESRS S1-3	63, 67
●	ESRS S1-4	60-63, 85
●	ESRS S1-5	
●	ESRS S1-6	65-66
●	ESRS S1-7	
●	ESRS S1-8	
●	ESRS S1-9	65-66
●	ESRS S1-10	63
●	ESRS S1-11	
●	ESRS S1-12	
●	ESRS S1-13	
●	ESRS S1-14	65
●	ESRS S1-15	
●	ESRS S1-16	66
●	ESRS S1-17	63
●	ESRS S2 SBM-3	26-27, 30-32
●	ESRS S2-1	62-64, 66-67
●	ESRS S2-2	
●	ESRS S2-3	63, 67, 84
●	ESRS S2-4	62-64, 66-67

Status	Standard	Page
●	ESRS S2-5	
●	ESRS S3 SBM-3	
●	ESRS S3-1	
●	ESRS S3-2	
●	ESRS S3-3	
●	ESRS S3-4	
●	ESRS S3-5	
●	ESRS S4 SBM-3	26-27, 30-32
●	ESRS S4-1	72-73
●	ESRS S4-2	72
●	ESRS S4-3	70, 72-73
●	ESRS S4-4	70-73
●	ESRS S4-5	
●	ESRS G1 GOV-1	30-31, 67, 76
●	ESRS G1-1	42, 67, 84-86
●	ESRS G1-2	85-86
●	ESRS G1-3	67, 84-86
●	ESRS G1-4	
●	ESRS G1-5	78, 80, 85-86
●	ESRS G1-6	85-86

Meanwhile, Vandermoortele (p. 159) has made this ESRS index, which also displays information about which elements are not completed yet.

TOPICAL STANDARDS

Disclosure requirements	Comments	Page
ESRS E1 CLIMATE CHANGE		
GOV-3 Integration of sustainability-related performance in incentive schemes		40; 178
E1-1 Transition plan for climate change mitigation	This information will be further completed in 2024	90
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		89
IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities		63-66; 166-173
E1-2 Policies related to climate change mitigation and adaptation		90
E1-3 Actions and resources in relation to climate change policies		93-95
E1-4 Targets related to climate change mitigation and adaptation		91
E1-5 Energy consumption and mix		91; 156
E1-6 Gross scopes 1, 2 & 3 and total GHG emissions		91; 156
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	Not applicable	
E1-8 Internal carbon pricing	This information will be further completed in 2024	95
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	This information can be omitted for the first year of preparing our sustainability statement	
ESRS E3 WATER AND MARINE RESOURCES		
IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities		63-66; 166-173
E3-1 Policies related to water and marine resources		107
E3-2 Actions and resources related to water and marine resources		109-110
E3-3 Targets related to water and marine resources		108
E3-4 Water consumption		156
E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	This information can be omitted for the first year of preparing our sustainability statement	

OUTCOME OF THE DOUBLE MATERIALITY ASSESSMENT

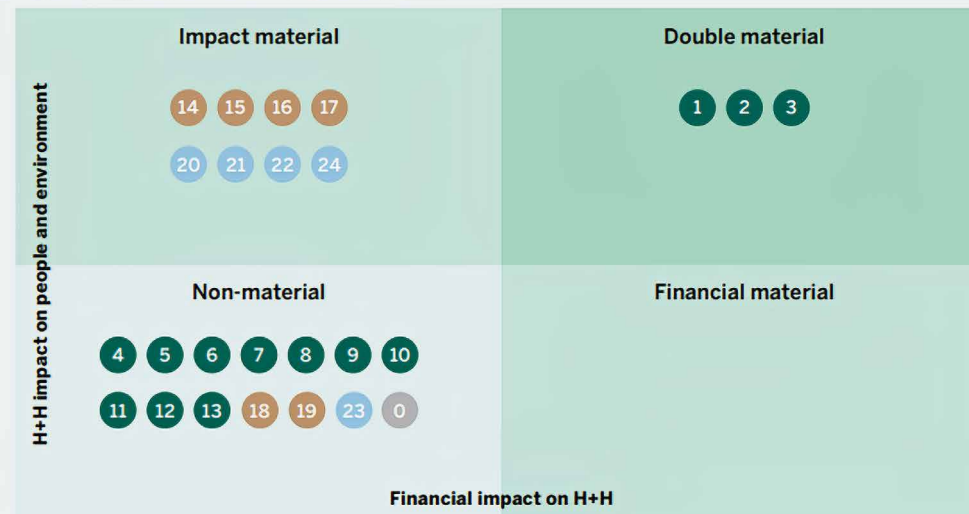
CSRD is based on double materiality assessment (DMA), which has two dimensions, namely: impact materiality and financial materiality. See also ESRS 1, chapter 3. Since the DMA is the basis for determining which disclosure requirements apply for a given company, many companies have begun with making their DMA.

They do this to ensure they can gather the needed information and have the right controls and systems in place. But what should the DMA look like, when reporting on it? The classic format is a diagram, where financial materiality and impact materiality are on x and Y axes – but there are also other solutions.

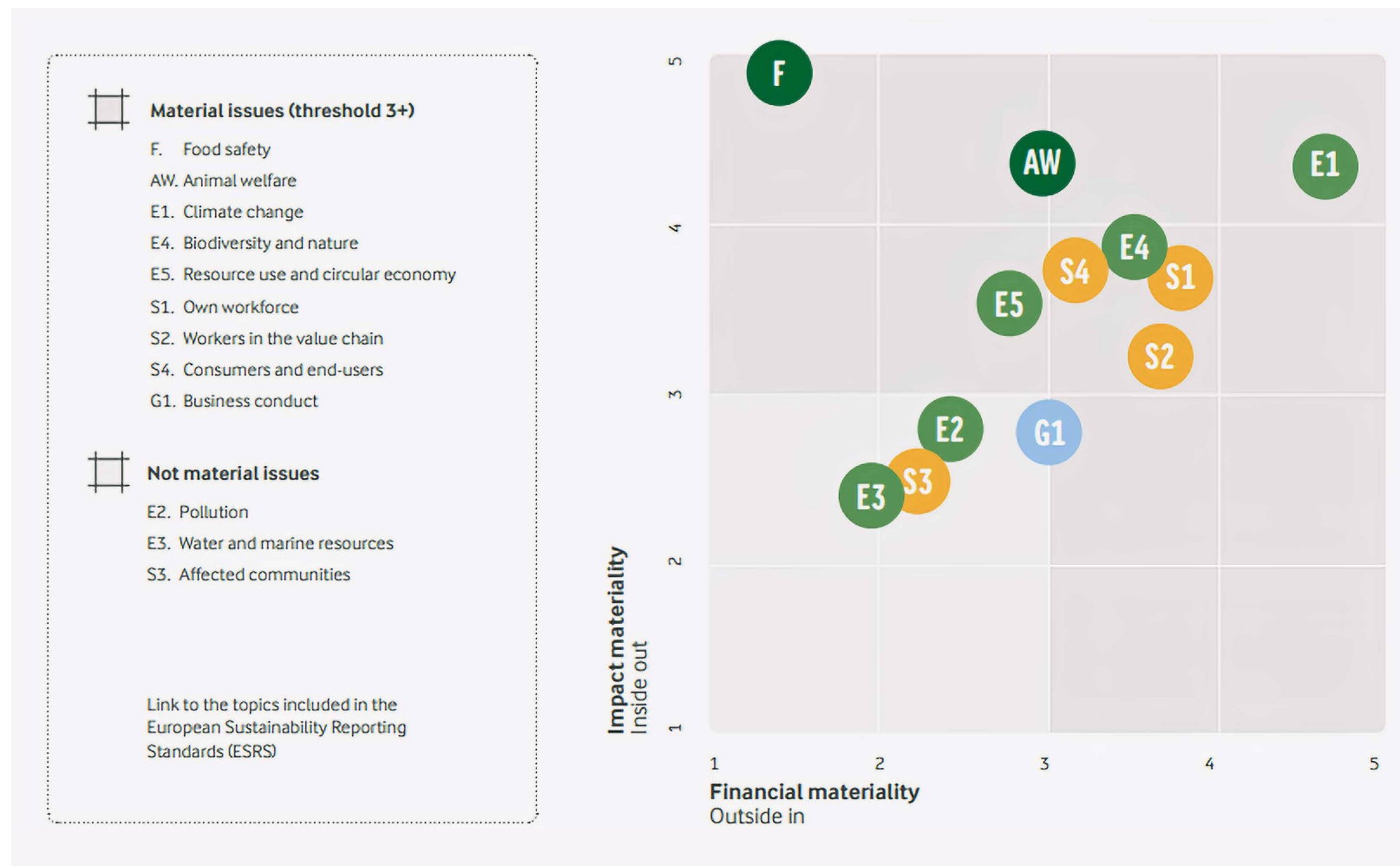
H+H (p 54), DMA in a classic format.

Double Materiality Assessment

During 2023, we undertook our first Double Materiality Assessment in preparation for compliance with the ESRS^{10,11}. We have engaged with various internal and external stakeholders, including employees, suppliers, customers, society, investors, analysts and banks to identify H+H's material sustainability matters. This engagement has been through interviews and desktop research. Parallel to this, we have also assessed the financial risks and opportunities for sustainability-related matters as part of our ERM process. To ensure proper compliance, external consultants have performed a review of our Double Materiality Assessment process. The outcome gave no material remarks.



Arla Foods' DMA (p 30), where they have also included their sector specific themes (food safety and animal welfare) beyond what the generic ESRS demands.



This example is from UCB (p 87), has a table format but still shows the financial and impact materiality. This solution is likely useful if the granularity of topics in the assessment is deep.

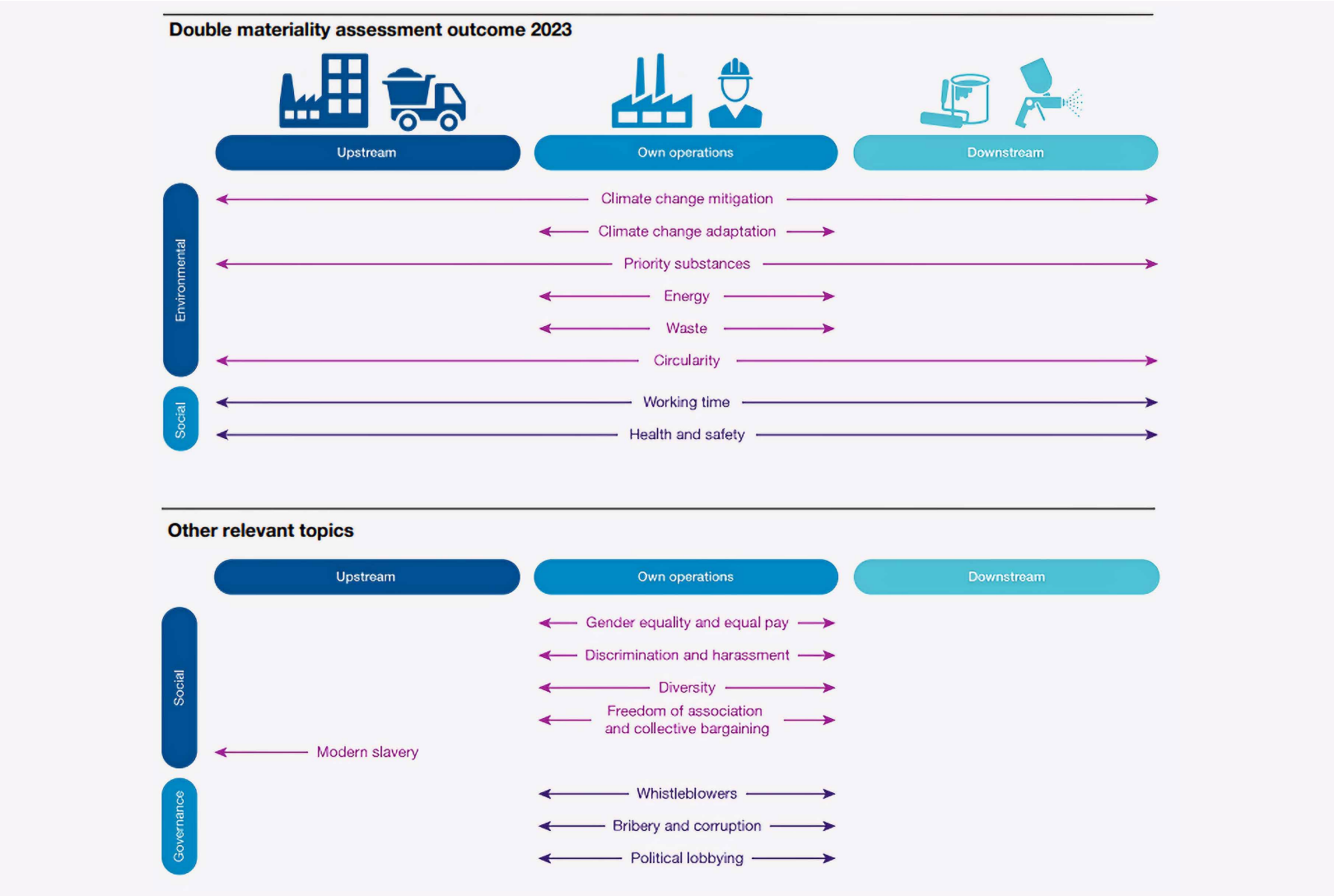
Topics that are both financially material and impact material	Topics that are financially material	Topics that are impact material
Climate change mitigation	Climate Change adaptation	Circular economy
Pollution of air, water and soil	Employee development	Workers' rights and working conditions
Water extraction, consumption and discharge	Data privacy and security	Ethical business practices
Scientific innovation		Political influence and advocacy
Equitable access to medicine		
Health system resilience		
Patient engagement		
Patient safety and product quality		
Employee health, safety and wellbeing		
Employee diversity, equity and inclusion		
Human rights in the value chain		
Responsible sales and marketing		
Ethical use of technology		

Lamor (p 39) has also made a very detailed DMA in table-format.

Material impacts, risks and opportunities

ESRS topic	Impact materiality	Financial materiality	Actual/potential impact
Environment / Climate change / Climate change mitigation	Material	Material	Actual impact
Environment / Climate change / Energy	Material	Material	Actual impact
Environment / Pollution / Pollution of air	Material	Material	Actual impact
Environment / Pollution / Pollution of water	Material	Material	Both actual and potential impacts
Environment / Pollution / Pollution of soil	Material	Material	Both actual and potential impacts
Environment / Pollution / Pollution of living organisms and food resources	Material	Material	Both actual and potential impacts
Environment / Pollution / Substances of concern	Material	Material	Potential impact
Environment / Pollution / Substances of very high concern	Material	Material	Potential impact
Environment / Water and marine resources / Water / Water withdrawals	Material	Material	Actual impact
Environment / Water and marine resources / Water / Water consumption	Material	Material	Actual impact
Environment / Water and marine resources / Water / Water discharges	Material	Not material	Actual impact
Environment / Water and marine resources / Water / Water discharges in the oceans	Material	Not material	Actual impact
Environment / Biodiversity / Direct impact drivers of biodiversity loss / Climate change	Material	Material	Actual impact
Environment / Biodiversity / Direct impact drivers of biodiversity loss / Land-use change, fresh water-use change and sea-use change	Material	Material	Potential impact
Environment / Biodiversity / Direct impact drivers of biodiversity loss / Pollution	Material	Material	Both actual and potential impacts
Environment / Biodiversity / Impact on the state of species	Material	Material	Potential impact

Additionally, AkzoNobel (p. 26) has made an alternative DMA illustration.



On the other hand, Santander (p. 28) has chosen to illustrate their DMA with colours in a table.

Sustainability matters	Financial materiality			Double materiality (final output)
	Impact materiality	Risk	Opportunity	
ESRS E1: Climate Change	Significant	Important	Critical	Critical
ESRS E2: Pollution	Minimal	Important	Important	Important
ESRS E3: Water and marine resources	Minimal	Important	Important	Important
ESRS E4: Biodiversity and ecosystems	Minimal	Important	Important	Important
ESRS E5: Resource use & circular economy	Minimal	Important	Important	Important
ESRS S1: Own workforce	Informative	Important	Important	Informative
ESRS S2: Workers in the value chain	Minimal	Important	Important	Important
ESRS S3: Affected Communities	Informative	Important	Informative	Informative
ESRS S4: Consumers and end-users	Significant	Significant	Important	Significant
ESRS G1: Business conduct	Informative	Critical	Important	Critical

Thresholds: Critical Significant Important Informative Minimal

The final example comes from BW Offshore (p 84) and contains an overview of all the omitted ESRS disclosure requirements. Here they explain the reasons for omitting each requirement. It is also interesting for the reader to understand why topics are not included.

Index of Omitted European Sustainability Reporting Standards (ESRS')

GENERAL – ESRS2

Reference	ESRS Name	Reason for omitting
GOV-3	Integration of sustainability-related performance in incentive schemes	Beyond safety metrics, no other sustainability matters are linked to the company's incentive schemes and remuneration policies.

ENVIRONMENTAL

Reference	ESRS Name	Reason for omitting
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable.
E1-8	Internal carbon pricing	Not applicable.
E2-5	Substances of concern and substances of very high concern	BW Offshore has not identified any material IROs related to substances of concern and substances of very high concern, and therefore omits ESRS E2-5.
E3	Water and Marine Resources	BW Offshore has not identified any material IROs related to water and marine, and therefore omits ESRS E4-1 through E4-5.
E4	Biodiversity and Ecosystems	We are committed to protecting local habitats and native wildlife in the areas where we operate. BW Offshore's potential impact on biodiversity is included in the oilfield operator's environmental impact assessments and monitoring programmes, which are subject to local regulatory approvals. BW Offshore has not identified any material IROs related to biodiversity and ecosystems, and therefore omits ESRS E4-1 through E4-6.

SOCIAL

Reference	ESRS Name	Reason for omitting
S1-8	Collective bargaining coverage and social dialogue	The Human Rights and Decent Working Conditions policy states that BW Offshore employees have the right to free association and collective bargaining. Union engagement occurs at a frequency described in the applicable CBA (collective bargaining agreement). Out-of-cycle meetings will take place as and when required by either party. CBAs are put in place mutually between the employer and the employees.
S1-10	Adequate wages	Not material.
S1-11	Social Protection	Not material.
S1-12	Persons with disabilities	Not material.
S4	Consumer and end-users	BW Offshore has not identified any material IROs related to consumers and end-users, and therefore omits ESRS S4-1 through S4-5.

GOVERNANCE

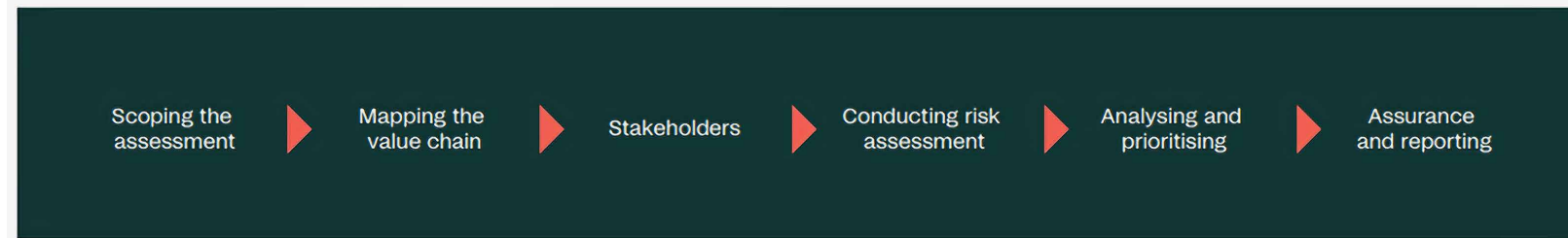
Reference	ESRS Name	Reason for omitting
G1-5	Political influence and lobbying activities	Not material.
G1-6	Payment practices	Not material.

DMA PROCESS

It is required that the company reports on the process they have applied to reach to the DMA. See ESRS 2, IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities and Disclosure Requirement.

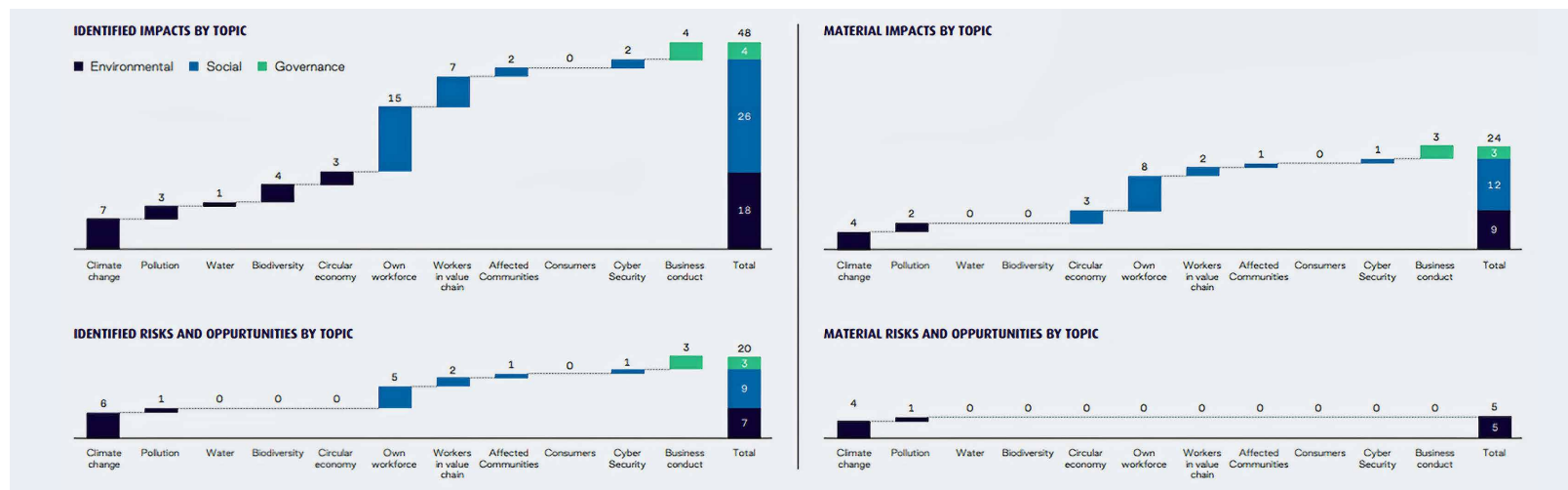
The first example of illustrating the DMA process is from Netcompany (p. 41) – which is reasonably typical and should be applicable for many.

The process to identify material impacts, risk and opportunities



The next DMA process illustration example is from BW Offshore (p. 39), which is somewhat elaborated and focuses on identifying the material impacts per topic.





The final DMA process description is from Vandermoortele (p. 166), and it is a bit more text heavy.

Pre-filtering of the longlist

After compiling a first list of 200 potential impacts, risks and opportunities (IROs), we asked the Executive Committee (ExCo), the Management Teams (MTs) and the Sustainability Project Leaders to rate all IROs for importance. The rating options for impacts went from 'No impact' to 'Very big impact'. The risks and opportunities were rated from 'No risk/opportunity' to 'High risk/opportunity'. This pre-filtering was undertaken in order to include only the most relevant sustainability IROs in the stakeholder consultation.

Rating for impacts:

No impact	Small impact	Average impact	Big impact	Very big impact	Insufficient information
0	1	2	3	4	/

Rating for risks and opportunities:

No risk/opportunity	Low risk	High risk	Low opportunity	High opportunity	Insufficient information
0	1	2	1	2	/

Final list of potential material topics

To draw up the final list of potential material topics, we calculated an average of the scores provided by the ExCo, the Management Teams, and the Project Leaders. This was done separately for impacts, risks and opportunities. All impacts that scored equal to or above the 'average impact' and all risks and opportunities that scored equal to or above 'low opportunity/risk' were included in the

list of potential material sustainability IROs. We checked the list for completeness, drawing on the classification of topics, subtopics and sub-subtopics in ESRS (European Sustainability Reporting Standards) 1, paragraph AR 16.

Assessment of the IROs in order to define the material sustainability matters

To determine the final material sustainability matters, we asked our stakeholders to assess our list of IROs. Both internal and external stakeholders shared their views through an online survey. Key internal stakeholders also participated in focus group discussions, while key external stakeholders shared their perspectives through in-depth interviews.

The stakeholder consultations also encompassed the perspectives of the Board and the ExCo. Board members were consulted through the same online survey as the other stakeholders. The views of the ExCo members were derived from the earlier pre-filtering survey, which concerned the 200 potential IROs from the initial analysis. In addition to online surveys (for quantitative input), a working session was dedicated to the materiality assessment during the Board meeting of 22 June 2023.

The online survey: the online survey was sent to 1,800 internal stakeholders and 117 external stakeholders. We received 808 responses: 764 from internal stakeholders and 44 from external stakeholders (i.e. response rates of 42% and 38% respectively).

764 responses from internal stakeholders

287 support or commercial associates

233 managers (staff)

101 workers (factory, logistics)

100 other*

43 executive/ExCo

* Stakeholders who could not identify themselves in the other 4 stakeholder categories

44 responses from external stakeholders

25 suppliers

7 customers

4 financial institutions

2 consultants

2 experts

2 NGOs

1 federation

1 other*

* Stakeholders who could not identify themselves in the other 7 stakeholder categories

Internal focus groups: 10 internal focus groups were defined, each with its own angle. Together, they covered all sustainability IROs. All participants were selected for their expertise. The group included associates from our headquarters and from several international production sites.

Department

1 HR

2 Operations PBFS

3 Finance, IT, engineering and indirect

4 Procurement

5 Commercial PBFS

6 Packaging (R&D + procurement)

7 Operations BP

8 R&D, innovation and food safety

9 Commercial BP

10 Legal & risks (governance)

STAKEHOLDER ENGAGEMENT

Since one part of the DMA is to reflect on the company's impact on its stakeholders, it is of course imperative that the company reflects on their stakeholder engagement. There are many different versions of these reporting elements, so do also consult the Disclosure Requirement SBM-2 – Interests and views of stakeholders, 43. The undertaking shall disclose how the interests and views of its

stakeholders are taken into account by the undertaking's strategy and business model.

Netcompany (p 54) explains their value chain evaluation, and the actions and results that came from their evaluations.

Actual impacts	Customer or supplier	Value chain findings	Geographical findings	Sector findings	Actions	Result
Human rights The risk assessment revealed the violation of human rights according to the Universal Declaration of Human Rights	Customers: 1	Direct impacts: 2	Europe	Food service Transport	During 2024, an engagement letter will be sent to the customer and supplier, requesting additional details on their strategies for mitigating and remedying the situation.	We will await a response from our customer and supplier and based on the response, we will act accordingly and, if relevant, as described in the Remediation section. We will provide an update on the progress in the 2024 Annual Report.
	Suppliers: 1	Indirect impact through value chain activities: 0				
Corruption The risk assessment revealed the violation of national corruption laws.	Customers: 1	Direct impacts: 1	Europe	Other membership organisation	During 2024, an engagement letter will be sent to the customer, requesting additional details on their strategies for mitigating and remedying the situation.	We will await a response from our customer and based on the response, we will act accordingly and, if relevant, as described in the Remediation section. We will provide an update on the progress in the 2024 Annual Report.
	Suppliers: 0	Indirect impact through value chain activities: 0				
Potential impacts	Customer or supplier	Value chain findings	Geographical findings	Sector findings	Actions	Result
Human rights The risk assessment revealed the potential violation of human rights according to the Universal Declaration of Human Rights	Customers: 9	Direct impacts: 1	Middle East Europe	Financial Other membership organisation Social Insurance Administrative Petroleum Manufacturing Domestic intelligence	During 2024, an engagement letter will be sent to all customers, requesting additional details on their strategies for mitigating and remedying the situation.	We will await a response from our customers and based on the response, we will act accordingly and, if relevant, as described in the Remediation section. We will provide an update on the progress in the 2024 Annual Report.
	Suppliers: 0	Indirect impact through value chain activities: 8				
Corruption The risk assessment revealed potential violation of national corruption laws.	Customers: 7	Direct impacts: 3	America Europe Middle East	Security Administrative Financial Social Insurance Petroleum Manufacturing Domestic intelligence	During 2024, an engagement letter will be sent to all customers and suppliers, requesting additional details on their strategies for mitigating and remedying the situation.	We will await a response from our customers and suppliers and based on the response, we will act accordingly and, if relevant, as described in the Remediation section. We will provide an update on the progress in the 2024 Annual Report.
	Suppliers: 2	Indirect impact through value chain activities: 6				

*14 value chain actors correspond to 0.6% of the total number of value chain actors assessed in 2023





The next illustration is from Givaudan (p. 201), who have made an overview of their stakeholder dialogues. The most interesting element is the column “Why we engage” – and that is a bit unusual.

Stakeholder dialogue		
Why we engage	How we engage	Key topics and concerns discussed
CUSTOMERS Strong engagement with our customers enables us to understand their needs and anticipate market trends. Preference discovery platforms and consumer insight programmes allow us to understand and predict consumer preferences and adapt to cultural tastes. We protect our customers by ensuring product quality and safety and through our compliance with applicable laws, regulations, and policies.	<ul style="list-style-type: none"> › Customer sustainability requests › Audits › Customer innovation days › Customer and industry conferences and events › Key account manager relationships – ongoing dialogue › Use of consumer insight programmes for consumer understanding, cultural insights and sensorial decoding › Leveraging digital capabilities to enhance insights in consumer trends 	<ul style="list-style-type: none"> › Climate change › Consumer health and wellbeing › Governance and business conduct, ethics, transparency › Human rights › Innovation capabilities › Product/ingredient environmental and social performance › Product quality and safety › Responsible sourcing and traceability
SUPPLIERS Our suppliers are genuine partners, and we work with them towards mutual value creation: open dialogue secures a pipeline of technological knowledge through supplier-enabled innovation; supplier engagement and collaboration ensure our suppliers have high standards in business ethics and respect for people and the environment. We protect them through active collaboration and by staying compliant with rapidly changing regulatory requirements. Our collaboration allows them to strengthen their innovation approach and contributes to the achievement of their own targets.	<ul style="list-style-type: none"> › Assessments › Supplier audits › Collaborations to improve performance › Multi-stakeholder groups › Supplier events: capacity building, discussing issues › Direct engagement with supplier relationship managers 	<ul style="list-style-type: none"> › Climate change › Plastics › Human rights › Innovation capabilities › Raw material availability › Responsible sourcing and traceability
EMPLOYEES We engage with our people to foster an environment of open dialogue to mutually resolve conflicts, to identify development initiatives and innovative ideas that will help drive our business. We protect employees against reprisals and other negative impacts on their rights such as providing protection against intimidation, threats, or acts that could have a negative impact on their employment or work engagement, including termination, demotion, loss of compensation, discipline, and any other unfavourable treatment. We cannot achieve our goals without a true sense of unity and a workplace where we all love to be and grow.	<ul style="list-style-type: none"> › Provide policies and process to provide protection against a negative impact on their employment or work engagement › Works Council consultations › Employee engagement survey › Annual performance dialogue › Talent management processes › Learning and development opportunities › Ongoing dialogue with Givaudan Green Teams 	<ul style="list-style-type: none"> › Climate change › Diversity, equity and inclusion › People development › Employee health, safety and wellness › Governance and business conduct, ethics, transparency › Human rights › Innovation capabilities

An action-oriented illustration of the stakeholder engagement can be seen with Yara (p. 107)

Stakeholder group: Employees		
How we engage <ul style="list-style-type: none"> • Global and local townhalls with Q&A sessions • Intranet • Frequent employee surveys • Regular engagement with unions • Regular job appraisals • Training, coaching and mentorships • HESQ training and awareness raising • Ethics and Compliance training and awareness raising • Diversity, Equity, and Inclusion (DEI) network and local teams • Global awareness days • Shop floor meetings and safety talks • Networks for underrepresented groups 	Key topics in 2023 <ul style="list-style-type: none"> • Safety, health, and well-being at work • Remuneration and cost of living • Production curtailments and turn-arounds • Diversity, Equity, and Inclusion • Flexible and hybrid working • Career paths, learning, and development • Recognition at work • Ethical conduct and value of speaking up • Developing a culture of entrepreneurship • Freedom of association 	Actions <ul style="list-style-type: none"> • Established networks and groups for underrepresented groups, page 165 • Reinforced our Safe by Choice program to support safety and well-being at work, page 160 • Continued investments in employees' physical and mental health, page 160 • Assessed living wage and established threshold for all locations. page 157 • Continued Black Leadership Development program, page 173. • Updated gender pay gap analysis, page 167 • Continued the Women in Agronomy and Women in Maintenance programs, page 167 • Launched the People Connect process and Global Mentoring Program to support individual development, page 172
Stakeholder group: Workers in the value chain		
How we engage <ul style="list-style-type: none"> • Training for select business partners and groups of workers • Grievance channels and Ethics Hotline • Targeted communication activities in the workplace 	Key topics in 2023 <ul style="list-style-type: none"> • Yara's Code of Conduct for Business Partners • Human rights and ethical conduct • Health and safety • Due diligence and expectations in events of involving third parties and subcontractors • Norwegian Transparency Act 	Actions <ul style="list-style-type: none"> • Continued to integrate sustainability into our procurement page 104 • Followed up findings from previous human rights impact assessments, page 99 • Established industry risk assessment, page 179 • Conducted social audits of local suppliers, page 178 • Joined Together for Sustainability (TfS), page 104

Meanwhile, Cemex (p. 213) has made this stakeholder engagement diagram, which also shows information about topics, channels, frequency and outcomes per stakeholder type.

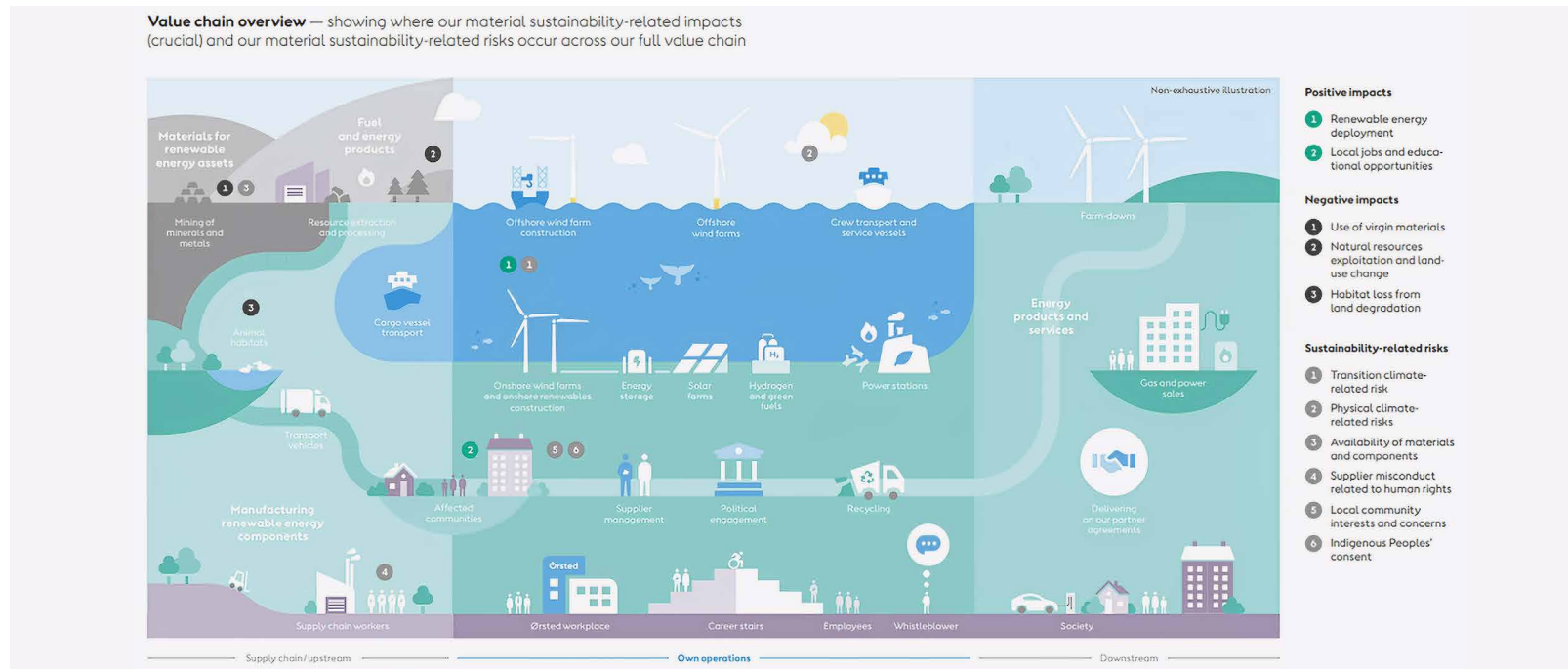
	 Our People	 Customers	 Shareholders Investors and Analysts	 Suppliers
	Our employees are part of our competitive advantage and the reason for our success. We continuously seek to provide them with opportunities for growth and development and a safe, healthy, diverse, and inclusive work environment.	By understanding our customers' needs and challenges, we aim to place them at the center of everything we do and become their partner of choice.	We embark on a robust investor engagement strategy to foster a clear understanding of company performance, strategy, and risks.	We foster a strong relationship across our network of suppliers, aiming to ensure compliance with our Code of Ethics and Business Conduct and our Code of Conduct when Doing Business With Us.
Key Collaboration Topics	<ul style="list-style-type: none"> Health and safety Company priorities and challenges Business ethics Employee wellbeing, experience, and engagement Diversity and inclusion Training, development, and career path 	<ul style="list-style-type: none"> Customer experience and engagement Construction needs and challenges Quality products, services, and solutions Sustainability management practices Increased awareness of our products' sustainable attributes 	<ul style="list-style-type: none"> Company's financial performance Return on capital employed Pricing integrity and antitrust compliance ESG disclosure and performance Risks and opportunities 	<ul style="list-style-type: none"> Business ethics and legal compliance Quality of products and services Supply chain reliability and efficiency Health and safety Sustainability management practices
Engagement Channels and Frequency	<ul style="list-style-type: none"> ETHOSLine 24/7 reporting line Ethics and compliance campaigns Employee experience survey Global and local newsletters Leader email messages and videos HR teams and HR process platforms Open dialogues and meetings with leaders, including townhalls with CEO and Executive Committee Members 	<ul style="list-style-type: none"> Sales representatives' ongoing relationship management Cemex Go digital platform 24/7 Regular commercial events Customer satisfaction surveys Satisfaction surveys, service centers, and helplines ETHOSLine 24/7 reporting line 	<ul style="list-style-type: none"> Regular meetings, webcasts, and conference calls Quarterly financial updates and guidance Annual integrated and 20-F reports, and mandatory filings Ongoing website updates and press releases Cemex Day investor event Company position papers 	<ul style="list-style-type: none"> Daily interactions Ongoing training and capacity-building programs Health and safety and sustainability verification platforms Annual Smart Innovation process
Outcomes	<ul style="list-style-type: none"> Understanding of our employees' needs Talent management strategy Ethics case reports for investigation Learning strategy Safety workplace environment Diversity and Inclusion Policy, committees, and initiatives Participation in external programs on diversity 	<ul style="list-style-type: none"> Customer Centricity strategy A clear understanding of our customers' needs and concerns Net Promoter Score (NPS) Digitalized solutions 	<ul style="list-style-type: none"> Understanding of financial position, performance, business perspectives, and risks Strengthening of Cemex's ESG practices and metrics Enhancement of reporting quality and transparency 	<ul style="list-style-type: none"> Supplier Sustainability Program for certain suppliers Promotion of local suppliers Contractor health and safety verifications

IMPACTS, RISKS OR OPPORTUNITIES (IROS)

After identifying stakeholders and tracking their engagement, another critical part of the DMA involves assessing impacts, risks, and opportunities not only for stakeholders but also for the company and its strategy. See also Disclosure Requirement IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities, 51. The undertaking shall disclose its process to identify its impacts, risks and opportunities and to assess which ones are material. See also Disclosure Requirement SBM-3 - Material impacts, risks and opportunities and their interaction with

strategy and business model, 46. The undertaking shall disclose its material impacts, risks and opportunities and how they interact with its strategy and business model. This is also a reporting element with many different solutions – some use drawings, others tables, and some use a third solution like bulleted lists.

Ørsted (p 72) provides a value chain overview, where they evaluate their positive and negative impacts and which sustainability related risks they have up- and downstream.



Meanwhile, Philips (p 89) has made an interesting overview of the risks related to their strategy, covering both financial and non-financial topics.

Risks related to our strategy

	Geopolitics and Macroeconomics	Health technology environment	Health informatics	Acquisition	ESG	Intellectual property	Patient Safety and Quality	Supply chain	Business operating model simplification	People	Cybersecurity	Innovation excellence	Treasury and financing	Tax	Accounting and reporting	Global inflation	Product regulations	GDPR and regulations (incl.ESG and privacy)
Driving value creation with sustainable impact	Strategic					Operational					Financial			Compliance				
Focused strategy to accelerate organic growth and improve profitability	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Deliver scalable people and patient-centric innovation	●	●	●	●	●	●	●		●		●	●	●			●	●	●
Execution priorities: 1) Patient Safety & Quality 2) Supply chain reliability 3) Simplification of how we work	●	●	●		●		●	●	●	●	●	●				●	●	●

● Marks main connection(s) of risks with our strategy

Norsk Hydro (p 46) also does interesting risk mapping, where they include the likelihood and the trends associated with each risk.

Strategic risks		Influenceability	Likelihood	Trend ¹⁾
1.	Complex and evolving sustainability landscape	M	M	↗
2.	Value chain concentration	H	H	→
3.	Macro-economic developments, geopolitical tensions, protectionism and trade disruptions	L	M	↗
4.	Regulatory & policy framework uncertainty	L	H	↗
5.	Technological breakthroughs	L	M	→
6.	Climate change	L	M	→
Incident risks				
7.	Insufficient asset integrity	H	M	→
8.	Material legal or compliance incident	H	L	→
9.	Major breach of cyber security	M	M	↗
10.	Failure to meet social performance expectations	M	M	→
11.	Pandemic	L	M	→
12.	Material tax change	L	M	→
HSE risks				
13.	Fatal or life changing accident	M	M	↗
14.	Security incident	L	M	→
15.	Impact on the environment	M	M	→
16.	Structural collapse or other major accident	M	M	→

1) Indicates whether the likelihood of the risk and/or the severity of its consequences have increased, decreased, or remained stable since 2022.

Although Hydro maintains insurance to protect against certain risks in such amounts as it considers reasonable and in accordance with market practice, its insurance may not cover all the potential risks associated with its operations, and therefore any material disruptions (especially if not covered by Hydro's insurance) could have a material adverse impact on its business and financial condition.

On top of this Norsk Hydro shows how different factors may have a positive or a negative impact (p 71).

Drivers of positive impact

1. Renewable energy generation
2. Low-carbon primary aluminium production
3. Recycling post-consumer aluminium scrap
4. Flood control from regulated watersheds
5. Secure employment, adequate wages, social protection, career development, and an inclusive work environment
6. Job creation and engagement on standards for decent work, human and workers' rights across the value chain.
7. Local community value creation
8. Providing customers transparent, quality information on traceable value chain
9. Engagement on business conduct, compliance, anti-corruption, and other sustainability topics.

Drivers of potential negative impacts

- A. Fossil fuel and non-renewable electricity use
- B. GHG Process emissions from primary aluminium production
- C. Emissions to water in relation to wastewater discharges to waterbodies
- D. Emissions to air from fossil fuel use, electrolysis process and certain recycling operations
- E. Water use change from hydropower
- F. Biodiversity and ecosystem pressure from water use change
- G. Biodiversity and ecosystem pressure from greenhouse gas emissions and potential incidents of pollution
- H. Biodiversity and ecosystem pressure from land use change
- I. Primary resource use in alumina refining and primary aluminium production
- J. Resource outflows, including tailings, bauxite residue and waste generation
- K. Potential health and safety incidents affecting own workforce
- L. Potential health and safety incidents and impact on human rights for workers in the value chain
- M. Potential impact on human rights in local communities
- N. Potential incidents impacting health and safety of consumers and end users

Finally, on top of this, Norsk Hydro (p 121) has a very unusual and interesting human rights mapping.

	Salient human rights risk	Hydro employees	Employees working for our suppliers	People in our local communities
	Forced labor, modern slavery and child labor abuse		●	
	Discrimination and harassment	●	●	●
	Freedom of association and collective bargaining		●	
	Decent working conditions		●	
	Health and safety	●	●	●
	Access to information and participation in dialogue		●	●
	Land rights and resettlement			●
	Vulnerable individuals and groups	●	●	●

Meanwhile, ABN-AMRO (p 276) has made a social issue risk heatmapping for their loan-portfolio.

Social risk heatmap

(in millions)

Sub-sector	Labour basic	Labour other	Land & communities	Privacy	Life & health	Gross Carrying Amount ³
						(EUR million)
Air transport						10
Fossil electricity production						22
Human health and social work activities						2,788
Information service activities						944
Inland freight water transport						484
Manufacture of basic metals						211
Manufacture of chemicals and chemical products						625
Manufacture of construction materials						150
Manufacture of fabricated metal products, except machinery and equipment						706
Manufacture of other food products and beverages						1,143
Manufacture of prepared feeds for farm animals						325
Manufacture of rubber and plastic products						343
Mining and Quarrying excluding fossil fuel extraction						165
Non-fossil electricity production						1,329
Raising of poultry and swine/pigs						658
Other subsectors ¹						76,882
Corporate loans²						86,783

High sensitivity
 Moderately high
 Moderate
 Moderately low
 Low sensitivity

¹ All exposures in Corporate Loans portfolio in other subsectors.

² Excluding loans at fair value through P&L.

³ Gross carrying amount excludes fair value adjustments from hedge accounting.

Lamor (p 44) has made an interesting overview of their material impacts related to pollution, which also includes a time horizon and shows which parts of the value chain the impacts may affect.

Lamor's material impacts related to pollution

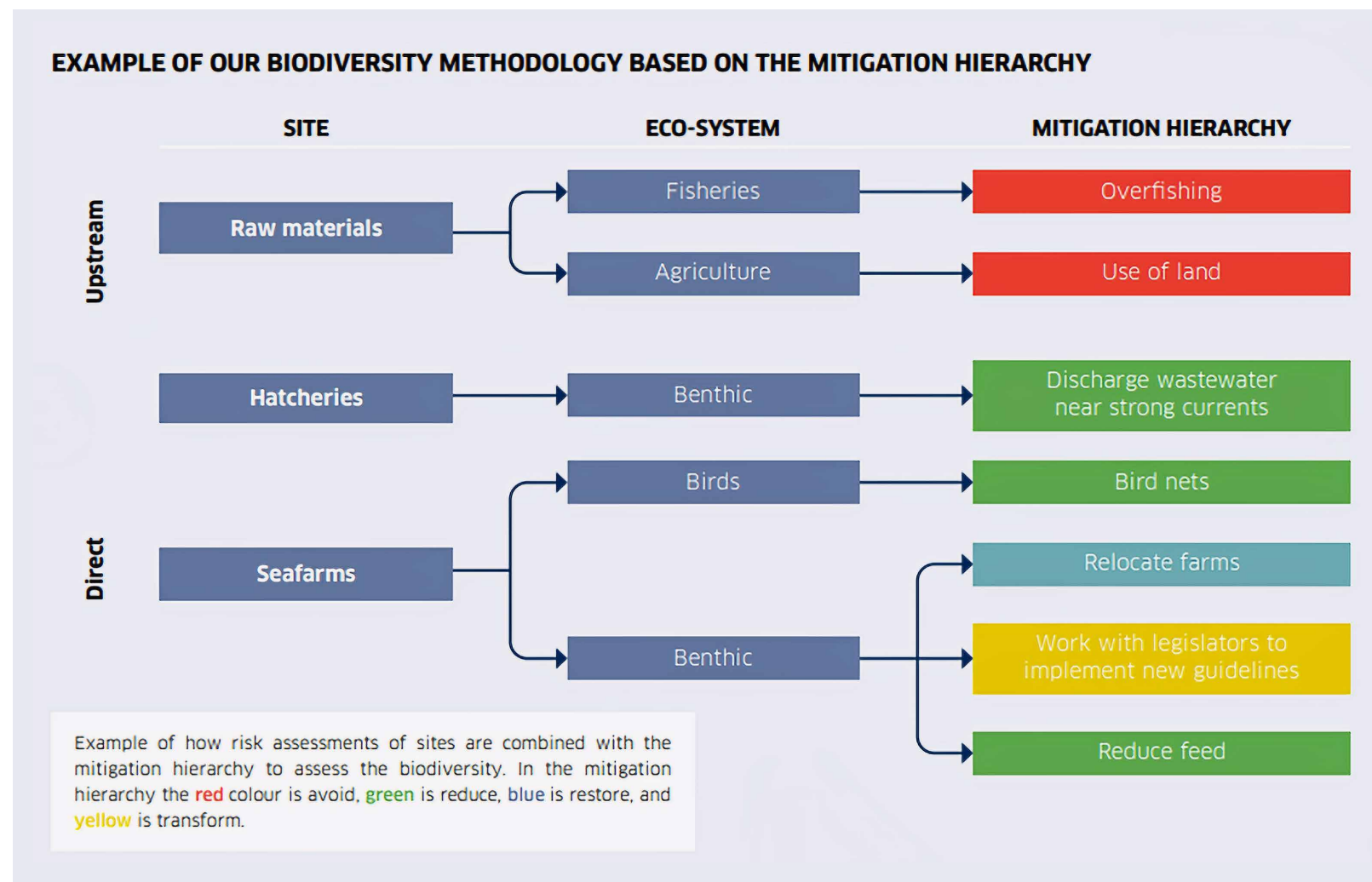
Topic	Impact	Actual/potential	Time horizon	Value chains
Pollution of air	Both positive and negative	Actual impact	Medium-to-long-term	Upstream, internal and downstream
Pollution of water	Both positive and negative	Both actual and potential impacts	Short-to-long-term	Upstream, internal and downstream
Pollution of soil	Both positive and negative	Both actual and potential impacts	Short-to-medium-term	Upstream, internal and downstream
Pollution of living organisms and food resources	Both positive and negative	Both actual and potential impacts	Medium-term	Upstream, internal and downstream
Substances of concern	Negative	Potential impact	Short-term	Internal and downstream
Substances of very high concern	Negative	Potential impact	Short-term	Internal and downstream

Opportunity reporting is rarer, but Lamor (p 75) has made an interesting overview, where they also identify the opportunity driver and which ESRS the opportunity relates to.

Lamor's opportunities related to sustainable development

ESRS topic	Opportunity driver	Opportunity	Opportunity level
Environment / Pollution: Pollution of water, soil and living organisms and food resources	Investors	Opportunity to decrease the company's cost of capital by attracting impact-sensitive investors by increasing the company's positive impact related to this topic	Medium
	Employees	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium
Environment / Water and marine resources: Water withdrawals and consumption	Investors	Opportunity to decrease the company's cost of capital by attracting impact-sensitive investors by increasing the company's positive impact related to this topic	Medium
	Employees	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium
Environment / Biodiversity: Direct impact drivers of biodiversity loss and impact on the state of species, as well as on the extent and condition of ecosystems	Investors	Opportunity to decrease the company's cost of capital by attracting impact-sensitive investors by increasing the company's positive impact related to this topic	Medium
	Employees	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium
Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Investors	Opportunity to decrease the company's cost of capital by attracting impact-sensitive investors by increasing the company's positive impact related to this topic	Medium
	Employees	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium
Society / Affected communities / Communities' economic, social and cultural rights: Adequate food, water and sanitation, land-related impacts, security-related impacts	Investors	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium
	Employees	Opportunity to increasingly attract impact-sensitive employees by increasing the company's positive impact related to this topic	Medium

Bakkafrost (p. 141) has made an interesting overview of how they assess their risks in relation to biodiversity, where they have also included something, they call a “Mitigation hierarchy”.



Yara (p. 183) is aware of their potential impacts from running mining activities. They provide an overview, which is interesting as it is divided per potential impact in contrast to actual impacts, and then an assessment is made per impact and a potential reference is then included, should the topic need to be elaborated further.

Mining operations









Mining can be a major source of production-related impacts on local communities.

We are paying particular attention to these impacts. At year-end 2023, Yara had one mining site in active operation: the phosphate rock mine in Siilinjärvi, Finland.

Below table provides an overview of key impact areas against relevant GRI standards.

GRI reference	Siilinjärvi
201-2: Payment to local communities for land use	Not applicable
202-2: Proportion of senior management hired from the local community	All Yara sites use local (domestic) management staff to the extent possible
MM1: Land disturbed or rehabilitated in the mining activities	See Biodiversity, page 145
MM2: Sites requiring biodiversity management plan	Not required, see Biodiversity, page 145
MM3: Overburden, rock, tailings and sludges from the mining	See Resource use and circular economy, page 147
MM4: Number of strikes and lockouts exceeding one week's duration	No strikes or lockouts exceeding one week's duration
MM5: Number of operations in or adjacent to indigenous peoples' territories, percentage of operations with formal agreements with indigenous peoples' communities	Not applicable
MM6: Significant disputes relating to land use, customary rights of local communities and indigenous peoples	No significant disputes. An EIA process started for the mine expansion including stakeholder communication.
MM7: Grievance mechanisms used to resolve issues under MM6	No significant disputes. Yara's common policies and practices for grievances are in place.
MM10: Number and percentage of operations with closure plans	Generic closure plans are in place. See Biodiversity, page 146 , for the information on Lagamar mine.
304 Biodiversity	No significant negative impacts. See Biodiversity, page 145
305 Emissions	See Pollution, page 137
306 Waste	See Resource use and circular economy, page 147

Mondi (p. 74) have chosen to illustrate their principal risks this way – notice the integration of classical Enterprise Risk Management elements from finance and the link to their strategy.

Our principal risks			Link to strategy				
		Risk owner					
Strategic	1 Industry productive capacity	Executive Committee					
	2 Product substitution						
	3 Fluctuations and variability in selling prices or gross margins						
	4 Country risk						
	5 Climate change risks	Group Head of Sustainable Development					
Financial	6 Capital structure	Group CFO					
	7 Currency risk	Group Treasurer					
	8 Tax risk	Group Head of Tax					
Operational	9 Cost and availability of raw materials	Executive Committee					
	10 Energy security and related input costs	Group Head of Operations					
	11 Technical integrity of our operating assets						
	12 Environmental impact	Group Head of Sustainable Development					
	13 Employment and contractor health and safety	Group Head of Safety & Health					
	14 Attraction and retention of key skills and talent	Group HR Director					
	15 Cyber security risk	Chief Information Officer					
	16 Reputational risk	Executive Committee					
Link to strategy							
Our principal risks, independently or in combination, may impact the Group's ability to deliver on its strategy. The above table indicates the components of our strategy that are most likely to be impacted as a result of each principal risk and are defined below:							
							
			Invest in assets with cost advantage	Inspire our people		Partner with customers for innovation	

Mondi (p. 74) also illustrates this years' trajectory of their risks in the following diagram:



STRATEGY, BUSINESS MODEL AND VALUE CHAIN

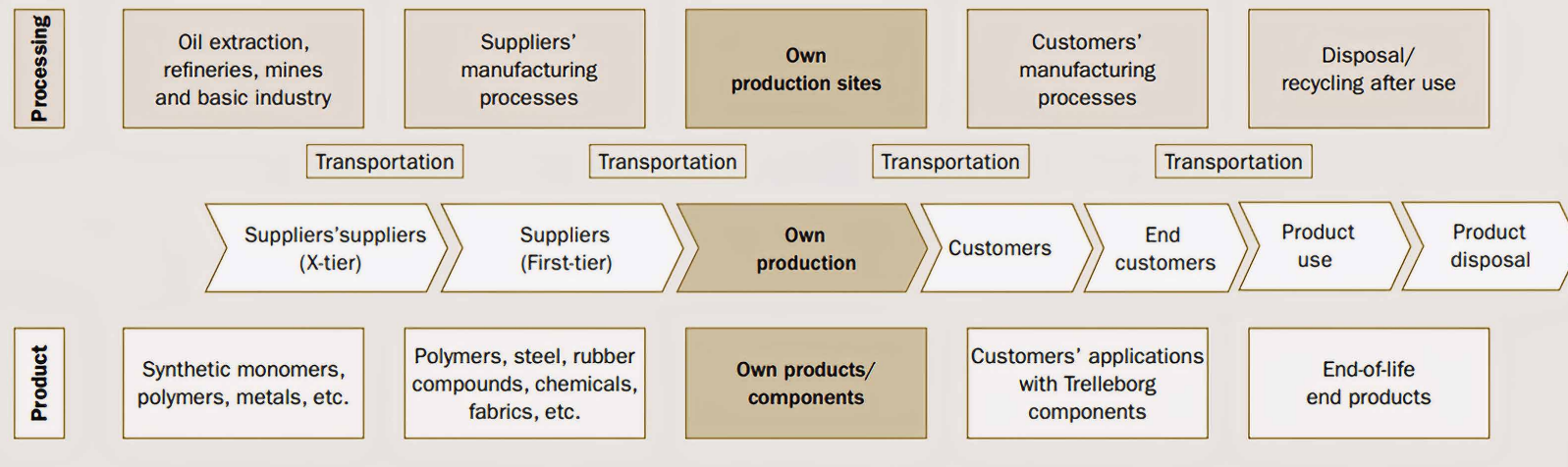
One of the fundamental parts of the ESRS is to explain the company's strategy, the business model and value chain. This usually ends up as a drawing or flow chart of some sort. But do take a look at ESRS 2, Disclosure Requirement SBM-1 Strategy, business model and value chain, 38. The undertaking shall disclose

the elements of its strategy that relate to or impact sustainability matters, its business model and its value chain.

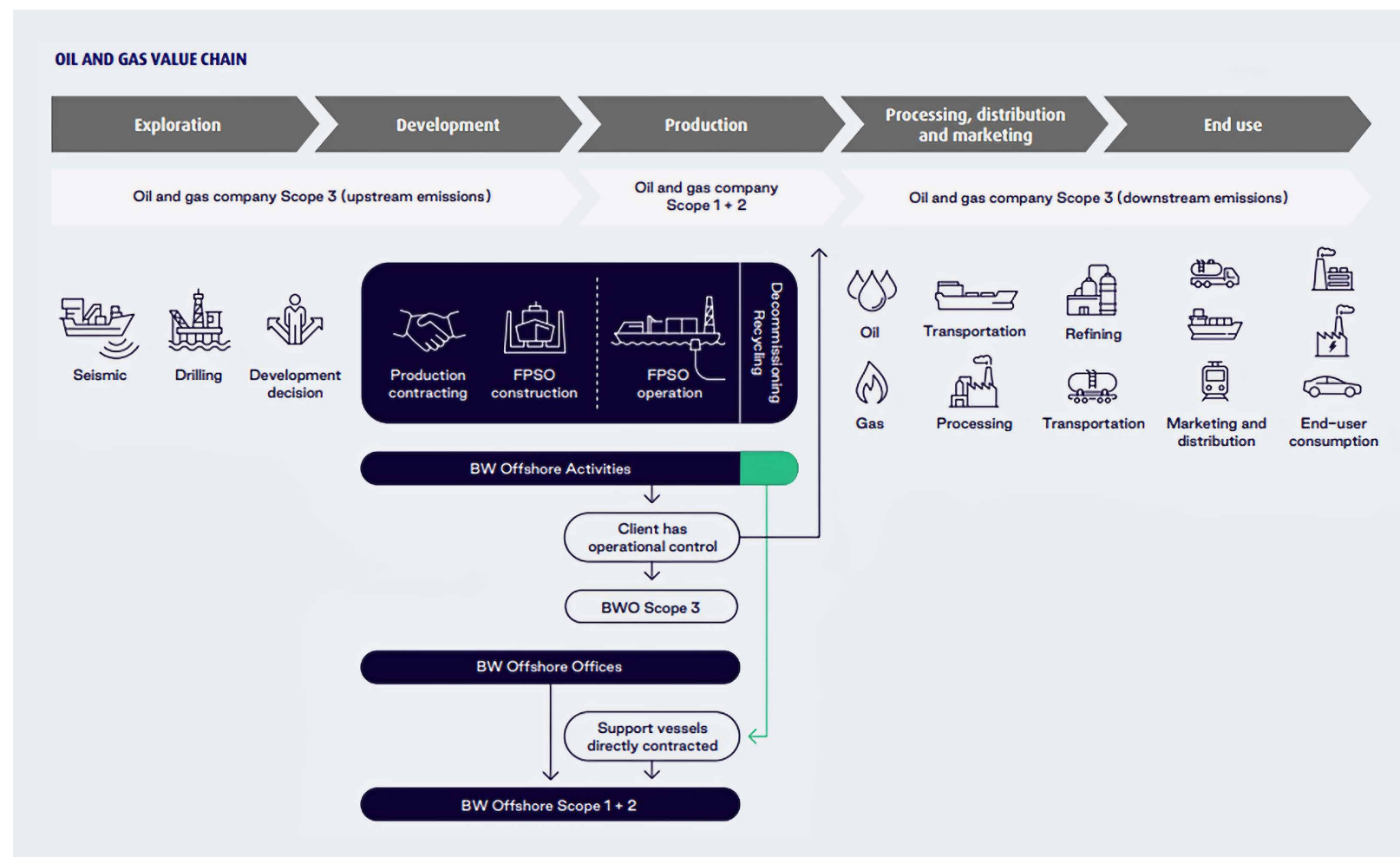
Trelleborg (p 114) has made this classic overview of their strategy, business model and value chain.

Sustainability in strategy, business model and value chain

TRELLEBORG'S VALUE CHAIN

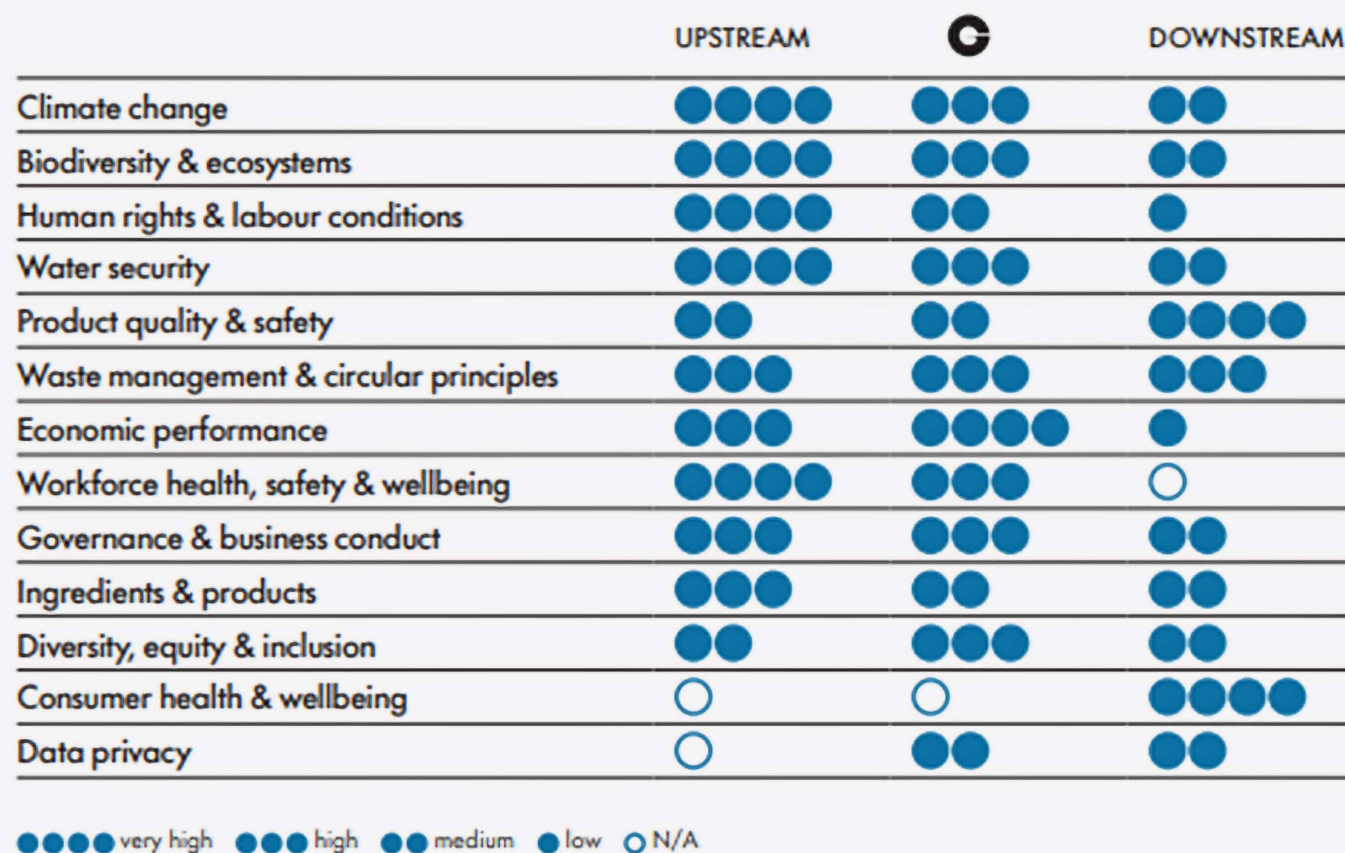


BW Offshore (p 35) explains their value chain, while also explaining where their GHG Scope 1,2 and 3 emissions stem from.

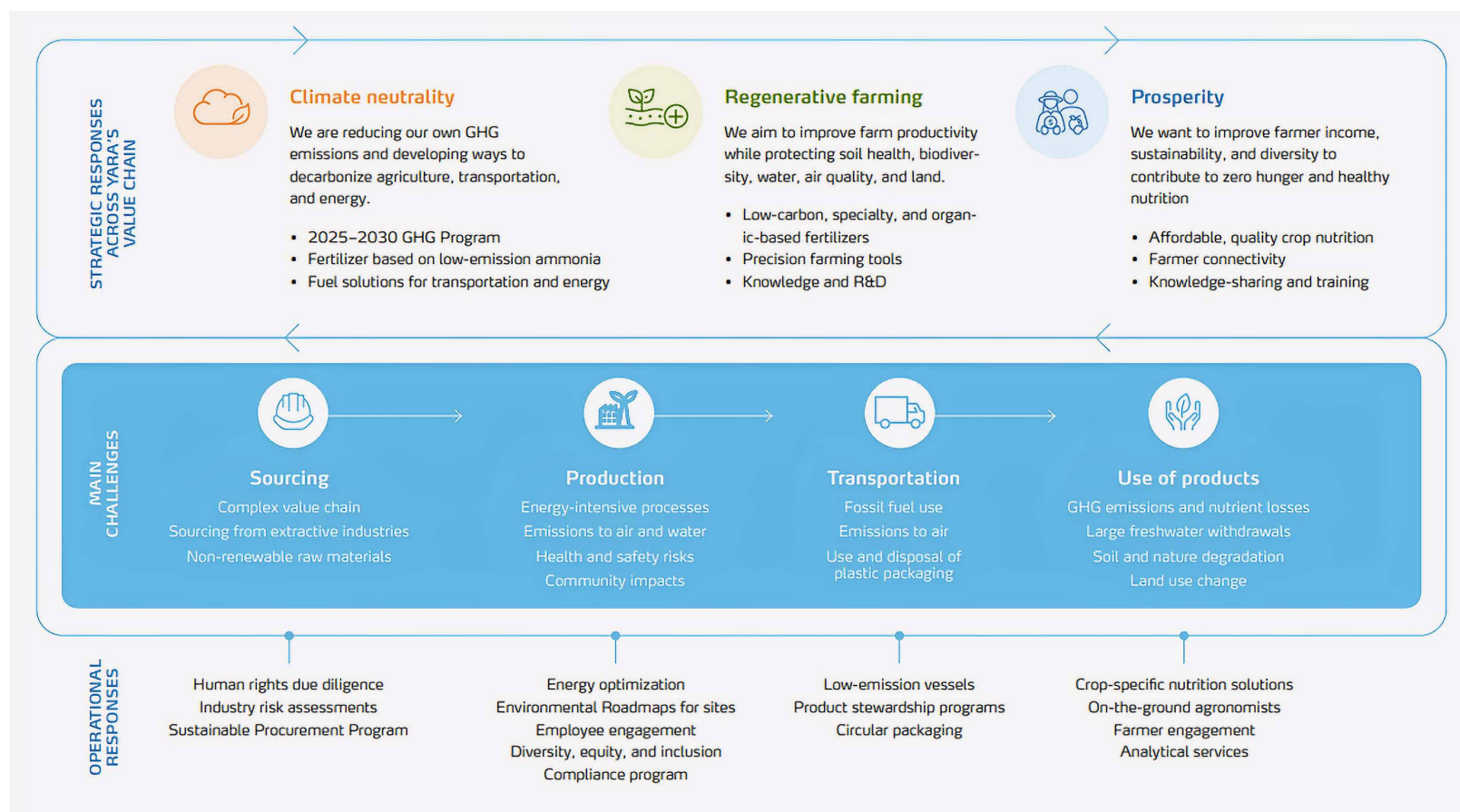


Givaudan (p 212) has made this overview of their impact on their value chain. Notice the interesting combination of topics vs. view on up- and downstream impacts.

Impact along the value chain



Yara (p 23) has made this very illustrative strategy illustration.



We call this chapter for TCFD (Task force on Climate-related Financial Disclosure), because TCFD is referred to as a possible inspiration in the ESRS, but in reality, it is the TCFD which has influenced the Disclosure Requirement E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities. TCFD was published in 2017⁵, and many companies signed TCFD and tried to report accordingly. In this sense it is not rare, and therefore does not merit inclusion in

this report. But so far companies have rarely made the scenario component work well, and their risk reporting has not been successfully quantified or monetized⁶ – as requested in TCFD and now also in DR E1-9. In this chapter we will focus on the scenario work, quantification and monetization. The latter is still rare.

H+H (p 56) has undertaken this scenario reporting, which does appear text heavy but is also quantified.

Climate-related scenario analysis

In 2022, we conducted a climate-related scenario analysis using the TCFD guidelines to assess transition and physical risks and opportunities and how they might impact the resilience of our business strategy. The analysis was refreshed in 2023.

The analysis was based on the Net Zero 2050, Delayed Transition and Current Policies scenarios released by the Network for Greening the Financial System (NGFS) in 2021. These describe warming of 1.5°C, 1.8°C and +3°C respectively*.

The scenarios considered H+H's full value chain, including our own operations, upstream cement and lime producers and downstream customers.

The timeframe used in the scenarios defined short, medium and long-term as 2025, 2030 and 2050 respectively. The 2030 timeframe aligns with our science-based target and the 2050 timeframe aligns with our commitment to net-zero emissions by 2050, in accordance with the Paris Agreement targets.

The process included a workshop with the top 50 leaders from across the company to consider the three scenarios and identify climate-related risks and opportunities.

The findings from the scenario analysis were presented to H+H's Group Management and Board of Directors and were incorporated into our strategy. The climate-related risks are also incorporated into our annual Enterprise Risk Management (ERM) system.

Climate scenarios

The key assumptions in the scenarios are as follows:

Net Zero 2050 scenario

The Net Zero 2050 scenario is a scenario that limits global warming to 1.5 °C. It is an orderly scenario that includes stringent climate policies and fast technology change to reach net-zero emissions in 2050. Carbon prices rise to \$185 t/CO₂ in 2030, \$350 in 2040 and \$675 in 2050. This scenario tests for immediate transition risk and low physical risk.

The accelerated rollout of renewable energy and hydrogen infrastructure supports our goal to reduce emissions in our own operations.

The main variable for our ability to reduce the emissions intensity of our products is the speed at which CCUS technologies are introduced by cement and lime producers, and therefore for H+H to reduce our scope 3 emissions.

Delayed Transition scenario

In the Delayed Transition scenario, a delay means global emissions increase until 2030 and then strong policies are needed to limit warming to 2°C. Carbon prices rise rapidly from \$70 t/CO₂ in 2030 to \$325 in 2040 and \$625 in 2050. This disorderly scenario tests for delayed and high transition risk.

A delayed rollout of renewables and hydrogen infrastructure would slow our ability to reduce our operational emissions. However, this scenario aligns with the expected timing of the cement industry's decarbonisation roadmap for the introduction of CCUS technologies and therefore would not undermine our own decarbonisation plans.

Hot House World (Current Policies) scenario

This scenario assumes that only currently implemented policies are preserved, leading to climate-related hazards and high physical risks. Emissions continue to grow until 2080 leading to 3-4°C of warming and severe physical risks. We paired this scenario with data from the IPCC RCP 6.0. In Europe, where we have operations, the frequency and intensity of heat extremes, including marine heatwaves, are projected to keep increasing.

As a next step, we will consider the potential impact of physical risk on our assets.

Ørsted (p 86) has made a classification of their risks according to TCFD and EU Taxonomy.

Classification of climate-related hazards, cf. the TCFD classification and the EU taxonomy's Climate Delegated Act			
CHRONIC		ACUTE	
Temperature-related		Wind-related	
✓ Changing temperature (air, freshwater, marine water)	✓ Heat wave	✓ Changing wind patterns	✓ Cyclone, hurricane, typhoon
✓ Heat stress	✓ Cold wave/frost		✓ Storm (including blizzards, dust, and sandstorms)
✓ Temperature variability	✓ Wildfire		✓ Tornado
✗ Permafrost thawing			
Water-related		Solid mass-related	
✓ Changing precipitation patterns and types (rain, hail, snow/ice)	✓ Drought	✓ Coastal erosion	✗ Avalanche
✓ Precipitation or hydrological variability	✓ Heavy precipitation (rain, hail, snow/ice)	✓ Soil degradation	✓ Landslide
✓ Ocean acidification	✓ Flood (coastal, fluvial, pluvial, groundwater)	✓ Soil erosion	✓ Subsidence
✓ Saline intrusion	✗ Glacial lake outburst	✓ Solifluction	
✓ Sea level rise			
✓ Water stress			
✓ Hazard included in assessment ✗ Hazard not relevant to include due to geographical location of assets			

ABN-AMRO (p. 243) has evaluated their exposure to physical risks
– and monetized these risks.

Exposure sensitive to physical risk

Physical risk by industry

31 December 2023

(in millions)	Sector sensitivity to physical risk	Exposure located in areas sensitive to impact from chronic climate change effects ³	Exposure located in areas sensitive to impact from acute climate change effects ³	Exposure located in areas sensitive to impact both from chronic and acute climate change effects ³	Exposure located in areas not sensitive to climate change events ³	Total gross carrying amount ^{3,4}
Agriculture, forestry and fishing	MH	3,356	421	344	2,807	6,928
Mining and quarrying	ML	6	414	34	1,275	1,729
Manufacturing	M	923	966	146	4,664	6,699
Electricity, gas, steam and air conditioning supply	ML	494	295		1,318	2,107
Water supply; sewerage, waste management and remediation activities	M	260	40	2	399	702
Construction	ML	311	440	51	2,821	3,623
Wholesale and retail trade; repair of motor vehicles and motorcycles	ML	1,176	1,419	239	5,944	8,778
Transport and storage	ML	507	1,065	288	6,972	8,833
Real estate activities	ML	1,002	1,858	174	8,034	11,067
Corporate loans in key sectors		8,035	6,918	1,278	34,234	50,466
Other sectors ¹		1,833	3,954	290	30,241	36,318
Corporate loans²		9,868	10,872	1,568	64,476	86,784

Bakkafrost (p 129) has undertaken interesting scenario reporting, where they identify the risk factors per 3 different scenarios.

Scenarios and timeframes

Scenario	Short description	Reference data
Early transition	Gradual and deliberate shift towards a low carbon economy with the outcome of successfully limiting global average temperature within 2°C by 2100.	SSP1 (UNFCCC) RCP1.9 (IPCC)
Late transition	Sudden shift towards a low carbon economy with governments making dramatic policy interventions to make up for a late start. Global average temperature increase to be kept within 2°C by 2100 with possible overshoot.	SSP1-2 (UNFCCC) RCP2.6 (IPCC)
Hot house	Continuation of current projection of carbon emissions without any significant abatement or mitigation. Likely to result in temperature increases in excess of 4°C by 2100.	SSP2-5 (UNFCCC) RCP8.5 (IPCC)

The potential impacts on Bakkafrost under each scenario have been considered for two time horizons, 2050 and 2070. These time horizons were chosen to reflect a sufficiently long-term timeframe in order to adequately capture physical risk exposure (2070), while also allowing cross comparison with transition risks (2050).

Priority risks at 2050

Value chain stage	Risk description	Early transition	Late transition	Hot house
Upstream	Sourcing feed inputs for Havsbrún (soy and marine proteins)	■	■	■
	Electricity supply	■	■	■
Direct operations	Carbon pricing	■	■	■
	Harmful algal blooms	■	■	■
	Extreme weather events	■	■	■
Downstream	Use of air transportation	■	■	■

Key: High= ■ Medium= ■ Low= ■

Ford (p.55) has elaborated on the TCFD reporting requirements, which also entails risk type, timing, likelihoods, impact – and the management’s response to the risks individually. Here is just a fraction of the risk reporting.

Material Climate-related Risks: Examples		
Climate-related Risks	Description of Risk	Description of Response
Heavy precipitation (rain, hail, snow/ice) Risk Type: Acute Physical Time Horizon: Short-term Magnitude of Impact: Medium Primary Potential Financial Impact: Decreased revenues due to reduced production capacity Likelihood: About as likely as not	<p>Ford's production, as well as our suppliers' production, and/or the ability for products to be delivered to consumers could be disrupted by natural or man-made disasters, adverse effects of climate change, or other factors. As one example, global climate change has the potential to lead to increased extreme precipitation events that produce ice or flooding which can disrupt production either directly or through interruptions to our supply chain.</p> <p>In 2021 an acute weather event, Winter Storm Uri in the United States, caused significant disruption to supplier facilities due to ice and subfreezing temperatures causing widespread power outages. Over 500 different parts and dozens of Tier 1 suppliers were impacted by raw material shortages. These suppliers provided parts for most of our North American assembly plants including those in Kentucky, Michigan, Missouri, Canada, and Mexico.</p>	<p>Purchasing operations engages in an organization-wide Supply Risk Management process that focuses on strategic and tactical planning to minimize disruption for the Ford vehicle and component assembly plants due to supply chain events, including acute climate-related situations.</p> <p>Ford has implemented an N-Tier Supply Mapping and Risk Sensing solution which provides a consolidated reporting view of Ford's multi-tier supplier network, supplier risk scores, and daily risk events in the form of user interactive visuals. Beginning in 2022, we used these tools to understand the potential business disruption exposure of daily risk events including storms, tornadoes, and tsunamis. In addition, a predictive tool has been developed by the Ford Global Data Insight & Analytics team. This system, named Supplier Performance and Risk (SPR), allows us to monitor a host of predictive data inputs to mitigate potential supply disruptions.</p> <p>When the platform identifies risks, the team notifies suppliers, who respond with their status. The supplier status data are used to identify any disruptions and enable mitigation actions within five days. Collaborative tools under deployment in 2024 will allow for instant communication which will reduce the alert and response time to hours.</p>
Changing customer behavior Risk Type: Transition Risk — Market Time Horizon: Medium-term Magnitude of Impact: Medium Primary Potential Financial Impact: Decreased revenues due to reduced demand for products and services Likelihood: Likely	<p>We have announced our intent to continue making multi-billion-dollar investments in electrification and software services. Our plans include offering electrified versions of many of our vehicles, such as the F-150 Lightning and E-Transit. The automotive, software, and digital service businesses are very competitive and are undergoing rapid change. Traditional competitors are expanding their offerings, and new types of competitors (particularly in our areas of strength, such as trucks, utilities, and commercial vehicles) are entering the market. New competitors may possess superior technology and may have business models that are more efficient and are not subject to the same level of fixed costs as ours. These factors increase the importance of our ability to anticipate, develop and deliver products and services that customers desire on a timely basis, in quantities in line with demand and at costs low enough to be profitable. If the EV market does not develop at the rate we expect; if there is a negative perception of our EVs or about EVs generally; or if consumers prefer our competitors' vehicles or technologies, there could be an adverse impact on our financial condition or results of operations.</p>	<p>Ford's long-term competitiveness depends on the successful execution of the Ford+ plan in order to more effectively compete in the marketplace and adapt to evolving customer preference. Ford+ is focused on delivering distinctive and increasingly electric products plus always-on customer relationships and user experiences. Our Ford+ plan is designed to leverage our foundational strengths to build new capabilities — enriching customer experiences and deepening loyalty. To facilitate this transformation, we are making substantial investments, recruiting new talent, and optimizing our business model, management system, and organization. In executing Ford+, we must anticipate, develop, and deliver products and services with disciplined capital allocation.</p>

Ford (p. 70) also quantifies the impact for the three scenarios they have considered, per risk factor.

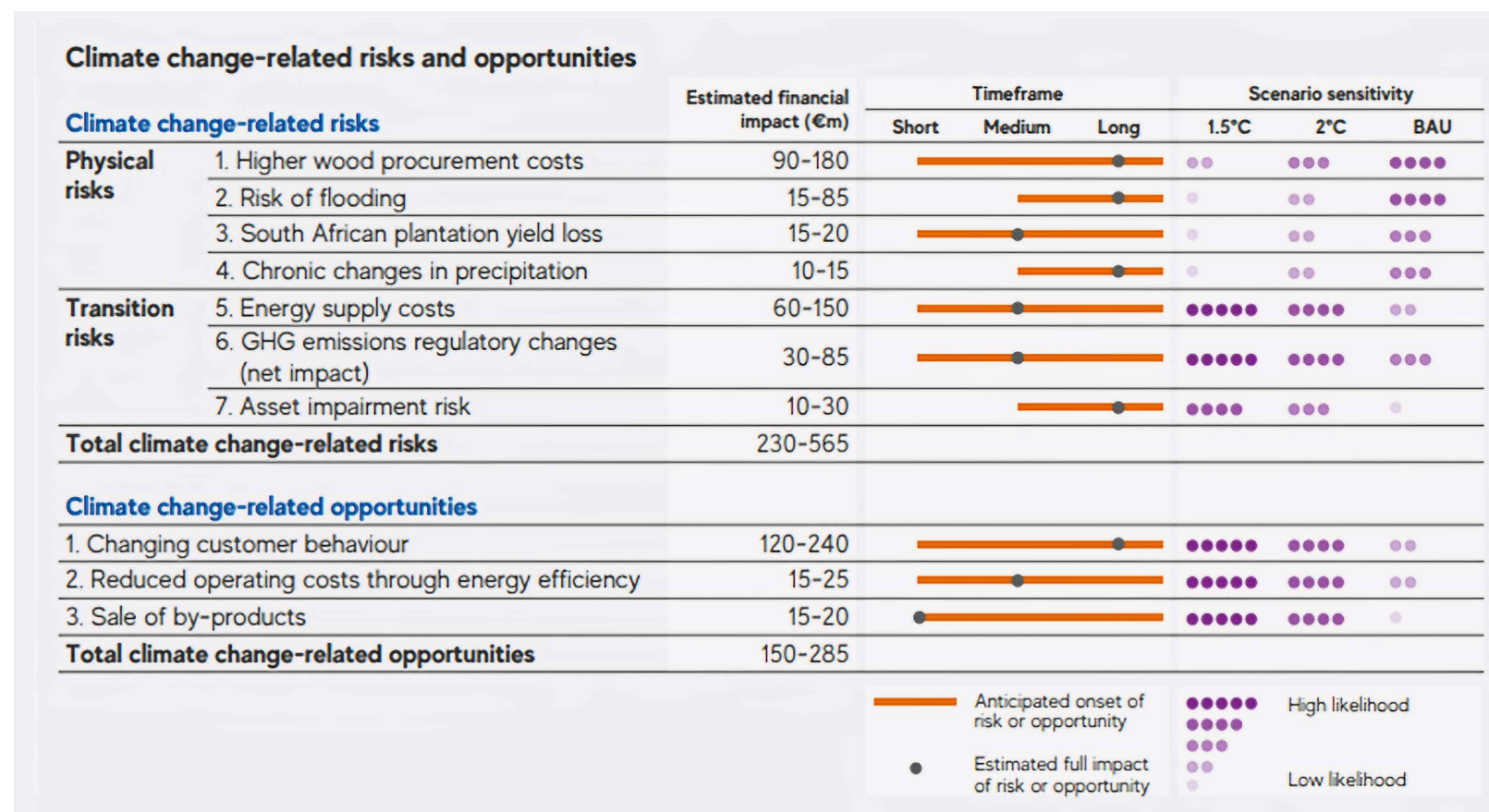
2035–2045 Scenario Comparison Overview

	Net Zero Emissions by 2050 Scenario (NZE)	Stated Policies Scenario (STEPS)	High Emissions/Temperature Scenario (RCP8.5)
Temperature Increase (2040 est.)	1.5°C	~1.8°C	2°C
Policy	Global policy implemented to limit temperature rise to 1.5°C. CO ₂ pricing rises rapidly in all regions	Today's policies with no changes Existing and planned CO ₂ pricing	No explicit climate policy
Technology	Deploys a wide portfolio of clean energy technologies	Evolutionary growth	Modest progress, focusing on unconventional fossil energy development and food security
Energy Consumption (EJ) 2022 to 2040	632 to 528, -16.5% (elec +29%)	632 to 692, +9.5% (elec: +18%)	650 to 1,000, +54%
Energy Mix	58% renewables & biomass	28% renewables & biomass	18% renewables & biomass
Energy Prices in 2030s	Oil averages \$42/bbl	Oil averages \$85/bbl	Fossil fuel prices double by mid-century (vs 2005)
EVs in 2030s	Higher EV adoption across markets	Lower EV adoption in advanced economies	Extremely limited EV adoption; continued reliance on oil in the transport sector
Environment	Less severe weather events	Increasing severe weather events	Frequent and severe weather events
Economy	3% average annual growth	3% growth slows due to high rebuilding costs	3% growth, but low per capita income increase as population growth is high. Little convergence between high- and low-income countries

Cemex (p. 259) Elaborates in-depth about the assumptions for their scenario work.

Scenario Name	No Policy Action	Stated Policies	Sustainable Development	Net Zero Emissions By 2050
Short name - external reference scenario	RCP 8.5	STEPS	SDS	NZE
Temperature range (2030-2050-2100): (Confidence level: 50%)	(1.5°C – 2.0°C – 4.3°C)	(1.5°C – 2.0°C – 2.6°C)	(1.5°C - 1.7°C – 1.6°C)	(1.5°C - 1.5°C - 1.4°C)
Reference temperature scenario	Exceed 4°C Scenario / RCP 8.5 / SSP5.8.5	> 2°C Scenario/ RCP 4.5 ⁵ / SSP2-4.5	Well Below 2°C/ RCP 2.6 ⁵ / SSP1-2.6	Net-Zero emissions by 2050 - 1.5°C / RCP 1.9 ⁵ / SSP1-1.9
Source	IPCC 5th Assessment Report / IPCC 6th Assessment Report	IEA - Energy Outlook 2021 / IPCC 5th Assessment Report ⁵ / IPCC 6th Assessment Report	IEA - Energy Outlook 2021 / IPCC 5th Assessment Report ⁵ / IPCC 6th Assessment Report	IEA - Energy Outlook 2021 / IPCC 5th Assessment Report ⁵ / IPCC 6th Assessment Report
Relevant Underlying Assumptions				
Industry policies and incentives to technology development	Lack of global GHG policies and regulations.	Different measures depending on the geography. EU: New Industrial Strategy and country-level spending on green industry pilots, circular economy and hydrogen. U.S.: Investments from a Department of Energy program to decarbonize manufacturing. LATAM: No incentives, except in Brazil.	In all geographies, policies to support increasing deployment of CCUS and hydrogen, to support circular economy, enhanced minimum energy performance standards by 2025 for electric motors and mandatory energy audits.	Relies on a much more rapid pace of technology innovation than has typically been achieved in the past and at a competitive cost. Most new clean technologies in heavy industry demonstrated at scale in 2030 and more than 90% of heavy industrial production is low emissions in 2050.
Building sector policies	NA	Different measures depending on the geography. EU: Country- level incentives for renovation and appliance upgrades, new building codes, and clean heating incentives and investment. Egypt: minimum performance standards for incandescent lamps. U.S.: Updated minimum energy performance standards. LATAM: no building policies in place but for Argentina.	Mandatory energy conservation building codes, including net- zero emissions requirement for all new buildings by 2030 at the latest.	Universal energy access and all new buildings are zero carbon-ready and 85% of all buildings are zero carbon-ready in 2050.
Carbon price (IEA reference) USD/ton	NA	EU: 2030: 65 / 2040: 75 / 2050:90 Colombia, Mexico: 2030: 15 / 2040: 20 / 2050: 30 US: Price only in California.	Advanced economies: 2030: 120 / 2040: 170 / 2050: 200 Colombia and Mexico with NZ pledge: 2030: 40 / 2040: 110 / 2050: 160	Advanced economies: 2030: 130 / 2040: 205 / 2050: 250 Developing economies: 2030:15 / 2040: 35 / 2050: 55
Cement demand and demand of low carbon products	No demand for lower-carbon products. Cement demand increases to build infrastructure adapted to the dramatic effects of climate change (floods, droughts...)	CAAGR: +0.7 in 2030 and -0.2 in 2050 Lower-carbon products demand increase +0.1	CAAGR: +0.7 in 2030 and -0.4 in 2050 Lower-carbon products demand increase +0.2	CAAGR: -0.20 in 2030 and -0.3 in 2050 Lower-carbon products demand increase +0.5

Mondi (p. 61) has created this fairly dense TCFD reporting – which is monetized and indicates opportunities.



SCOPE 3 HOT-SPOTTING

We call this chapter Scope 3 hot-spotting, as it is important for a company to be able to reduce its emissions and have an overview of its Scope 3 sources. By doing this they can identify where to focus. Scope 3 reporting is defined in Disclosure Requirement E1-6 – Gross scope 1, 2, 3 and Total GHG emissions, perhaps especially: “51. The disclosure of gross Scope 3 GHG emissions required by paragraph 44 (c) shall include GHG emissions in

metric tonnes of CO₂e from each significant Scope 3 category (i.e. each Scope 3 category that is a priority for the undertaking)”. We know from our dialogues with companies, that they struggle with Scope 3 reporting, hence we have added this chapter.

Ørsted (p 100) provides a typical GHG reporting, where Scope 3 is explained, and targets are included.

Greenhouse gas (GHG) emissions

Scope 1, 2, and 3

Data point	Unit	Target	2023	2022	Δ
Direct GHG emissions (scope 1)					
Total scope 1 GHG emissions	Thousand tonnes CO ₂ e		1,585	2,510	(37%)
Covered by the EU Emissions Trading System	%		96	97	(1%p)
Indirect GHG emissions (scope 2)					
Location-based	Thousand tonnes CO ₂ e		93	45	107%
Market-based	Thousand tonnes CO ₂ e		1	1	0%
Indirect GHG emissions (scope 3)					
	Thousand tonnes CO ₂ e		5,631	10,983	(49%)
C1: purchased goods and services	Thousand tonnes CO ₂ e		328	350	(6%)
C2: capital goods	Thousand tonnes CO ₂ e		91	1,456	(94%)
C3: fuel- and energy-related activities	Thousand tonnes CO ₂ e		1,314	1,836	(28%)
C4: upstream transportation and distribution	Thousand tonnes CO ₂ e		0	1	(100%)
C5: waste generated in operations	Thousand tonnes CO ₂ e		3	2	50%
C6: business travel	Thousand tonnes CO ₂ e		18	15	20%
C7: employee commuting	Thousand tonnes CO ₂ e		13	11	18%
C9: downstream transport and distribution	Thousand tonnes CO ₂ e		2	3	(33%)
C11: use of sold products	Thousand tonnes CO ₂ e	67% (2030), 90% (2040) ¹	3,862	7,309	(47%)
Total GHG emissions (location-based)²	Thousand tonnes CO₂e		7,309	13,538	(46%)
Total GHG emissions (market-based)³	Thousand tonnes CO₂e		7,217	13,494	(47%)
Scope 1, 2, and 3 (excl. natural gas sales)	Thousand tonnes CO₂e		3,355	6,185	(46%)
Scope 3 (excl. natural gas sales)	Thousand tonnes CO₂e		1,769	3,674	(52%)
GHG emissions outside of scope 1-3					
Direct biogenic carbon emissions ⁴	Thousand tonnes CO ₂ e		3,544	3,961	(11%)

Netcompany (p 59 and 60) explains their Scope 3 hot-spotting process quite effectively. First, they show the metrics for the Scope 3 sources they know are significant – but then they also show which sources they are still considering for materiality.

	2023*	2022	%
Significant Scope 3 GHG emissions			
Total gross indirect (Scope 3) GHG emissions (tCO₂e)	68,518.4	53,566.7	27.9%
1. Purchased goods and services	49,736.3	41,371.9	20.2%
2. Capital goods	3,987.0	2,724.2	46.4%
3. Fuel- and energy-related activities services	514.7	448.2	14.8%
6. Business travel	8,225.8	9,022.4	-8.8%
7. Employee commuting	6,054.7	N/A	N/A

Subject to further assessment before deeming materiality

- 5. Waste generated in operations
- 8. Upstream leased assets
- 11. Use of sold products
- 15. Investments

Not relevant

- 4. Upstream transportation and distribution
- 9. Downstream transportation and distribution
- 10. Processing of sold products
- 12. End-of-life treatment of sold products
- 13. Downstream leased assets
- 14. Franchises

Skoda Auto (p 35) has a very illustrative overview of their Scope 3 emissions, showing how they have developed since their baseline year per element in the value chain.



Ford (p. 138) created a more-detailed Scope 3 hot-spotting illustration. Notice how they segregate between primary Scope 3 sources and secondary sources.

Climate Change — continued

Value Chain Greenhouse Gas (GHG) Emissions

	Footnote	CSRD Metric	2021	2022	2023
Scope 1 GHG Emissions	1	E1-6			
Gross Scope 1 GHG emissions (metric tons CO ₂ e)			1,069,907	1,197,739	1,108,815
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	2		—	13%	14%
Scope 2 GHG Emissions (metric tons of CO₂e)	1	E1-6			
Gross location-based GHG emissions			—	2,557,258	2,389,387
Gross market-based GHG emissions			2,000,128	1,565,270	1,355,152
Significant Scope 3 GHG Emissions (metric tons CO₂e)	3	E1-6			
Total gross indirect Scope 3 GHG emissions			342,825,043	370,223,095	384,119,775
Category 1 — Purchased goods and services — supplier emissions			45,957,880	40,523,517	43,018,074
Category 11 — Use of sold products — vehicle use (WTW)	8		289,146,167	319,568,185	332,412,213
Scope 3 Miscellaneous	4		7,720,996	10,131,393	8,689,489
Category 2 — Capital goods			2,283,630	3,692,787	2,250,884
Category 3 — Fuel and energy-related activities (not included in Scope 1 or 2)			620,502	749,237	749,237
Category 4 — Upstream transportation and distribution			1,481,396	1,936,637	1,936,637
Category 5 — Waste generated in operations			5,515	6,634	6,634
Category 6 — Business travel			11,482	26,712	26,712
Category 7 — Employee commuting			484,506	564,852	564,852
Category 8 — Upstream leased assets	5		—	—	—
Category 9 — Downstream transportation	6		—	—	—
Category 10 — Processing of sold products	7		—	—	—
Category 12 — End-of-life treatment of sold products			876,165	1,178,242	1,178,242
Category 13 — Downstream leased assets	7		—	—	—
Category 14 — Franchises			1,957,800	1,976,291	1,976,291
Category 15 — Investments	7		—	—	—
Total GHG Emissions (metric tons of CO₂e)	1, 3	E1-6			
Total location-based GHG emissions			—	373,978,091	387,617,977
Total market-based GHG emissions			345,895,078	372,986,104	386,583,742

UCB (p 109) are using the Supplier Cascade method to mitigate their Scope 3 impacts. The Supplier Cascade method intends to create a domino effect of climate action, as each subsequent tier of

the supply chain asks its own Tier 1 suppliers to take action. Here UCB have calculated their supplier cascade coverage.

Scope 3	Category 1 – Purchased goods and services	663 936	802 472	+21%
	% of suppliers (by CO ₂ e emissions) committed to SBT-like targets ⁸	8.7% in 2019 (first year of calculation)	59.4% (β)	+50.7

SUPPLY CHAIN DUE DILIGENCE

Many of the reporting elements in the ESRS are related to the value chain of the company. Thus, it is important the company performs due diligence activities towards their supply chain, so they know whether they are aligned with the company's policies or not. Please also see Disclosure Requirement GOV-4 – Statement on due diligence, 30. The undertaking shall disclose a mapping of the

information provided in its sustainability statement about the due diligence process.

Metsä (p. 77) has made this simple report of how their supplier audits are performed and what the outcome was – a solution most should be able to replicate.


Assessed or audited suppliers and critical observations

	2023	2022
Assessed or audited suppliers	602	266
Significant environmental observations	0	0
Significant observations related to social responsibility	1	0

New supplier background checks, %

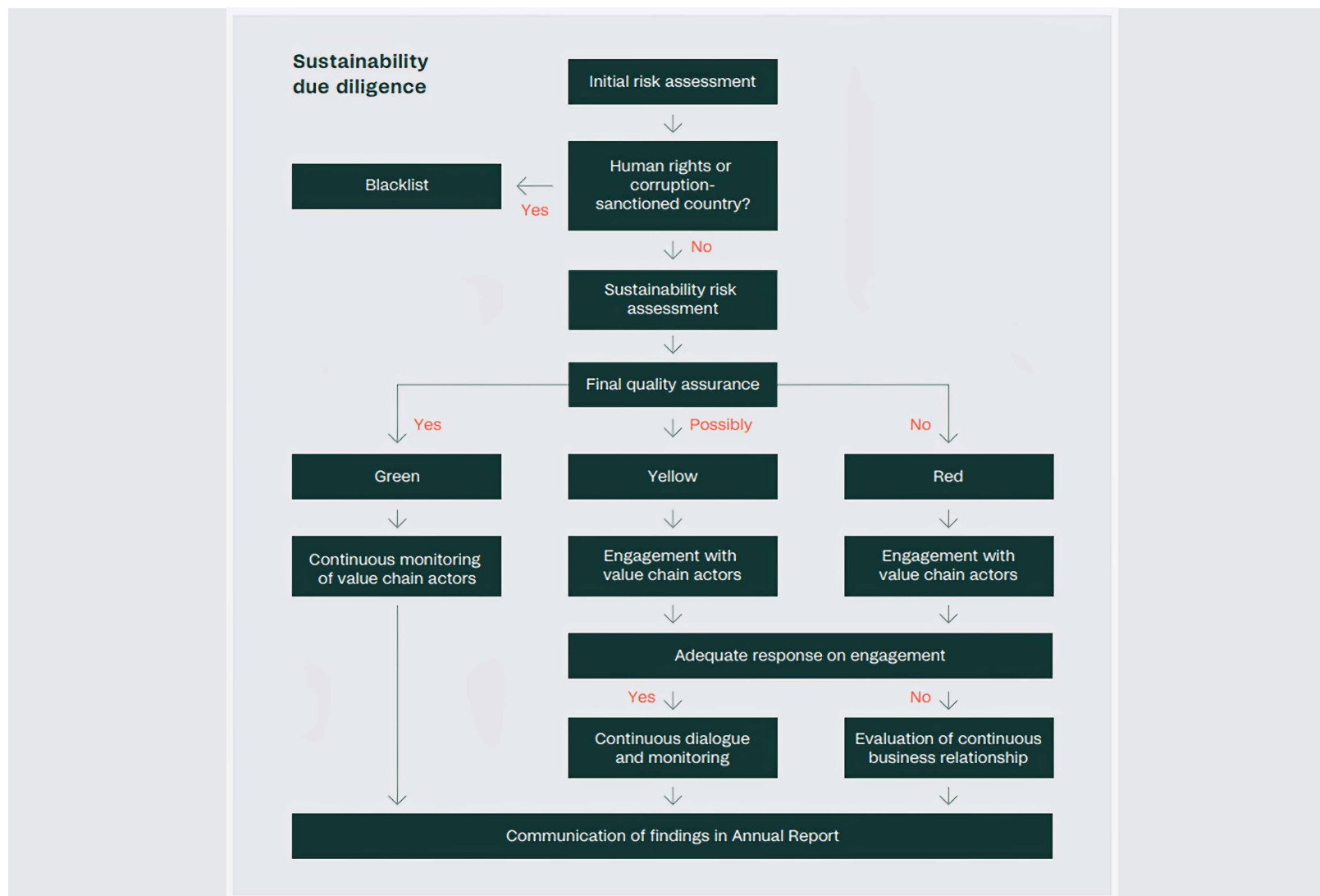
	2023	2022
Share of suppliers for which a Know Your Business Partner background check was made	89	33

Ørsted (p 130) has made an interesting overview, which is also segregated into desktop assessments and on-site audits and shows the topic of these audits.

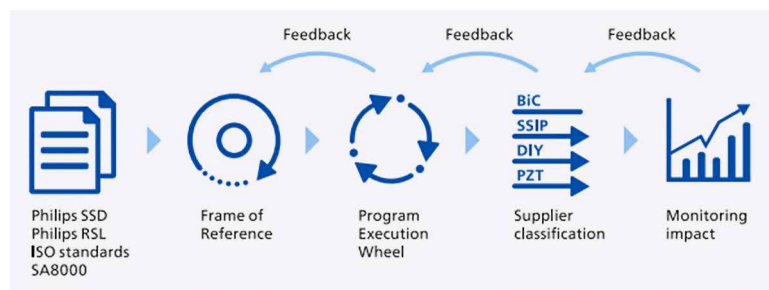
Supply chain due diligence 

Data point	Unit	2023	2022	Δ
Risk screenings				
Risk screenings (all contracts above DKK 3 million)	Number	363	331	10%
Extended risk screenings	Number	62	79	(22%)
Procurement spend that is risk-screened	%	78	85	(7 %p)
Know-your-counterparty (KYC) screenings	Number	1,456	1,421	2%
Due diligence activities conducted				
Code of conduct (CoC) desktop assessments	Number	54	47	15%
Code of conduct (CoC) site assessments	Number	9	3	200%
Health, safety, and environment (HSE) desktop assessments	Number	130	166	(22%)
Health, safety, and environment (HSE) site assessments	Number	117	94 ¹	24%
Desktop vessel inspections	Number	61	91	(33%)
Physical vessel inspections	Number	404	353	14%

Netcompany (p 41) made this very illustrative flowchart of their sustainability due diligence.



Philips (p 264) has made an illustration of their supplier audits and the process around these, just as they have also included calculation of the supplier audit's coverage.



Philips Group Significant suppliers - tier 1

	2023
Number of suppliers	152
Spend as percentage of total	20%

Philips (p. 265) also explains per topic how their suppliers have improved over a 3-year period.

Philips Group SSP 2023 performance: pro-rata improvements in %

Topics	Policy	Procedures	Implementation	Management responsibility	Communication	Risk control	Target-setting & tracking	Corrective action approach	Supplier management
Environment	2%	7%	-2%	10%	2%	23%	15%	10%	-8%
Health and Safety	11%	11%	16%	0%	6%	10%	11%	21%	4%
Business Ethics	11%	20%	9%	-4%	26%	21%	33%	26%	1%
Human Capital	13%	13%	19%	11%	7%	4%	10%	12%	-2%

StoraEnso (p 74) has made an overview of the non-compliance cases stemming from their supplier audits. Notice the reporting of termination of business relationships.

Non-compliance cases	Unit	2023	2022	2021
Potential non-compliance cases reported		131	153	117
Investigations of potential non-compliance cases closed by ECMC and DC ¹		163	140	98
of which, identified proven cases leading to disciplinary action and/or legal action		30	44	26
No. of closed cases resulting in termination of business relationships ²		6	17	11
No. of proven closed cases related to discrimination, harassment and/or bullying		7	12	11
No. of proven closed cases related to fraud and/or corruption		9	13	9

¹ Including cases reported in previous years. From October 2023, the Disciplinary Committee (DC) has the sole responsibility of the closing of compliance investigations. Previously Ethics and Compliance Management Committee (ECMC).

² Including cases involving more than one employee being dismissed.

Ford (p. 151) has made this supply chain assessment, elaborating on reporting findings.

Human Rights — continued

Supply Chain Management — Human Rights Assessments (continued)

	Footnote	CSRD Metric	2021	2022	2023
RBA Supplier On-Site Audit Scores — Initial and Closures (Average)					
Initial Audit Score (average)			107	104	79
Closure Audit Score (average)			189	174	137
Percent of suppliers audited that had non-conformance			—	100%	100%
RBA Supplier On-Site Audit Findings — category non-conformances found in initial audits conducted (non-conformance type percent of total)					
Management Systems			29%	28%	40%
Labor			28%	38%	28%
Health and Safety			28%	27%	18%
Environment			11%	6%	7%
Ethics			3%	1%	3%
RBA Supplier On-Site Audit Findings — category non-conformances found in initial audits conducted (percent of non-conformance category)					
Management System					
Supplier Responsibility			24%	30%	20%
Risk Assessment and Risk Management			11%	9%	19%
Communication			6%	6%	13%
Company Commitment			1%	2%	8%
Documentation and Records			6%	1%	4%
Audits & Assessments			15%	15%	2%
Management Accountability and Responsibility			15%	17%	1%
Improvement Objectives			8%	8%	1%
Legal and Customer Requirements			7%	5%	1%
Training			3%	4%	1%
Worker Feedback and Participation			4%	2%	0%
Corrective Action Process			2%	1%	0%

CTAPs

CTAPs (Climate Transition Action Plans) are defined in Disclosure Requirement E1-1 – Transition plan for climate change mitigation, 14. The undertaking shall disclose its transition plan for climate change mitigation. Appendix A Application requirements shows an illustrated example of a plan as a waterfall model (AR 31). Due to this illustration, we see many waterfall models, and we

will therefore only include one or two of these below, and rather focus on other solutions or extended solutions which may be more interesting and inspiring.

StoraEnso (p.39) has made a fairly classic climate roadmap in a waterfall model.



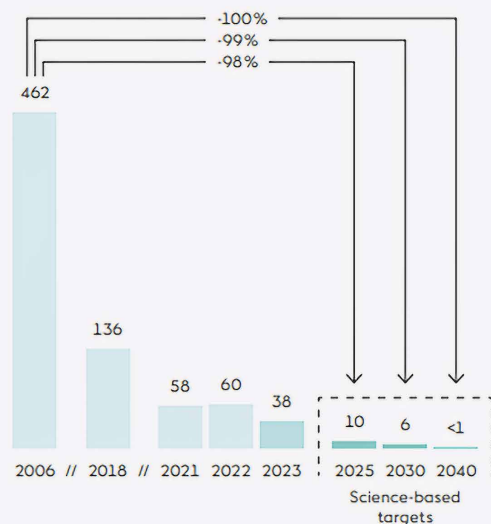
Ørsted (p 91) made their CTAP divided per scope of emissions

Targets

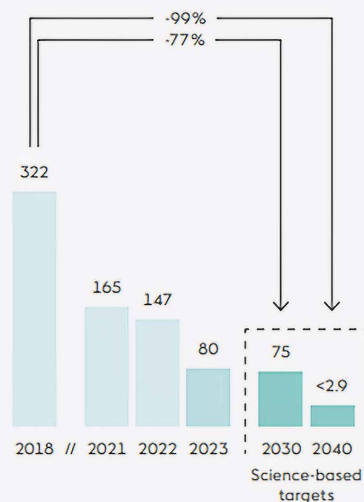
In 2021, Ørsted set a 2040 reduction target for scope 1-3 emissions and became the first energy company with a science-based net-zero target. As of today, we are on track to meet our near-term scope 1-2 intensity target, and we have already met our 2032 absolute scope 3 emissions target. To continue providing clarity on the near-term direction of our decarbonisation efforts, we have developed a portfolio of new near-term targets that outline our 2030 ambitions on the same KPIs that we already use for our 2040 targets. These new targets outline the pathway for our near-term efforts to decarbonise our value chain,

while also putting a cap on emissions from natural gas sales based on the substantive reductions we have already achieved.

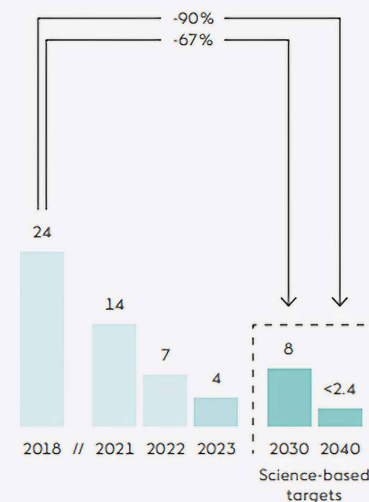
Our new 2030 targets have been submitted to the SBTi and are currently undergoing their formal target validation process. The SBTi expressed that they welcome our more ambitious 2030 decarbonisation targets, which provide a greater visibility on the pathway towards our science-based 2040 net-zero target.



Scope 1-2 greenhouse gas emissions intensity
g CO₂e/kWh

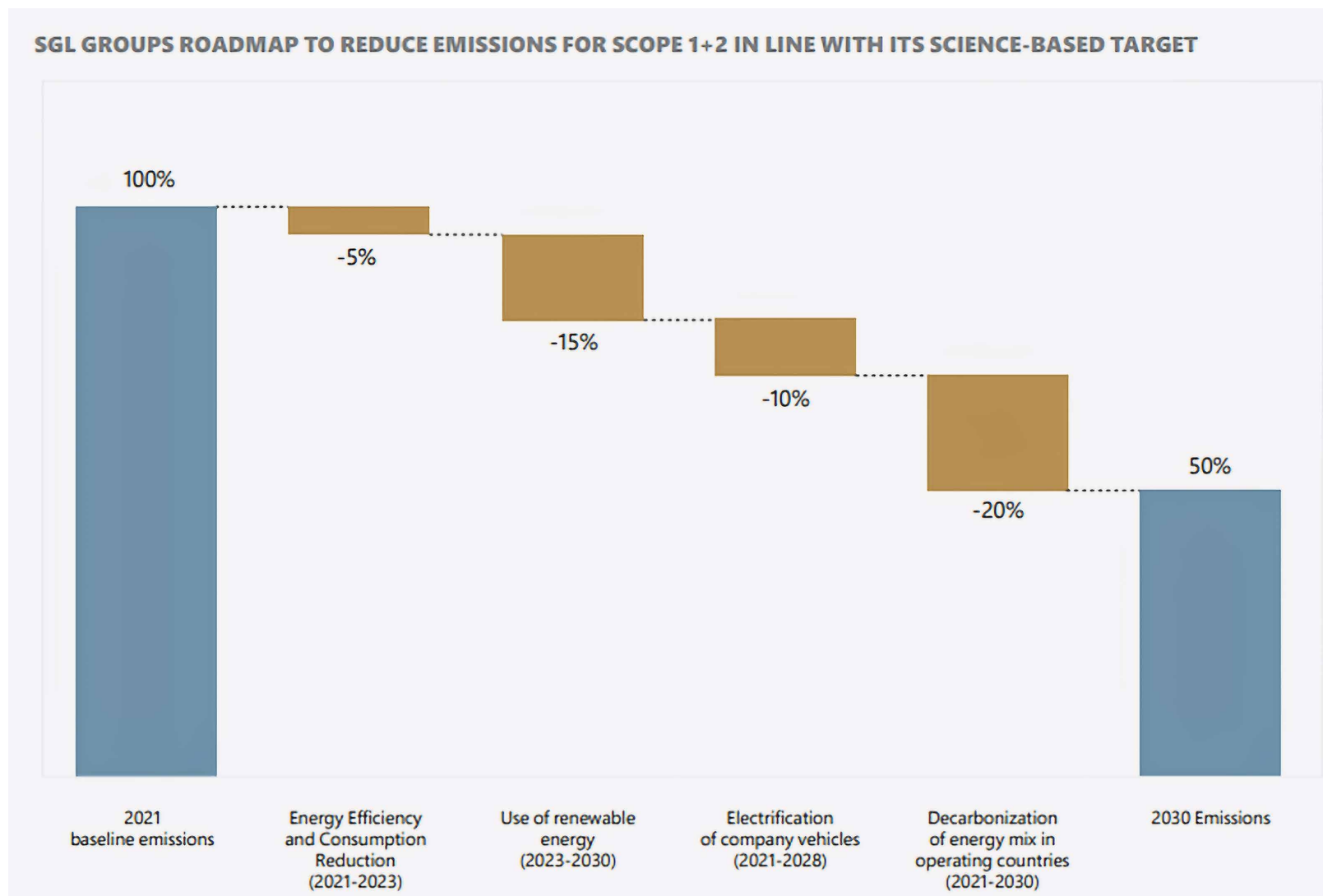


Scope 1-3 greenhouse gas emissions intensity (excl. natural gas sales)
g CO₂e/kWh

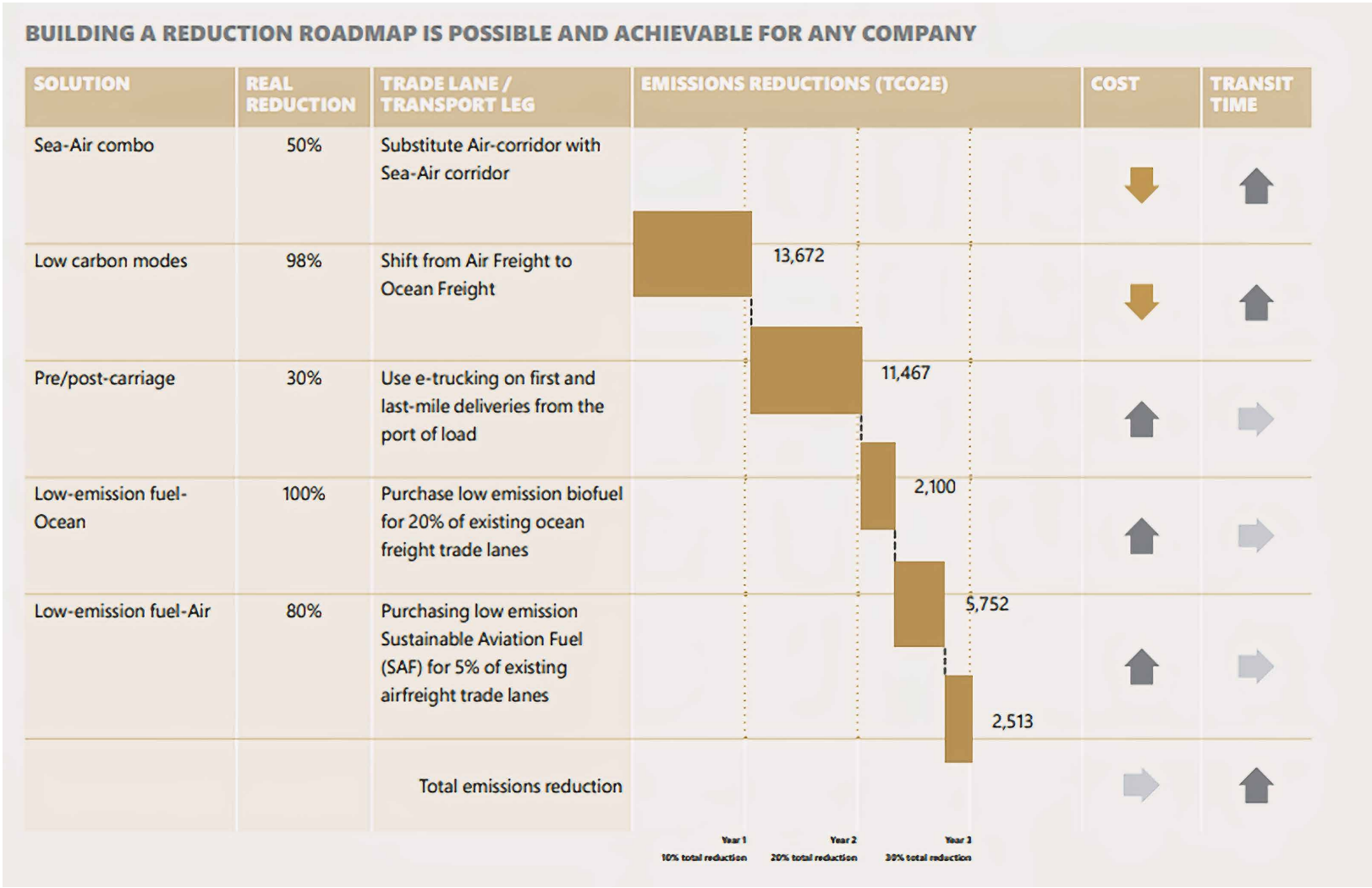


Scope 3 greenhouse gas emissions from natural gas sales
Mt CO₂e








Scan Global Logistics (p. 51) also made a classic climate roadmap in a waterfall model – but...



But added to this, Scan Global Logistics elaborates the CTAP even further for each solution (p. 68), and also indicates the cost impact trends from the solution.



Santander (p. 35) have made this quantified illustration of their CTAP, analysed per source

Decarbonization targets								
	Sector	Scenario	Emissions	Metric	Baseline	2020	2021	2030 targets
	Power generation	IEA Net Zero 2050	Scope 1	tCO ₂ e/MWh	0.21 (2019 baseline year)	0.17	0.19	0.11 (-46%)
	Energy (Oil & Gas)	IEA Net Zero 2050	Scope 1 + 2 + 3 ^A	mtCO ₂ e	23.84 (2019 baseline year)	22.58	27.43	16.98 (-29%)
	Aviation	IEA Net Zero 2050	Scope 1 + 2	gCO ₂ e/RPK	92.47 (2019 baseline year)	93.05	97.21	61.71 (-33%)
	Steel	IEA Net Zero 2050	Scope 1 + 2	tCO ₂ e/tS	1.58 (2019 baseline year)	1.40	1.36	1.07 (-32%)
	Auto manufacturing	IEA Net Zero 2050	Scope 3 ^A	gCO ₂ /vkm	149 (2020 baseline year)	149	138	103 (-31%) ^B
	Auto lending ^C	IEA Net Zero 2050	Scope 1 + 2	gCO ₂ e/vkm	137 (2022 baseline year)	N/A	N/A	75-89 (-35-45%)
	Thermal coal	Phase-out targets to eliminate exposure by 2030 to power generation customers with a revenue dependency on coal of over 10%, and thermal coal mining						

^A Use of sold products.
^B Target reduction is -25% vs 2021 reference
^C Consumer lending for the acquisition of passenger cars, covering a significant majority of the exposure in Europe.

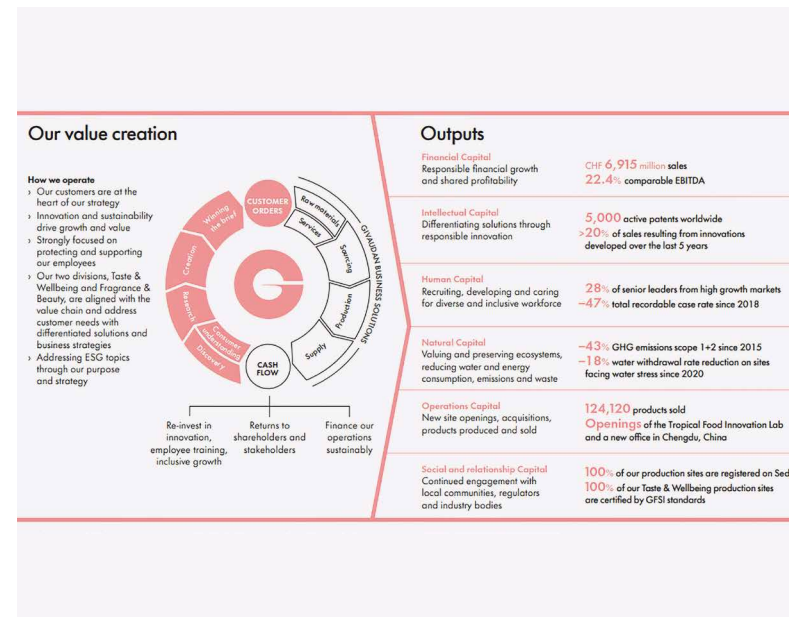
INPUT-OUTPUT-OUTCOME MODELS

This chapter is related to Disclosure Requirement E5-4 – Resource inflows and Disclosure Requirement E5-5 – Resource outflows; but is also very much related to the old Integrated Reporting (IIRC) framework, which now has been merged with ISSB⁸. The models are based on life-cycle assessment⁹ and material flow analysis¹⁰ – and as such focus on circular economy, which are often input factors to the materiality assessment. See also ESRS 2, AR 8: “In order to assess materiality, the undertaking may consider Commission Recommendation (EU) 2021/2279 on the use of the

Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations”. Though life-cycle assessment models and IIRC are old frameworks and reasonably well known, fairly few companies make these assessments. So, we’ve covered them in this chapter.

Givaudan (p. 22-24) has made a very detailed input-output-outcome model, which also includes quantifications.

Inputs	
Financial Capital Solid foundation available to the Group	A–S&P, Baa1 Moody's Investment Grade Credit Rating CHF 3,998 million of equity
Intellectual Capital Technology, patents, know-how, processes	64 creation and research centres CHF 519 million R&D spend
Human Capital The skills, motivation, diversity of our people, best-in-class health and safety procedures	>16,200 employees 80% response rate in the employee engagement survey
Natural Capital Raw materials, indirect materials and services, responsible and innovative sourcing programmes	>11,900 different raw materials sourced 120 countries of sourcing
Operations Capital Production sites, infrastructure, end-to-end supply chain solutions	78 production sites supporting our customers' growth globally 3–4% of sales invested annually in CAPEX
Social and relationship Capital Our relationships with local communities, regulators and industry bodies, brand and reputation	>17,000 suppliers 71 community projects in 32 countries



Impacts¹

Environmental

+ IMPACTS

- › Contribute to climate action and resilience
- › Contributing to the preservation and restoration of biodiversity
- › Conserve resources, avoid unrecycled waste and strengthen circularity
- › Increase access to more sustainable products

- IMPACTS

- › Emission of CO₂ and other gases that affect the climate
- › Potential risk of land-use change
- › Water use in water-stressed areas
- › Waste directed to disposal

OUR MITIGATION MEASURES

- › Climate transition plan
- › Assessing our biodiversity risks
- › Sustainable energy and water management
- › Circularity principles

Social

+ IMPACTS

- › Prioritise safety and encourage a culture of care
- › Provide attractive jobs, promote diversity
- › Pay competitive wages and salaries
- › Improve mental and physical health
- › Improve livelihoods of farmers, workers and wider communities in areas where we source

- IMPACTS

- › Workplace safety and health incidents
- › Personal adjustments
- › Potential risk of deviation or violation of labour, environmental and social standards

OUR MITIGATION MEASURES

- › Inclusive health and safety programmes
- › Compliance programme, code of conduct
- › Projects to improve environmental and social impact in the supply chains
- › Selection and evaluation of suppliers

Economic

+ IMPACTS

- › Drive inclusive and economic growth
- › Higher incomes and better standards of living
- › Offer investors an attractive dividend yield
- › Contribute to a fair share of tax contributions where we operate

- IMPACTS

- › Slowdown in growth due to the uncertain macroeconomic and geopolitical environment
- › Slowdown due to supply chain disruption impacting operations
- › Weakening of performance from rising interest rates and foreign currency volatility

OUR MITIGATION MEASURES

- › Naturally hedged business (portfolio, geography, customers)
- › Systematic cost management
- › Programme of continuous improvement
- › Automation and leveraging technology
- › Strong governance and risk management

Outcomes

Long-term growth for our stakeholders, our business, for society and the planet

- › Creations
- › Nature
- › People
- › Communities
- › Financial performance

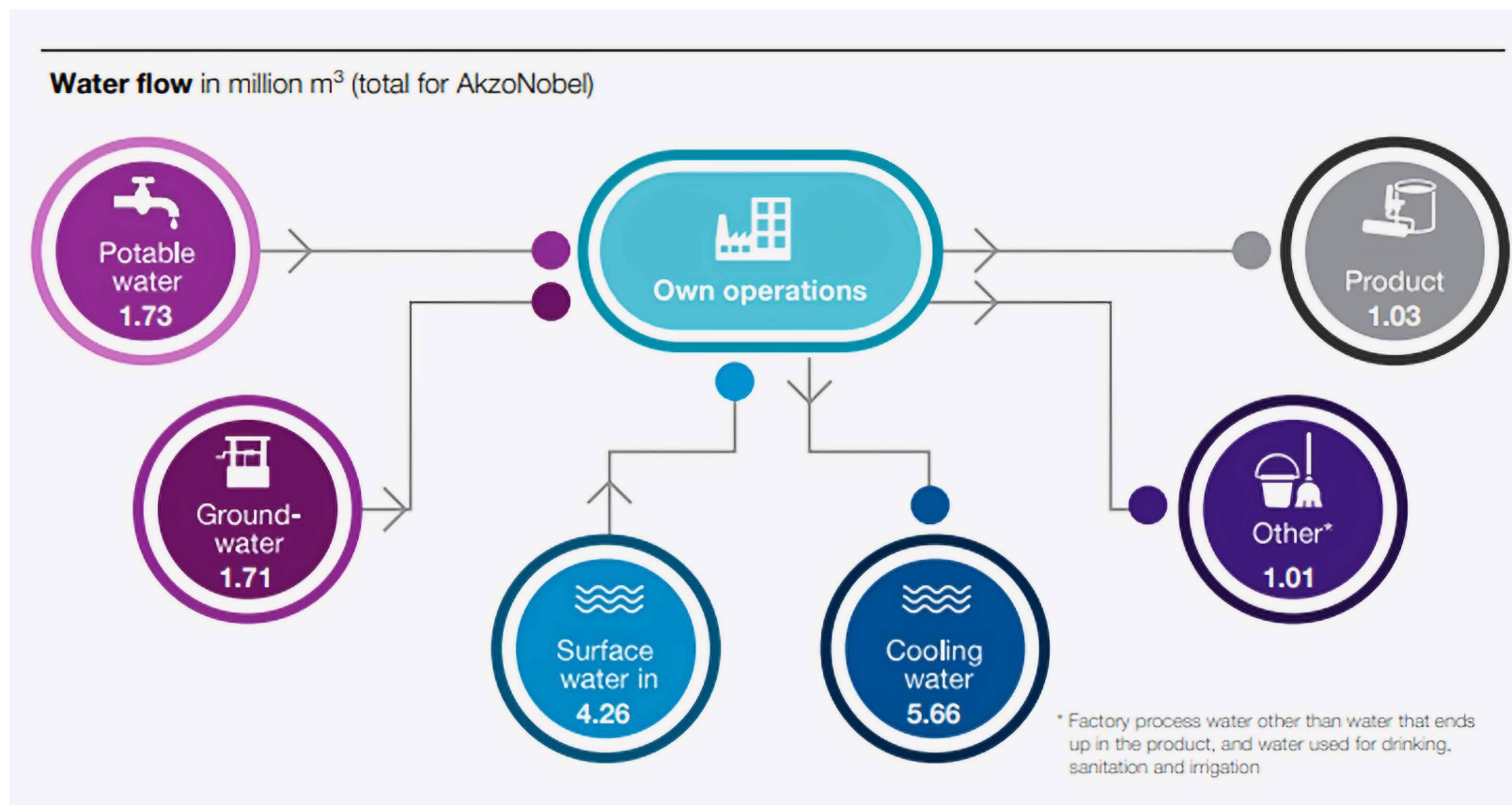
Effective and transparent governance

Our contribution to the United Nations Sustainable Development Goals

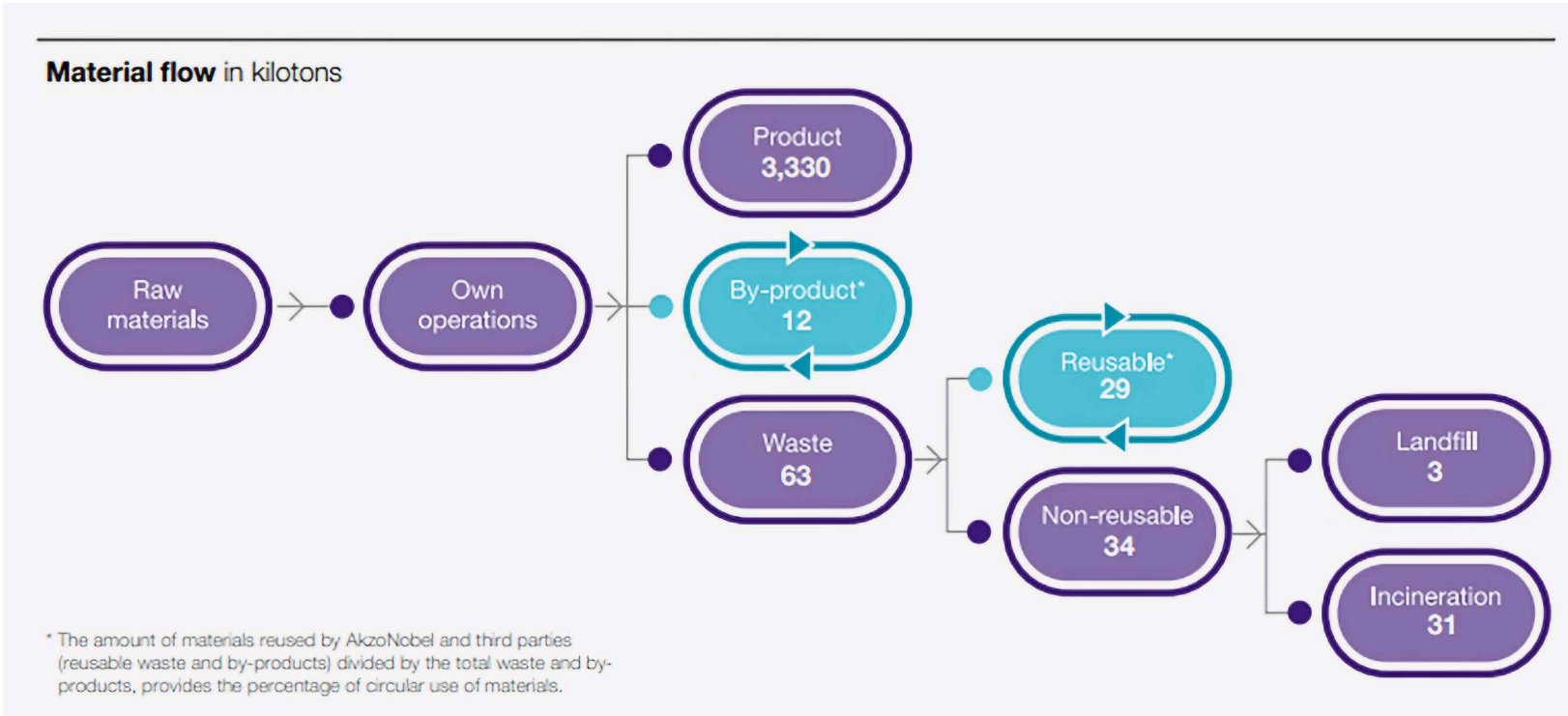


1. A non-exhaustive list. Details on our impacts are discussed in the chapter ESG impact and progress pp83–194.

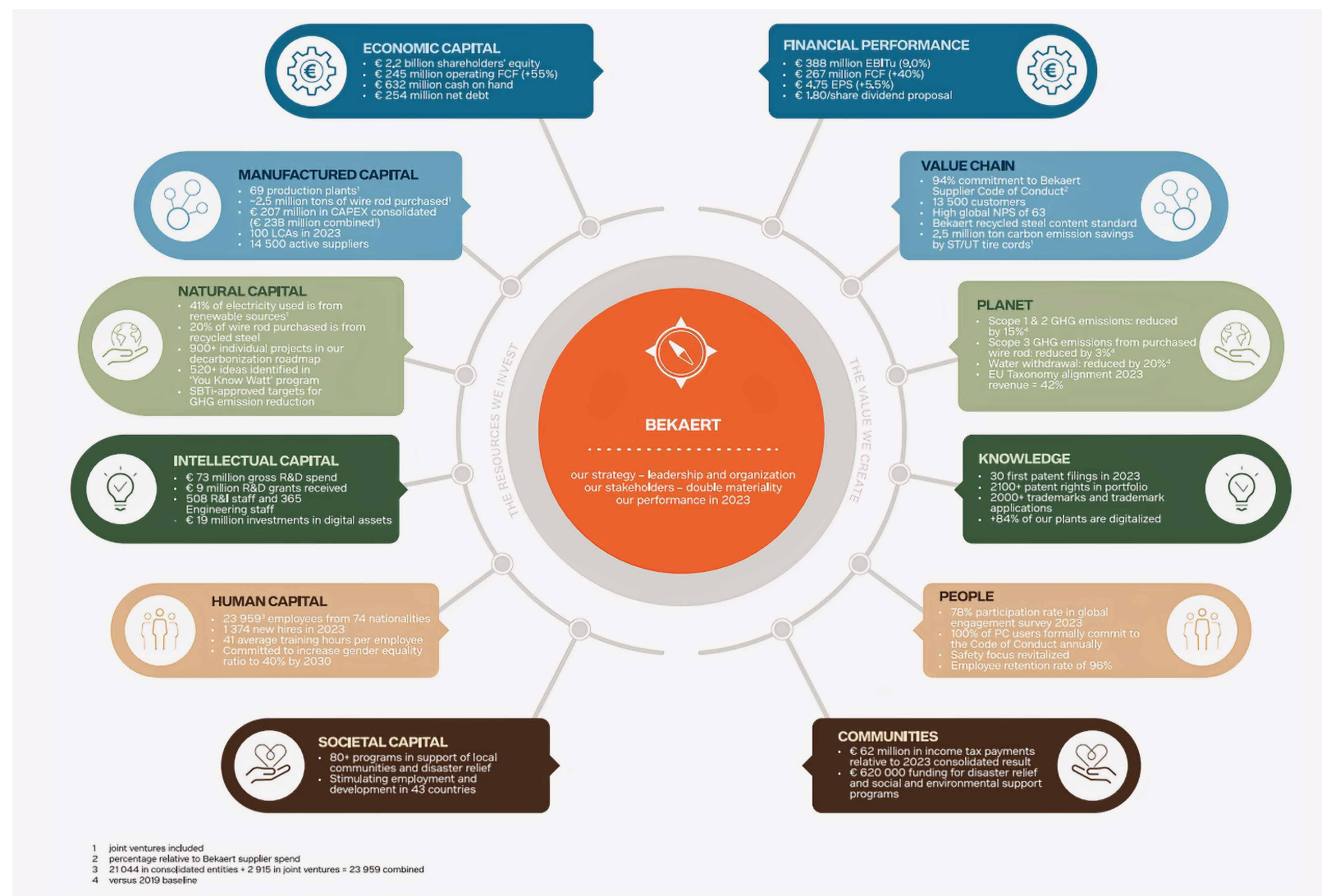
AkzoNobel (p. 33) has made this illustration of their water in- and outflow.



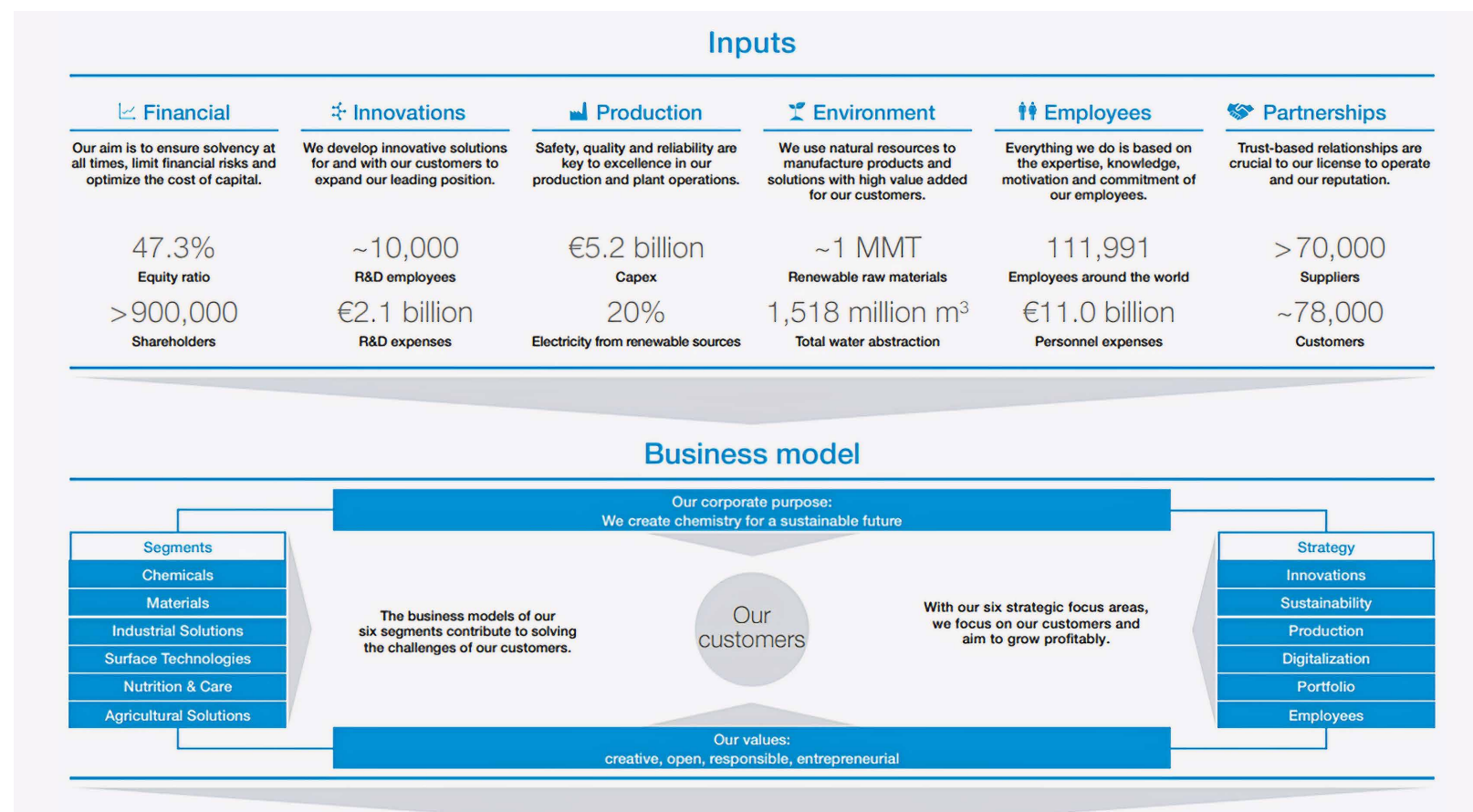
AkzoNobel (p. 35) has also made this illustration of their material flow from raw materials over products to waste.



Bekaert (p. 37) has made this illustration of their input-output-outcome, which they have combined with their strategy and achievements so far.



BASF (p. 52) provides this interesting input-output-outcome model.
Notice also, the quantification for input and output.

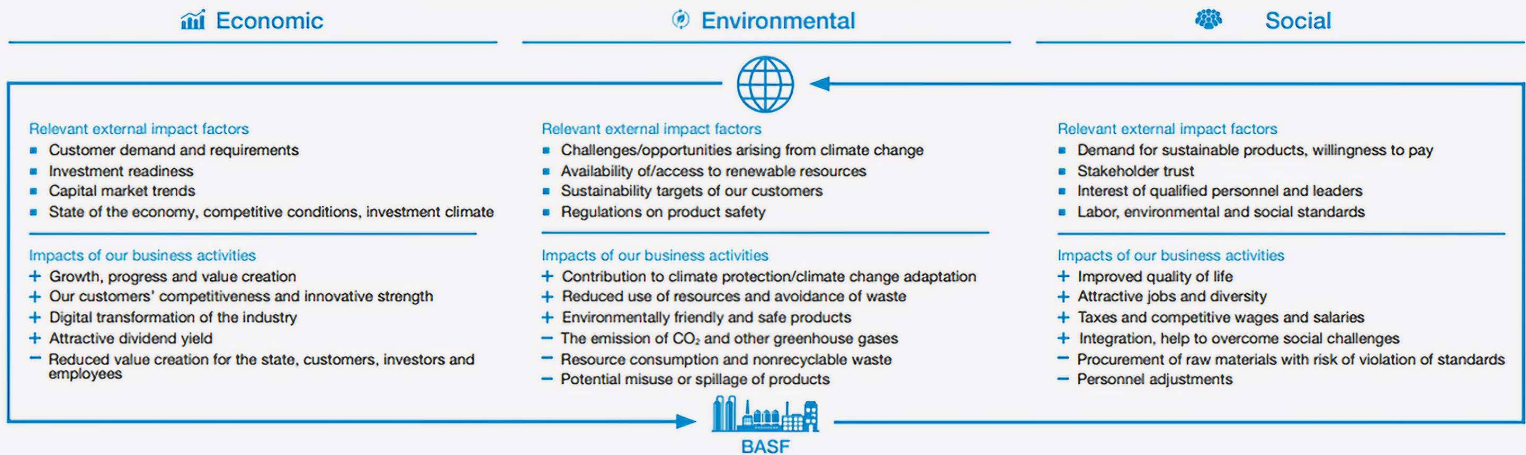


Outputs

Financial	Innovations	Production	Environment	Employees	Partnerships
€3.8 billion EBIT before special items	~1,000 New patents worldwide	~45,000 Sales products	> 1,400 Mass balance products based on alternative raw materials	79% Engagement index according to 2023 employee survey	668 Suppliers screened by BASF as part of Together for Sustainability
€3.0 billion Proposed dividend payment to shareholders ¹	> €10 billion Sales of products that have been on the market for up to five years	5.7 MMT CO ₂ emissions avoided through the Verbund and combined heat and power generation	79% Water demand recirculated	28.4% Women in leadership positions	~50 Strategic customer networks

Outcomes²

Relevant external impact factors for our company's success as well as positive and negative impacts of our business activities:



How we maximize positive impacts / minimize negative impacts:

- Corporate strategy
- Portfolio management
- Cost management and cost of capital optimization
- Differentiated Steering (from 2024 onward)

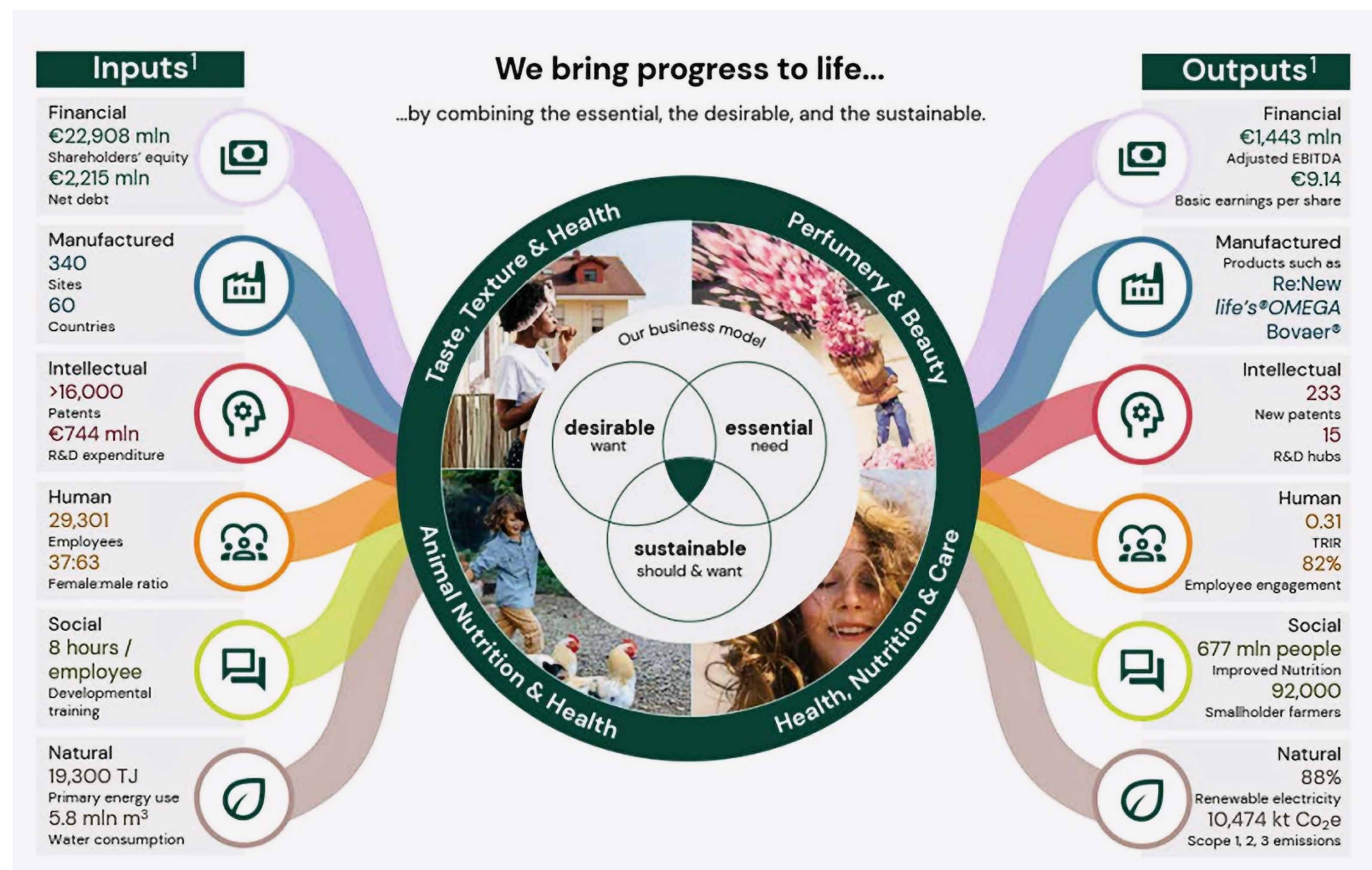
- Programs for carbon management and the circular economy
- Water and energy management
- Measures to protect biodiversity
- Responsible Care Management

- Supplier management
- Sustainability projects in the supply chains
- Compliance Program and Code of Conduct
- Employee training programs

Impact

We achieve long-term business success by creating value for our customers, our shareholders, our company, the environment and society (see basf.com/en/value-to-society).

DSM-Firmenich (p. 66) has made this input-output model, which also is an illustration of their business model.



WHISTLEBLOWER REPORTING

A significant part of detecting misconduct and violation of the company's policies covering all topics of the ESRS in the company is through whistleblower solutions. Whistleblower protection is part of G1 Business Conduct.

Philips (p. 268) reports about their incoming reports of concerns of violations of their internal policies – divided per topic and over time.

Philips Group

Breakdown of reported GBP concerns in number of reports

	2019	2020	2021	2022	2023
Health & Safety	9	26	19	19	13
Treatment of employees	320	342	365	430	459
- Equal and fair treatment	55	52	31	53	53
- Employee development	9	5	20	29	41
- Employee privacy	10	8	11	6	6
- Employee relations	18	13	6	11	2
- Respectful treatment	163	160	226	255	240
- Remuneration	9	28	7	17	12
- Forced labor		1			
- Conflict of interest	1	6	7	9	3
- Working hours	14	27	10	15	14
- HR other	41	42	47	35	88
Legal	33	28	30	48	61
Quality	11	11	18	30	30
Business Integrity	138	127	112	114	137
Procurement	7	12	4	3	
IT	3	5	8	9	10
Other	24	20	54	53	54
Total	545	571	610	706	764

Philips (269) also explains the investigations they have made per concern over the last three years and concludes whether the cases were substantiated or unsubstantiated.

Substantiated/unsubstantiated concerns

Philips Group

Classification of concerns investigated in numbers of reports

Category	2021		2022		2023	
	substantiated	unsubstantiated	substantiated	unsubstantiated	substantiated	unsubstantiated
Health & Safety	3	18	6	16	2	14
Treatment of employees	87	271	121	312	89	370
Legal	8	17	11	24	9	40
Quality	4	14	6	14	7	29
Business Integrity	60	90	52	54	71	77
Procurement	1	6	1	2		
IT	5	4	2	4	4	5
Other	8	41	14	33	14	43
Total	176	461	213	459	196	578

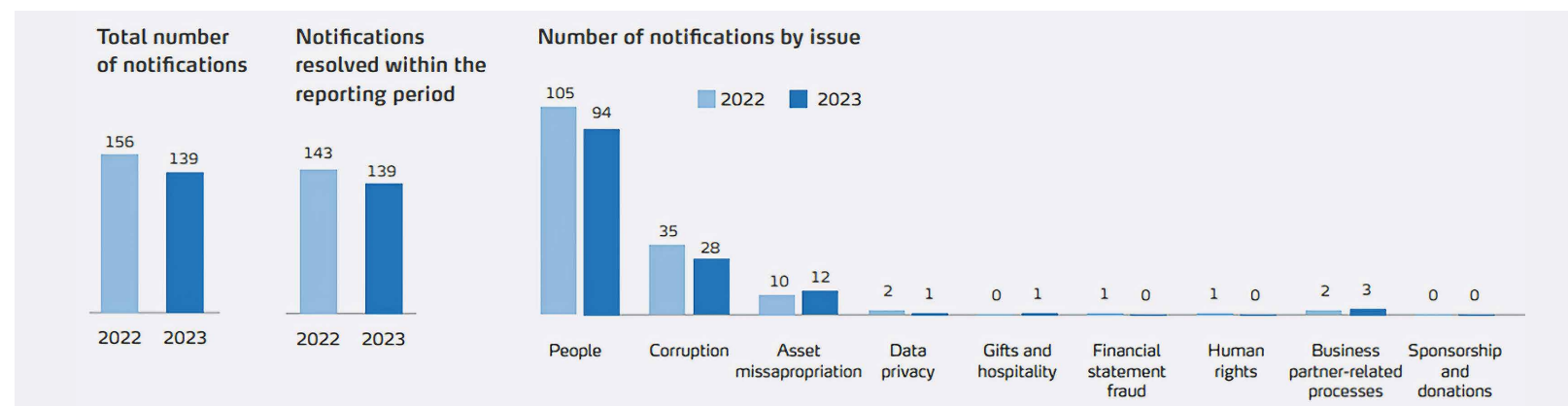
In 2023, a total of 774 reports were closed. Of these 774 reports, 196 were substantiated (i.e. were found to constitute a breach of our General Business Principles), which represents 25% of the cases closed in 2023 (32% in 2022). 19% of 'Treatment of employees' case were substantiated, compared to 28% in 2022 (2021: 24%). In addition, 48% of the 'Business integrity' reports were closed as substantiated, compared to 49% in 2022 (2021: 40%).

BW Offshore (p 83) illustrates their whistleblower cases and outcome of the supplier audits in one table.

Governance Indicators

	2023	2022	2021
Compliance			
Numbers of reports through the Speak Up Channel	10	17	19
– of which related to corruption	0	0	0
– of which related to harassment or discrimination	4	-	-
Sustainable Supply Chain			
Business partners with valid compliance assessment at year end	3 057	2 670	-
Compliance assessed business partners	685	664	1 046
New / Re-assessed vendors	35/650	284 / 380	-
New / Re-assess vendors screened using social criteria	35/650	45 / 162	-
Percentage of direct vendors screened for social criteria	100%	16%	-

Yara (p 201) has reports on whistleblowing divided per topic, and developments from last year can be followed.



DSM-Firmenich (p. 70) makes reports on whistleblowing focusing on the two different platforms they have. They also focus on how many cases they consider substantiated, not substantiated and still under investigation.

Reported allegations were primarily related to 'Discrimination, Harassment, Bullying and Retaliation' and 'Misconduct or Inappropriate Behavior'. There was one report related to bribery and corruption, investigation of which did not lead to the further substantiation of the reported concerns.

Whistleblower platform	Notifications	Substantiated	Not substantiated	Under investigation
Speak-Up	59	14	31	14
Alert	41	10	20	11
Total	100	24	51	25

INTERNAL CONTROLS

An interesting element is that ESRS requires the company to report on the internal controls set-up in relation to the sustainability reporting. Many companies already do report on internal controls, but most often only for their financial internal controls, hence reporting internal controls for the sustainability reporting is still rare. Please review Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting, 34.

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

Allianz (p. 131) explain their internal controls set-up for both the financial and sustainability reporting.

Control system for financial and non-financial reporting

Specific internal controls for financial reporting, which follow the Non-Financial Risk Management (NFRM) approach and the general Integrated Risk and Control System (IRCS), are embedded in the accounting and consolidation processes to safeguard the accuracy, completeness, and consistency of the information provided in our financial statements.

The dedicated financial reporting control system approach can be summarized as follows:

- A centrally developed risk catalog is linked to individual accounts. This risk catalog is reviewed on a yearly basis and is the starting point for the **definition of the Group's as well as the operating entities' scope of financial reporting risks**. In the course of the scoping process, both materiality and susceptibility to a misstatement are considered simultaneously. In addition to the quantitative calculation, we also consider qualitative criteria, such as the expected increase in business volume or the complexity of transactions.

- Based on the centrally provided risk catalog, our local entities **identify risks** that could lead to material financial misstatements.
- **Preventive and detective key controls** addressing financial reporting risks have been put in place to reduce the likelihood and impact of financial misstatements. When a potential risk is detected or materializes, actions are taken to reduce the impact of the financial misstatement. Given the strong dependence of financial reporting processes on information technology systems, we have also implemented IT controls.
- Operating entity level controls to address non-financial reporting risks have been introduced and will be expanded going forward.
- Group Audit and local internal audit functions ensure that these controls are subject to regular control testing, in order to **assure reasonable design and operating effectiveness**. Internal Audit does so through a comprehensive risk-based approach that assesses the key controls of the company's internal procedures and processes, including local and group-internal controls over financial reporting risks, from an integrated perspective.

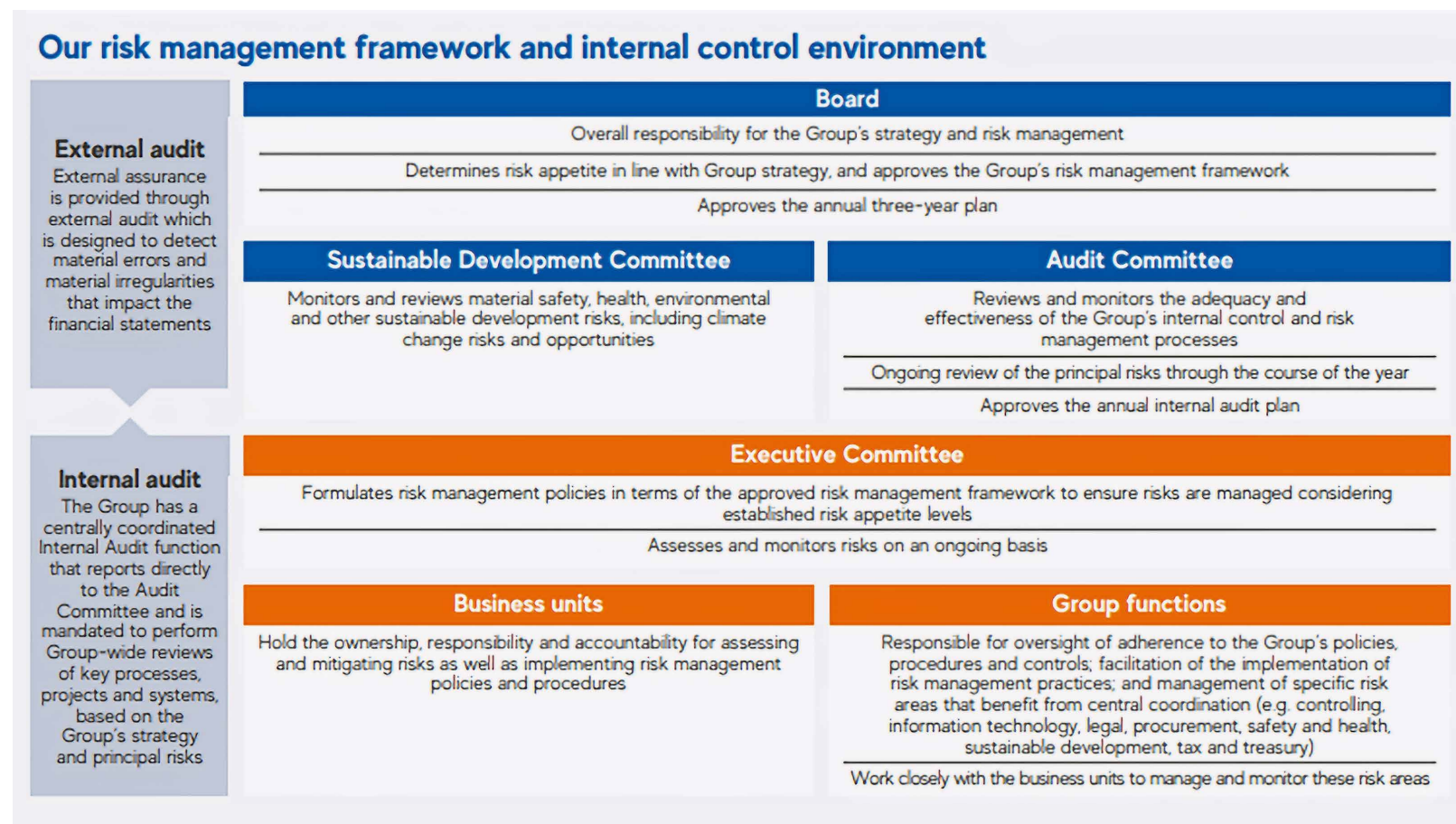
Vandemoortele (p. 43) explains their risk factors in relation to their internal control set-up to mitigate incorrect reporting.

Risks related to reporting

Our annual risk management process is designed to manage the risks associated with Vandemoortele's operations. During that process, we also monitor risks related to sustainability reporting. In 2023, the following reporting-related risks were included:

- **Sustainability reporting:** inadequate disclosure and management of environmental, social, and governance (ESG) factors may lead to reputational damage and regulatory scrutiny. These can impact stakeholder trust and business resilience.
- **Incident reporting:** delays, inaccuracies, or inadequate reports of safety incidents may result in legal and financial consequences, along with reputational damage. These can threaten consumer trust and regulatory compliance.
- **Governance and compliance reporting:** non-compliance with regulatory requirements and standards may lead to legal and financial repercussions, resulting in fines, sanctions and reputational harm.

Mondi (p. 72) illustrates their internal control environment in this way.



SUSTAINABILITY MATTERS ADDRESSED BY MANAGEMENT AND SUPERVISORY BODIES

The final element we have chosen to include in this report is also rarely reported upon. It relates very much to the previous section on internal controls but covers also other issues of how management and supervisory bodies are addressing sustainability matters. Please see Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies, 24.

The undertaking shall disclose how the administrative, management and supervisory bodies are informed about sustainability matters and how these matters were addressed during the reporting period.

BW Offshore (p 29) explains which topics their board is discussing and the frequency of these discussions.

OVERSIGHT OVER MATERIAL SUSTAINABILITY MATTERS

Our Board meets at least on a quarterly basis and cover a wide range of material sustainability matters throughout the year.

Quarterly:

- Health, Safety and Environment (HSE) statistics
- Compliance-related concerns
- Fleet-wide environmental performance
- New business opportunities
- Financial matters

Bi-annually:

- Corporate strategy
- Review of remuneration process

Annually:

- Remuneration guideline and strategy
- Corporate Risk Register
- Annual Report
- Sustainability Statement
- Organisation and competencies review
- Compliance and governance, including reviewing terms of reference for board committees
- Emerging climate-related regulations
- Cyber Security

Other topics related to material sustainability matters are discussed by the Board as required and in cooperation with management.

Another solution is from Mondi (p. 117), who alongside the financial topics also explains the Audit Committee's work on sustainability.

Understanding of the Group's risks and implications related to climate change is continuously being enhanced. While the Group's assessments still reflect that these may not be severe in the short term, it is believed that climate change risks are likely to have a medium- and long-term impact on business.

The financial statement disclosures consider the impact of climate change, notably in the estimates used to calculate the fair value of our forestry assets. The Group continues to assess accounting policies, judgements and estimates to consider the impact of climate change.

The committee has:

- participated in overseeing the Group's approach to sustainability;
- received regular reports from management about climate change and related legislative developments that may impact the Group's disclosure;
- reviewed the Integrated report (including the TCFD section) and the financial statements for consistency with respect to climate change risks;
- reviewed the assumptions applied in the valuation of the forestry assets;
- considered accounting policies, judgements and estimates on the basis of expected climate change impacts; and
- satisfied itself that the assumptions, and the changes to those assumptions when compared with the year ended 31 December 2022, were appropriate.

FINAL REMARKS

These are the examples we have chosen to showcase. As mentioned, they are only supposed to serve as inspiration for the reporting companies as they prepare their upcoming reports. We hope, you found the examples interesting.

OVERVIEW OF COMPANIES INCLUDED IN THE REVIEW

Corporate name	Report link	TRBC sector	HQ country
ABN AMRO Bank	ABN AMRO – Integrated Annual Report 2023 (ctfassets.net)	Banking & Investment Services	Netherlands
AkzoNobel	Annual report 2023 (akzonobel.com)	Chemicals	Netherlands
Allianz	Annual Report 2023 Allianz Group	Insurance	Germany
Arla Foods	arla_annual-report-2023_uk_v2.pdf	Food & Beverages	Denmark
Bakkafrost	integrated_report_bakkafrost_2023.pdf (cdn.fo)	Food & Beverages	Faroe Islands (Denmark)
BASF	BASF-Report_2023_Master_englisch	Chemicals	Germany
Bekaert	Integrated Annual Report 2023 Document (bekaert.com)	Chemicals	Belgium
BW Offshore	BW Offshore - 2023 annual report	Energy - Fossil Fuels	Norway/Singapore
Cemex	Cemex 2023 Integrated Report - Setting the Pace	Mineral Resources	Mexico
DSM-Firmenich	entire-dsmfirmenich-iar23.pdf (dsm-firmenich.com)	Food & Beverages	Switzerland
Ford	On The Road to Better Helping Build a Better World (q4cdn.com)	Automobiles & Auto Parts	USA
Givaudan	giv-2023-integrated-report.pdf (givaudan.com)	Cyclical Consumer Products	Switzerland
H+H	annual-report-2023.pdf (sitecorecloud.io)	Mineral Resources	Denmark
Helvar	Helvar-Sustainability-Report-2023-Digital.pdf	Cyclical consumer products	Finland
Lamor	Lamor – Annual report 2023 (svdcn.com)	Industrial & Commercial Services	Finland
Metsä	metsa-group-annual-review-2023-printable.pdf (metsagroup.com)	Applied Resources	Finland
Mondi	Mondi Group Integrated report and financial statements 2023	Applied Resources	United Kingdom
Netcompany	Annual Report Netcompany	Software & IT Services	Denmark
Norsk Hydro	integrated-annual-report-2023_eng.pdf (hydro.com)	Mineral Resources	Norway
Philips	Philips Annual Report 2023 Philips Results	Healthcare Services & Equipment	Netherlands

Corporate name	Report link	TRBC sector	HQ country
Santander	Annual Report ENG 2023 (santander.com)	Banking & Investment Services	Spain
Scan Global Logistics	sgl-group-sustainability-report-2023.pdf (scangl.com)	Transportation	Denmark
Skoda Auto	7271f348-a1e8-4956-bf6e-5a1fe38ef753 (skoda-auto.com)	Automobiles & Auto Parts	Czech Republic
Stora Enso	storaenso_annual_report_2023.pdf	Applied Resources	Finland
Trelleborg Group	trelleborg-annual-report-2023.pdf (mfn.se)	Industrial Goods	Sweden
UCB	UCB_Integrated_Annual_Rpt_EN_23_ca08d8929a.pdf (dzfxsdvdl-cct.cloudfront.net)	Pharmaceuticals & Medical Research	Belgium
Vandermoortele	2023_AnnualIntegratedReport_Vandemoortele_EN.pdf	Food & Beverages	Belgium
Vianode	Vianode – Sustainability report 2023	Industrial Goods	Norway
Yara	Yara Integrated Report 2023	Chemicals	Norway
Ørsted	orsted-ar-2023.pdf (azureedge.net)	Renewable Energy	Denmark

1. European Commission (2022) CSRD (EN), Directive (EU) 2022/2464 of the European parliament and of the council of 14 December 2022, amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting, [Publications Office \(europa.eu\)](#)
2. European Commission (2023) ESRS (EN), [Commission Delegated Regulation \(EU\) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards \(europa.eu\)](#)
3. See an overview of disclosure requirements here: [Download \(efrag.org\)](#)
4. See more here: [GRI - Content index template \(globalreporting.org\)](#)
5. TCFD (2017) Recommendation of the Task Force on Climate-related Financial Disclosures, [FINAL-2017-TCFD-Report.pdf \(bbhub.io\)](#)
6. TCFD (2023) Task Force on Climate-related Financial Disclosures [2023 Status Report, 2023-Status-Report.pdf \(bbhub.io\)](#)
7. See more about the Supplier Cascade method here: [The Supplier cascade - We Mean Business Coalition](#)
8. IFRS Foundation (2024) The Integrated Reporting Framework in now part of the IFRS Foundation, [Integrated Reporting \(ifrs.org\)](#)
9. European Commission (2021) Commission Recommendation (EU) 2021/2279 of 15 December 2021 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations, [Publications Office \(europa.eu\)](#)
10. EuroStat (2001) Economy-wide material flow accounts and derived indicators – a methodological guide, [411cd453-6d11-40a0-b65a-a33805327616 \(europa.eu\)](#)
11. European Commission (2019) Whistleblower protection, [Directive \(EU\) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law \(europa.eu\)](#)