State of Play 2025

Implementation of the European Sustainability Reporting Standards (ESRS): Observed Practices based on statements issued as of 20 April 2025

July 2025

EFRAG
sustainability reporting

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This market study has been developed by analysing the initial sustainability statements of companies that had to report in 2025 ("wave 1"), as per CSRD (Corporate Sustainability Reporting Directive) requirement. It is therefore not intended for use by non-listed small and medium-sized enterprises (SMEs).

This study is non-authoritative and does not set implementation guidance for European Sustainability Reporting Standards (ESRS), as stipulated in Articles 19a or 29a of Directive 2013/34/EU (the Accounting Directive). This document provides insights into the initial implementation of ESRS observed for companies whose reports were identified as of April 20th, 2025. This document is issued by EFRAG as a state of play report, and consistent with its nature, it has not been exposed to public feedback. The tables below are an extract from results of the 11 questions analysed with GenAI are shown in tables throughout the report and can also be found in EFRAG's interactive dashboard, which is accessible here.

About EFRAG

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1. Executive summary – Observations

1.1 Context

This report aims to analyse the sustainability statements prepared for fiscal year 2024 and issued according to the Corporate Sustainability Reporting Directive (CSRD). This report is aimed at providing helpful information to both preparers and users of these reports.

While the insights in this report are grounded in a structured analysis, some limitations related to the use of Generative AI (GenAI) should be noted – more information in the Appendix.

1.2 Observations

Cross-cutting standards

Structure and length:

- **High variability in report length and style**: The average length of sustainability statements is 115 pages, the median is 100, the longest statement has ~440 pages and the shortest ~25 pages. Only ~25% of preparers' statements have fewer than 70 pages. The writing style is also varied. Some reports had a longer, more narrative form and others were shorter and more schematic.
- **High-level structure is relatively consistent**: All statements are structured according to the ESRS General Disclosures and to the Environmental, Social and Governance categories of topical standards, with slight differences in the choice of chapter names.
- **Double materiality assessments support high-level comparability:** Most preparers used the list of topical standards, sub-topics and sub-sub-topics provided in the ESRS Application Requirement 16 (AR16). This led to a good comparability of results at a high level.
- **Data point-level disclosures vary extensively:** Preparers provided various disclosures at a granular level. The format of such disclosures (e.g., the use of tables and clear labelling of datapoints) and the content of disclosure (e.g., Transition plan for climate change mitigations) varied widely.

Material topical standards:

- **Preparers have started to prioritise topical standards material in their context:**
  - Only ~10% of preparers identified all 10 topical standards as material.
  - About 25% of preparers selected four or fewer topical standards as material.
  - There are 6 topical standards that are deemed material by at least 60% of preparers: 98% Climate Change (E1), 99% Own workforce (S1), 93% Business conduct (G1), 68% Consumers and end-users (S4), 65% Circular economy (E5), 63% Workers in the Value Chain (S2).
- **All topical standards are considered material to some extent**: None of the topical standards were deemed material by fewer than 30% of preparers.
- **Most preparers report on the same three topical standards**: >90% of preparers report on the same topical standards as material – i.e., Climate Change (E1), Own Workforce (S1), and Business Conduct (G1).
- **Six sub-topics are rarely material:** Fewer than 5% report on the following: "Pollution of living organisms and food resources" (E2), "Microplastics" (E2), "Communities' civil and political rights" (S3), "Rights of indigenous peoples" (S3), "Biodiversity-Animal Welfare" (E4), "Rights of Indigenous Peoples" (S4).

⇨ *Cross cutting standards section continues on the next page*

⇨ *Continuation of cross cutting standards*

Stakeholder engagement in DMA:

- **Engagement focused primarily on business-related stakeholders:** 97% of preparers consult with their internal stakeholders (mainly employees), ~70% consult customers, ~65% with suppliers and ~60% consult with investors.
- **Broader societal stakeholders are consulted less often:** Preparers consult NGOs (33%), Communities (30%), Industry Unions (~20%), Academia (~15%), Trade unions (~10%).

IRO and Value Chain:

- **Sectors shape IRO assessment**: Preparers identified Impacts, Risks, and Opportunities (IROs) in different Value Chain (VC) segments based on their sector. Financial institutions focused on downstream (i.e., financed companies), while non-financial companies prioritised their own operations and upstream.

Entity-specific[1] disclosures:

- **Entity-specific disclosures (mainly datapoints) are not clearly labelled:** Many preparers reported matters instead of datapoints that are unique to their own company context and not included in the ESRS Application Requirement 16 (AR16); however, only ~30% explicitly label them as such.[2]

⇨ *Topical standards section on next page*

[1] An "entity-specific" datapoint refers to a disclosure element not included in the standard list of ESRS datapoints (as defined in ESRS Implementation Guidance, IG 3), but defined by the preparer to capture material information relevant to its specific business model, activities, or impacts.

[2] Insight derived from a manual analysis on a sub-set of 50 companies

Topical Standards

Specific topical standards selected by the EFRAG Secretariat

Environmental | **Transition plan for climate change mitigations (CTP):**

- **Limited standardisation of Transition plan for climate change mitigations (CTP):** 55% of preparers claim to have a Transition plan for climate change mitigation (CTP), but clear disclosure of all the CTP elements (as per draft IG4[3] - Implementation Guidance 4) is not yet homogenous across preparers, hindering comparability.[4]
- **Most are compatible with 1.5°C but less than half include Scope 3:** While ~70% of preparers commit to limiting warming to below 1.5°C[5] for their Scope 1 & 2 emissions, only ~40% of these extend this target to include Scope 3 emissions[4].
- **Most climate goals have been validated:** Overall, 60% of preparers reported that their climate targets have been validated by SBTi (Science-Based Targets Initiative) [4].

Environmental | **Carbon Pricing & Biodiversity:**

- **Adoption of Carbon pricing is low, with a few exceptions:** Only 20% of preparers utilise a carbon pricing mechanism. Of these, most were in the Mining (60%), Electricity (53%) and Transport sectors (32%).
- **Less than a third of preparers report Biodiversity metrics:** Only ~30% of preparers across all sectors report biodiversity metrics, among those, the amount of metrics disclosed on average is low (~4 metrics each).

Social | **Adequate wages & Human rights impacts:**

- **Most preparers declare providing adequate wages, but with limited contextual information provided:** Over 90% report compliance with minimum wage standards for their own employees[4]. Few distinguish between European Economic Area (EEA) vs. non-EEA regions[4].
- **S1-17 Discrimination incidents within Own operations**: 81% of the companies in the sub-set reported cases of discrimination with a high variability in terms of the numbers reported[4].
- **S1-17 Severe human rights incidents in Own operations:** Whilst 78% of the companies disclosed this datapoint, only 5% of those reported one or more incidents[4]. The majority of companies disclosed that no incidents were identified[4].
- **S2-4 Severe human rights incident for Workers in the value chain**: A third of the companies in the sub-set disclosed this datapoint in ESRS S2 but only 10% of those reported one or more incidents[4]. The majority of the companies disclosed that no incidents were identified[4].

[3] IG4 is still an unapproved draft: stabilized secretariat version available in the SRB meeting (26/02/2025) in EFRAG website

[4] Insight derived from a manual analysis on a sub-set of 50 companies

[5] Compared to average pre-industrial global temperatures

2 Introduction

The year 2025 marks the first mandatory reporting period under the Corporate Sustainability Reporting Directive (CSRD), requiring companies to disclose sustainability information reflecting 2024 information, in line with the European Sustainability Reporting Standards (ESRS). This is a significant milestone in advancing transparency across the EU. At the same time, the European Commission adopted a simplification package, widely referred to as "Omnibus", to reduce compliance complexities and simplify EU sustainability reporting rules to enhance competitiveness and attract investments.

Regardless of transposition and the "omnibus" package into national law, many "Wave 1"[6] preparers have started publishing their first ESRS-aligned sustainability statements, increasing the amount, clarity and insightfulness of ESG information for external stakeholders. Yet, the early implementation phase reveals persistent challenges, particularly when it comes to interpreting the standards, ensuring consistency, and streamlining reporting efforts. This study seeks to capture observed practices and provide insights into the first wave of CSRD-aligned reporting.

3 Scope

This analysis includes only Sustainability statements prepared for fiscal year 2024 and issued according to the CSRD, identified and collected as of April 20, 2025. We acknowledge that some reports might not have been identified during the data collection process.
Two types of analyses were included for this report:
i) **Generative AI Analysis:** run on all sustainability statements mentioned above. As the GenAI analysis results were manually checked on a subset of 50 reports for each questions, when relevant, insights form the desk research were also added and appropriately flagged as such.
ii) **Case Studies:** starting from a subset of statements (more detail in the Appendix), individual companies presenting relevant insights were selected by the EFRAG Secretariat, sanitized and turned into individual companies case studies.

Industry categorisation

For Non-Financial Institutions, the NACE[7] classification – the standard in the EU context - was used. GICS[9] classification was used to group Financial Institutions into sub-categories (Banks, Insurance, and "other").

The table on the right illustrates the industry categorisation of preparers assessed in the AI analysis. Overall, there is a predominant presence of non-Financial Institutions (non-FIs) (83%), mostly Manufacturing industry (38%), while Financial Institutions (FIs) constituted 17%, mainly Banks (11%).

Industry classifications	#	%
Non-Financial and insurance activities	544	83%
Manufacturing	250	38%
Information & Communication	67	10%
Wholesale and retail trade; Repair of motor	46	7%
Professional, scientific and technical activities	39	6%
Transportation and storage	31	5%
Electricity, gas, steam & air conditioning supply	32	5%
Construction	24	4%
Real estate activities	17	3%
Others	38	6%
Financial and insurance activities	112	17%
Bank	74	11%
Insurance	29	4%
Other Financial Services	9	1%
TOTAL	656	100%

Figure 1: Number (#) and share (%) of preparers considered in the study

[6] Entities mandated to report their sustainability information under CSRD starting from financial year 2024, with first reports due in 2025

[7] NACE: *Nomenclature statistique des activités économiques dans la Communauté européenne* ; GICS: *Global Industry Classification Standard*

Geographies in scope

The dataset of preparers included in the analysis (based on reports identified and collected as of April 20, 2025) shows a relatively even distribution between preparers in jurisdictions. Many preparers have reported proactively, even in cases where the CSRD is not yet transposed into national law, underlining the growing importance of sustainability transparency regardless of the timing of transposition into national law.

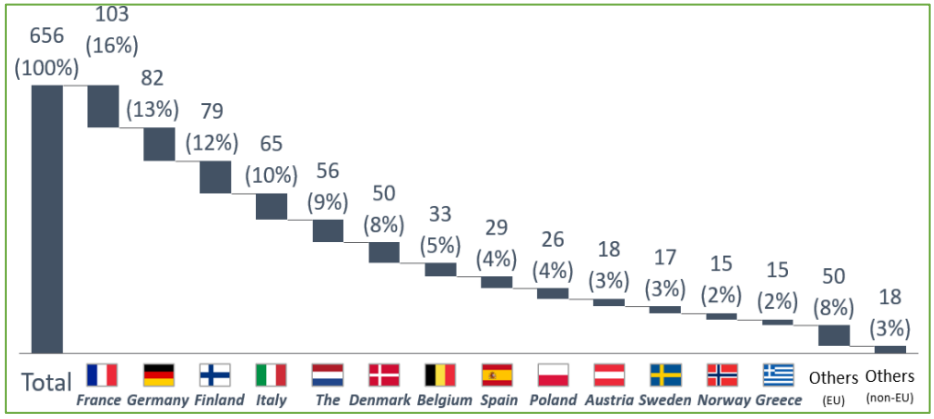


Figure 2: number (#) & share (%) of sustainability statements, by country of headquarters

The sustainability statements identified include preparers headquartered in the EU (97%) and non-EU countries (3%). France (16%), Germany (13%), and Finland (12%) account for the highest number of CSRD-aligned disclosures, while the main geographies outside the EU were Switzerland and the UK (12 preparers combined).

Company size

The chart on the right illustrates the average company size per country for both Non-Financial Institutions (by revenues) and Financial Institutions (by total assets). Overall, the scope of this analysis includes a range of company sizes and geographical footprint. However, given the focus of this report on "Wave 1" preparers[8], company sizes are notably high:

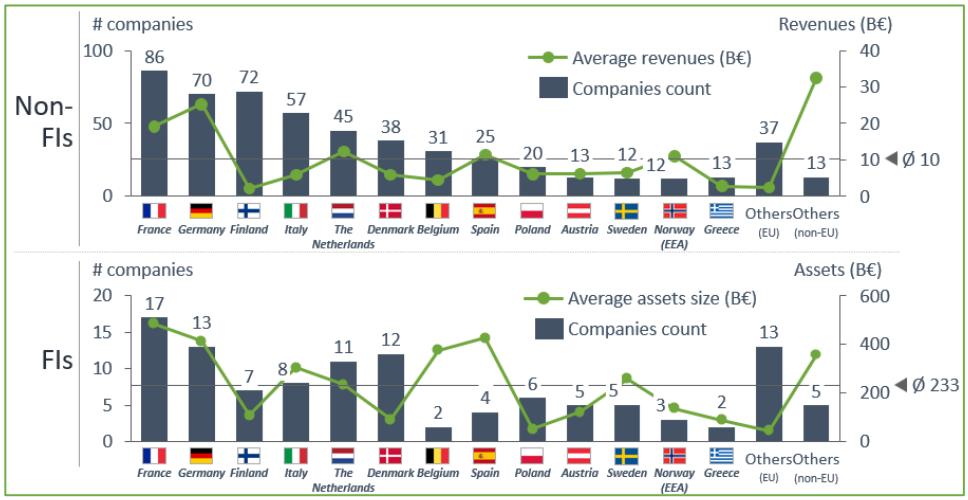


Figure 3: Number (#) and average size (in B€ of revenues for non-FIs and B€ of assets for FIs) of preparers in the GenAI analysis, by country of HQ (2025)

- **For Non-Financial Institutions (Non-FIs)**, while France, Germany, and Finland account for the highest number of preparers, the average revenues vary significantly, indicating a diverse mix of large and mid-sized enterprises. Notably, the "Others (non-EU)" has the highest average revenue (~€30 billion), driven by a few entities in Switzerland and the UK.
- **For Financial institutions (FIs), average company size also varies significantly.** France and Denmark lead in the number of FI identified, and the largest average asset sizes are observed in France, Spain and Belgium.
- Overall, the reports collected show a **balanced representation across large, mid-sized, and small firms**. The inclusion of **both EU and non-EU countries** (EEA and Others) provided **broad geographic coverage**.

[8] At least 500 employees, €25M of assets or €50M of net revenue (details in the Appendix, as per CSRD requirements prior to CSRD 2.0)

4 Cross-cutting standards

4.1 Structure and length[9]

Key observations ***| 1. Number of pages by sector and industry****:*

- **Length of sustainability statements varies substantially:**
  - Average length is ~115 pages, and the median is 100 pages.
  - The longest statement has ~440 pages, and the shortest has ~25 pages.
  - Only ~25% of preparers' statements are fewer than 70 pages.
- **Writing style is varied**: some have a longer, narrative form, while others are shorter and schematic.
- **FIs' statements are longer**: FIs' statements average ~140 pages, while Non-FIs average 110 pages, noting that EU Taxonomy reports tend to be significantly longer for FI vs. non-FI.
- **Southern EU HQ preparers have longer statements:** Southern EU countries (e.g., Spain and Italy) have longer statements, while Nordics (e.g., Sweden, Norway and Denmark) have shorter statements on average. When engaging with preparers, the EFRAG Secretariat noted two factors that could potentially drive this trend i) **Cultural habits:** preparers tend to align with average length of their financial statements; and ii) **Peer comparisons:** northern EU preparers align with peers' writing styles.

Average # of pages

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
► **Non-Financial**	135	109	68	131	85	69	93	222	115	141	69	87	137	105	110	545
► **Financial**	132	164	119	176	112	76	*	304	170	206	111	123	*	132	141	111
Total	135	117	73	137	91	71	95	233	128	159	82	94	140	112	115	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 4: Average number (#) of pages per country, per Non-Financial and Financial institutions

[9] Reports' length measured in # of pages and characters; however, as trends were similar, data and charts shown for page count only.

Average # of pages

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▼ **Non-Financial**	135	109	68	131	85	69	93	222	115	141	69	87	137	105	110	545
Manufacturing	123	115	69	139	84	64	89	168	104	149	68	86	*	114	106	250
Information and com...	127	86	64	97	67	73	133	214	97	*	*	80	-	69	96	66
Wholesale and retail	203	92	66	*	87	*	*	*	128	*	*	-	*	89	107	46
Professional, scientifi...	113	98	76	104	*	*	*	-	-	-	*	*	-	*	97	31
Transportation and St...	193	123	65	-	*	78	*	-	-	-	-	-	141	100	115	31
Electricity, gas. steam	*	103	*	157	70	*	-	332	*	*	-	*	*	190	159	32
Construction	148	*	76	*	*	*	*	234	*	*	-	-	-	*	139	24
Real estate activities	162	*	-	-	*	-	*	-	-	*	-	-	*	108	129	17
Administrative and su...	*	-	-	*	*	*	-	*	*	-	-	-	*	-	86	10
Mining and quarrying	*	-	*	-	*	-	-	-	*	-	-	*	-	96	102	10
Other Non-Financial	160	120	60	*	-	*	-	*	*	-	*	-	*	59	109	19
▼ **Financial**	132	164	119	176	112	76	*	304	170	206	111	123	*	132	141	111
Bank	133	223	133	192	110	78	*	318	172	234	118	*	*	152	155	74
Insurance	141	112	*	*	120	74	--	*	*	*	*	*	-	119	117	29
AM & other Fis	*	*	-	*	*	-	--	-	-	-	-	-	-	77	94	8
Total	135	117	73	137	91	71	95	233	128	159	82	94	140	112	115	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 5: Average number (#) of pages per country and sector

*Key observations | **2. Number of pages by material topical standards and preparers' size***

Limited correlation of report length with number of material topical standards and company size:

- To **test whether structural company-level factors influence sustainability statement length**, we analysed its correlation with:
  - **Number of material topical standards** (proxy for breadth of disclosure).
  - **Company size** (Revenues for non-FIs, Asset size for FIs).
- In both cases, **correlation with sustainability statement length is limited** (R^2 = 0.04 for number of topics, R^2 = 0.03 for size).
- This indicates that **neither disclosing more topics nor being a larger company necessarily leads to significantly longer sustainability statements.**

Possible additional drivers for report length:

- **Differences in sustainability statement length may be strongly related to the depth of disclosure per topical standard**; however, based on a manual check for a sub-set of companies, this is not always the case (i.e., longer reports at times might have extended narrative or include repetitions – e.g., for Policies, Actions and Targets).
- Importantly, these findings reinforce the initial conclusion that one of the main **drivers of sustainability statements' length might be sectoral and geographical context**, which shape both the reporting expectations and practices across preparers.

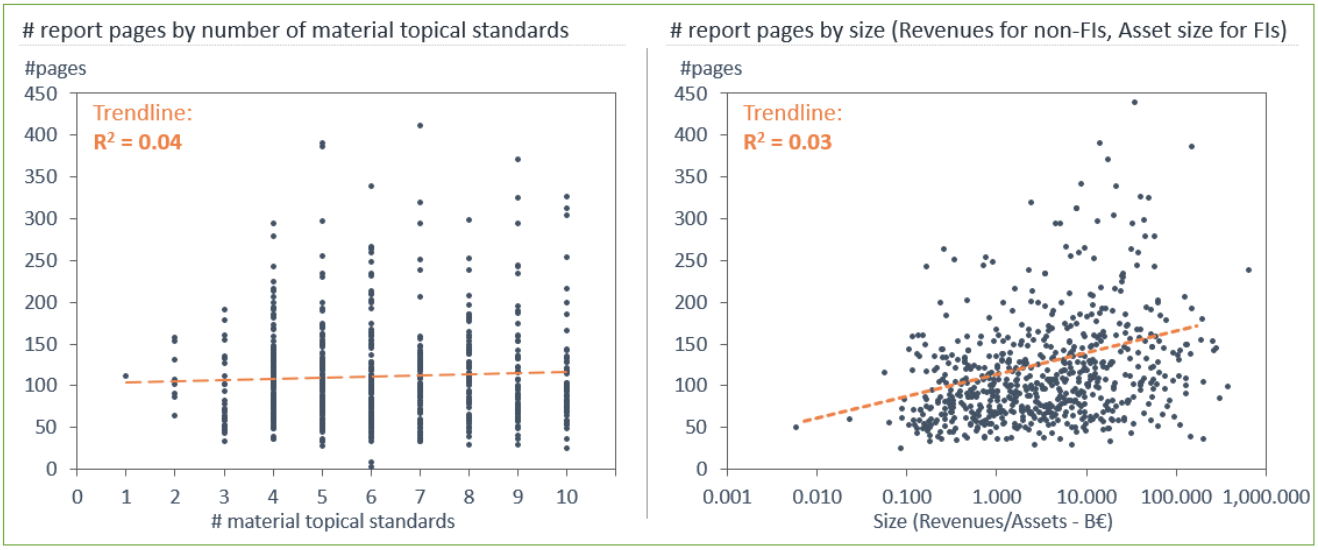


Figure 6: Charts illustrating the correlation between reports length (in # of pages) and number (#) of material topical standards and company size (B€)

4.2 Materiality

***Key observations** | 1. Type of material topical standards by sector and country:*

- **Three topical standards are material for nearly all preparers (>90%)**:
  - **E1** Climate Change (98%)
  - **S1** Own Workforce (99%)
  - **G1** Business Conduct (93%)
- **Other frequently reported topical standards include: E5** (Circular economy, 65%); **S2** (Workers in the Value Chain, 63%); and **S4** (Consumers and end-users, 68%).
- **Some are less frequently cited as material, such as E3** (Water and marine resources, 33%); and **S3** (Affected communities, 30%).
- **FIs and non-FIs often report very different levels of materiality for the same topical standards:** For example: "Circularity" is material for ~65% of non-FIs, but only ~30% of FIs, and "Workers in the Value Chain" is material for ~70% of non-FIs but only ~35% of FIs.
- **All preparers reported their material sustainability matters in a standardised format** (e.g., at the Topical standard, Sub-topic or Sub-sub-topic level)**,** enabling cross-sector comparisons and revealing reporting patterns.

Share (%) of companies reporting each ESRS topical standard as material

	E1 Climate Change	E2 Pollution	E3 Water and marine resources	E4 Biodiversity	E5 Circular economy	S1 Own workforce	S2 Workers in the value chain	S3 Affected communities	S4 Consumers and end-users	G1 Business conduct	# Companies Analysed
▸ **Non-Financial**	98%	41%	38%	46%	63%	98%	68%	40%	68%	93%	545
▸ **Financial**	96%	12%	13%	38%	31%	100%	36%	19%	71%	93%	111
Total	98%	38%	33%	39%	65%	99%	63%	30%	68%	93%	656
# Companies Analyzed	646	252	217	256	424	647	415	199	445	613	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 7: Type of Material topical standards per country and sector, aggregated by Financial & non-Financial companies

Share (%) of companies reporting each ESRS topical standard as material

	E1 Climate Change	E2 Pollution	E3 Water and marine resources	E4 Biodiversity	E5 Circular economy	S1 Own workforce	S2 Workers in the value chain	S3 Affected communities	S4 Consumers and end-users	G1 Business conduct	# Companies Analysed
▼ **Non-Financial**	98%	41%	38%	46%	63%	98%	68%	40%	68%	93%	545
Manufacturing	100%	62%	50%	41%	85%	99%	76%	29%	61%	92%	250
Information and com...	94%	5%	5%	15%	53%	100%	55%	17%	74%	94%	66
Wholesale and retail	98%	43%	33%	37%	80%	96%	72%	26%	67%	96%	46
Professional, scientifi...	100%	22%	18%	35%	55%	100%	68%	25%	65%	100%	440
Transportation and St...	97%	58%	13%	42%	58%	97%	61%	39%	61%	90%	31
Electricity, gas. steam	100%	41%	41%	62%	72%	94%	78%	72%	75%	84%	32
Construction	100%	46%	46%	71%	88%	100%	83%	50%	46%	92%	24
Real estate activities	100%	18%	65%	53%	76%	100%	53%	53%	82%	94%	17
Administrative and su...	90%	*	*	*	30%	100%	80%	30%	80%	90%	10
Mining and quarrying	100%	70%	70%	80%	40%	100%	90%	80%	*	100%	10
Other Non-Financial	95%	*	42%	26%	58%	95%	32%	21%	68%	95%	199
▼ **Financial**	96%	12%	13%	38%	31%	100%	36%	19%	71%	93%	111
Bank	100%	7%	9%	34%	16%	99%	23%	24%	92%	96%	74
Insurance	100%	17%	17%	41%	45%	100%	48%	14%	83%	97%	29
AM & other Fis	88%	-	-	*	-	100%	*	-	38%	88%	8
Total	98%	38%	33%	39%	65%	99%	63%	30%	68%	93%	656
# Companies Analyzed	646	252	217	256	424	647	415	199	445	613	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 8: Type of Material topical standards per country and sector

***Key observations** | 2. Number of material topical standards by sector and country:*

- **On average, 6 out of 10 topical standards are material**, triggering reporting across a significant portion of topical standards (either at topical standard/sub-topic/sub-sub-topic) for the Value Chain segments where the related Impacts, Risks and Opportunities (IROs) were found to be material.
- **Non-FI preparers have on average more material topical standards (6)** than the FI preparers (average of 5), once again marking the disconnect in approach between FI and Non-FI.
    - **The highest average material topics (9) were observed in** Wholesale/Retail and Construction in France and Electricity & Gas in Italy.
    - **Financial sector's sustainability statements contain fewer material topics** (typically 4–6).
- **Once again, the regional patterns continue, with Southern EU countries reporting more material topical standards than Nordic peers** (e.g., Spain: 7, France: 7, Italy: 7 vs. Norway: 6, Finland: 6, Denmark: 6).

Average # of ESRS topical standards considered material

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
► **Non-Financial**	7	6	6	7	6	6	6	8	6	7	7	6	6	6	7	545
► **Financial**	5	6	6	6	6	4	*	4	4	4	6	4	*	4	5	111
Total	7	6	6	7	6	6	6	7	6	6	7	6	6	6	6	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 9: Average number (#) of Material topical standards per country and sector, aggregated by Financial and non-Financial companies

Average # of ESRS topical standards considered material

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▼ **Non-Financial**	7	6	6	7	6	6	6	8	6	7	7	6	6	6	7	545
Manufacturing	8	7	6	7	6	7	7	8	7	8	7	6	*	8	7	250
Information and com...	6	5	5	5	4	4	5	4	6	*	*	6	-	7	5	66
Wholesale and retail	9	7	6	*	7	*	*	*	6	*	*	-	*	5	6	46
Professional, scientifi...	6	5	5	7	*	*	*	-	-	-	*	*	-	*	6	40
Transportation and St...	8	5	6	*	*	7	*	-	-	-	-	-	6	4	6	31
Electricity, gas. steam	*	6	*	9	5	*	-	8	*	*	-	*	*	8	7	32
Construction	9	*	6	*	*	*	*	8	*	*	-	-	-	*	7	24
Real estate activities	8	*	-	-	*	-	*	-	-	*	-	-	*	7	7	17
Administrative and su...	*	-	-	*	*	*	-	*	*	-	-	-	*	-	6	10
Mining and quarrying	*	-	*	-	*	-	-	-	*	-	-	*	-	8	8	10
Other Non-Financial	8	4	5	*	-	*	-	*	*	-	*	-	*	5	5	19
▼ **Financial**	5	6	6	6	6	4	*	4	4	4	6	4	*	4	5	111
Bank	4	6	6	6	6	4	*	4	4	4	6	*	*	5	5	74
Insurance	6	6	*	*	7	5	-	*	*	*	*	*	-	5	6	29
AM & other Fis	*	*	-	*	*	-	-	-	-	-	-	-	-	3	4	8
Total	7	6	6	7	6	6	6	7	6	6	7	6	6	6	6	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 10: Average number of Material topical standards per country and sector

Key observations | *3. Distribution of the number of material topical standards selected:*

- **The overall distribution shows broad variation in how companies apply materiality across topical standards.**
- Only **~10%** of preparers report **all 10 topical standards** as material.
- **More than half (52%)** disclose between 4 and 6 material topical standards**.**
- About **25% report 4 or fewer** topics as material, including **9 preparers with only 2, and 1 preparer with just 1 material topical standard.**

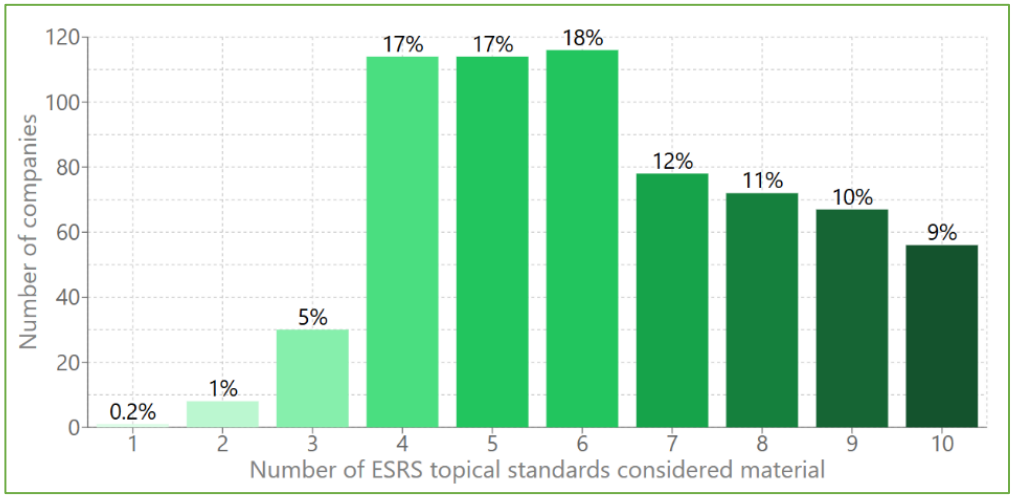


Figure 11: Number of companies per number of material ESRS topical standards (2025)

***Key observations** | 4. Material sub-topics with the highest materiality:*

Five sub-topics are often material: More than 80% of preparers report on the following areas: "Climate change mitigation" (in E1), "Energy" (in E1), "Working conditions of own workforce" (in S1), "Equal treatment and opportunities for all own workforce" (in S1), "Corporate culture" (in G1).

Share (%) of companies reporting each sub – topic as material

	E1 Climate change		S1 Own Workforce		G1 Business conduct
	Climate change Mitigation	Energy	Working conditions...	Equal treatment	Corruption and bribery
► Non-Financial	97%	91%	94%	82%	81%
► Financial	98%	66%	86%	89%	90%
Total	97%	87%	93%	84%	83%
# Companies	635	568	609	548	543

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 12: Most material sub-topics, aggregated by Financial and non-Financial companies (E1 - Affected communities, S1 – Own workforce, G1 - Business conduct)

***Key observations** | 5. Material sub-topics with the lowest materiality:*

Five sub-topics are rarely material: Fewer than 5% of preparers report on the following areas: "Pollution of living organisms and food resources" (in E2), "Microplastics" (in E2), "Communities' civil and political rights" (in S3), "Rights of indigenous peoples" (in S3), "Biodiversity - Animal Welfare" (in G1).

Share (%) of companies reporting each sub – topic as material

	E2 Pollution		S3 Affected communities		G1 Business conduct
	Pollution of living organisms...	Microplastics	Communities' civil...	Rights of indigenous...	Animal welfare
► Non-Financial	3%	5%	6%	3%	4%
► Financial	-	-	6%	-	-
Total	3%	5%	6%	3%	4%
# Companies	16	25	37	18	25

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 13: Least material sub-topics, aggregated by financial and non-financial companies (E1 - Affected communities, S1 – Own workforce, G1 - Business conduct)

4.3 Stakeholders engaged in Double Materiality Assessment (DMA)

Key observations:

- **Nearly all preparers (97%) engage internal stakeholders** (mainly employees) as part of their double materiality assessment (DMA), confirming the reliance of internal input.
- **Engagement is primarily business-related,** with high engagement of: Internal stakeholders (97%); Clients (~70%); Suppliers (~65%); Investors (~60%).
- **Engagement with broader societal stakeholders is less common:** Authorities (36%); NGOs (33%); Communities (30%); Industry Unions (22%), Academia (14%), and Trade unions (11%) show moderate engagement, varying by sector.

Share (%) of companies engaging each specific stakeholder in the DMA

	Internal stake-holders	Clients	Suppliers	Investors	Authorities	NGO	Partner	Commu-nities	Industry union	Academia	Compe-titors	Trade union	# Companies Analysed
▸ **Non-Financial**	99%	68%	66%	60%	41%	33%	39%	36%	23%	19%	15%	13%	545
▸ **Financial**	99%	62%	43%	56%	44%	47%	30%	20%	22%	14%	15%	9%	111
Total	97%	69%	66%	59%	36%	33%	32%	30%	22%	14%	13%	11%	656
# Companies	639	455	434	385	237	219	211	198	146	94	83	74	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 14: Share of companies engaging different types of stakeholders as part of their Double Materiality Assessment (DMA), aggregated by FIs and non-FIs

Share (%) of companies engaging each specific stakeholder in the DMA

	Internal stake-holders	Clients	Suppliers	Investors	Authorities	NGO	Partner	Commu-nities	Industry union	Academia	Compe-titors	Trade union	# Companies Analysed
▼ **Non-Financial**	99%	68%	66%	60%	41%	33%	39%	36%	23%	19%	15%	13%	545
Manufacturing	96%	68%	72%	56%	29%	32%	25%	35%	25%	17%	11%	13%	250
Information and com...	97%	67%	74%	58%	38%	33%	50%	12%	17%	14%	11%	8%	66
Wholesale and retail	96%	70%	76%	59%	28%	41%	35%	22%	26%	*	24%	7%	46
Professional, scientifi...	100%	82%	72%	72%	30%	28%	38%	30%	15%	18%	12%	8%	40
Transportation and St...	100%	87%	81%	55%	58%	45%	52%	32%	19%	*	13%	32%	31
Electricity, gas. steam	100%	53%	53%	50%	47%	31%	31%	62%	19%	16%	9%	12%	32
Construction	100%	67%	67%	62%	46%	17%	42%	38%	46%	21%	12%	12%	24
Real estate activities	100%	76%	47%	65%	59%	*	41%	53%	24%	-	24%	-	17
Administrative and su...	100%	50%	50%	40%	*	*	*	*	*	-	*	*	10
Mining and quarrying	100%	60%	80%	80%	40%	40%	*	40%	*	30%	*	*	10
Other Non-Financial	100%	63%	58%	58%	37%	26%	37%	37%	16%	16%	*	*	19
▼ **Financial**	99%	62%	43%	56%	44%	47%	30%	20%	22%	14%	15%	9%	111
Bank	97%	80%	50%	66%	50%	39%	27%	20%	20%	15%	9%	9%	74
Insurance	100%	55%	41%	52%	38%	55%	24%	21%	24%	14%	21%	*	29
AM & other Fis	100%	50%	38%	50%	*	*	38%	-	-	-	-	-	8
Total	97%	69%	66%	59%	36%	33%	32%	30%	22%	14%	13%	11%	656
# Companies Analyzed	639	455	434	385	237	219	211	198	146	94	83	74	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 15: Share of companies engaging different types of stakeholders as part of their Double Materiality Assessment (DMA)

Case study: Stakeholders engaged in Double Materiality Assessment (DMA)

Trend identified:
While business-related stakeholders tend to be more engaged in materiality assessments vs. broader societal stakeholders, some companies do carry out well-rounded engagements, involving at least 1 or 2 civil society representatives in a focused way

Company description:
Global pharmaceutical company with a strong focus on chronic disease solutions and sustainability leadership across health, social, and environmental dimensions

Type of stakeholders engaged:

- This company engaged with a focused set of stakeholders. However, in the stakeholder list there was a balance between Business-related and broader societal stakeholders.

Rationale for engagement:

- Engagement with Business-related stakeholders helped guide financial materiality.
- While engagement with broader societal stakeholders helped to assess the impact-materiality properly.

Stakeholder type	Purpose of engagement	Engage-ment channel	# of stakeho-lders
Investors	Inform financial materiality and expectations on sustainability	1:1 interviews	#
Suppliers	Understand upstream ESG risks and opportunities	1:1 interviews	#
End-users / beneficiaries	Capture social impacts and access-to-care considerations	Focus group	#
Internal staff	Identify internal ESG priorities and operational impacts	Online survey	#
Scientific experts	Validate environmental impact assumptions and materiality logic	1:1 interviews	#
NGOs	Understand impact on communities and vulnerable groups	Focus group	#

Examples of engagements with local communities in <u>Non-Financial sectors</u>:

- **People living near sites** were asked about possible impacts like noise, pollution, or land use changes.
- **Local NGOs and community groups** were engaged to understand concerns about fairness, access, and the social impact of the company's operations.
- **Schools and local researchers** helped assess environmental and health effects in the area.
- **City officials and local planners** were involved to align company activities with local rules and community needs.

Examples of engagements with local communities in the <u>Financial sector</u> (via proxies)**:**

- **Clients** were engaged to understand how banking, insurance, and investment products may impact individuals and businesses, in areas like financial inclusion, affordability, etc.
- **Investors and financial analysts** were consulted to align disclosures with market expectations, assess ESG risk exposure, and demonstrate the institution's long-term resilience and strategy credibility.
- **Public authorities and regulators** were involved to ensure that materiality assessments reflect evolving regulatory priorities, such as climate-related financial risks and social safeguards.
- **NGOs and advocacy groups** were engaged to capture external views on issues like climate justice, community impact, and responsible finance, helping assess reputational risks and societal expectations.

4.4 Policies, Actions and Targets (PATs) reporting

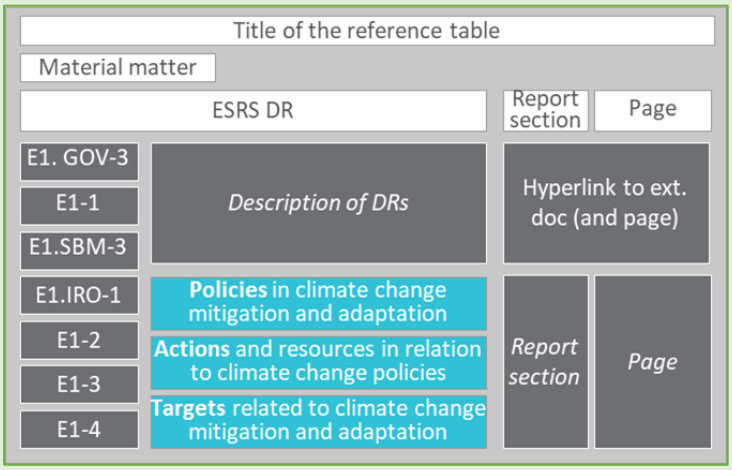
Case study: PAT reporting on E, S and G

Trend identified:
While PATs are often described with limited details on the specific material matters, there are examples of well-structured disclosures of PATs, with insightful details about how PATs relate to the specific material matter.

Company description:
Publicly listed company operating globally with strong presence in energy and automation sectors. With operations in over 100 countries, it serves industrial, commercial, and infrastructure markets. Its core business focuses on energy management, automation technologies, and digital solutions for efficiency, sustainability, and decarbonization.

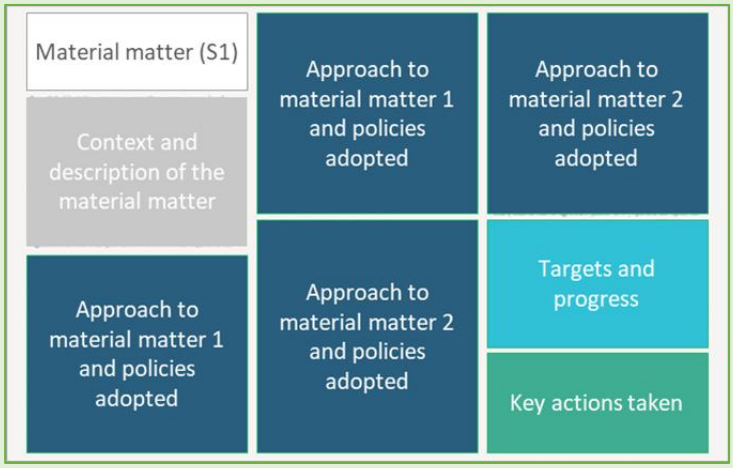
Reference table:

- Policies, Actions, and Targets (PAT) for climate-related topical standards are clearly referenced with links to relevant report sections and page numbers, enabling efficient navigation.
- This structured mapping enhances user accessibility.



Reporting content:

- Policies, Actions, and Targets (PATs) are presented in concise one-pagers by topical standard, offering a clear and accessible format for sustainability disclosures.
- Each one-pager includes an introduction that references the relevant policy, supported by a brief summary of its objectives and scope.



4.5 IROs and Value Chain mapping

Case study: mapping IROs across the Value Chain

Trend identified:
Preparers identified Impacts, Risks, and Opportunities (IROs) in different Value Chain (VC) segments based on their sector. Some preparers are starting to clearly list IROs across the material Value Chain segments and provide a clear definition.

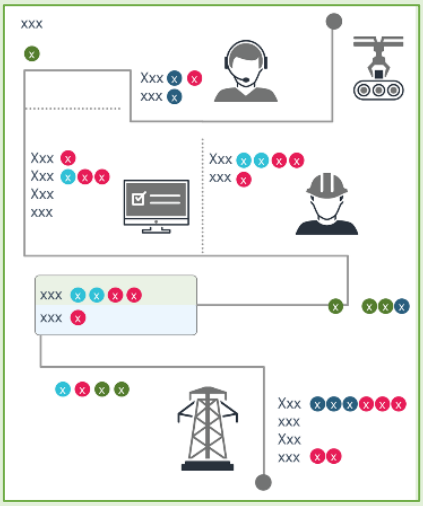
Company description:
Publicly listed company operating in Electrical Equipment and Energy Management. With operations in more than 100 countries, it serves industrial, commercial, and residential markets. Its core business focuses on electrical distribution, automation, and digital solutions for energy efficiency.

IROs list:

- Comprehensive listing of all Impacts, Risks, and Opportunities (IROs) identified across own operations and the Value Chain.
- Clear and structured descriptions provided for each IRO, facilitating understanding of their relevance and implications.
- IROs systematically classified by category (risk, opportunity, impact) and nature of impact (positive vs. negative) in order to support transparency and comparability.

Value chain mapping:

- Maps all IROs across the whole Value Chain, from upstream suppliers (raw materials, components) to downstream end-users (buildings, infrastructure, industry), as well as other stakeholders.
- Covers own operations, including business lines, asset types, and both direct and contracted workforce.
- Integrates also other stakeholder groups - such as investors, communities, NGOs, and institutions - demonstrating a holistic view of the company's Value Chain.



5 Topical standards (Environment)

This chapter focuses on a subset of topical standards selected by the EFRAG Secretariat to provide more detailed insights related to Environmental and Social topics.

5.1 Transition plan for climate change mitigation (CTP)

Key observations:

- **More than half of preparers declare having a Transition plan for climate change mitigation (55%), indicating initial reporting on this topic is ongoing but not entirely at scale.**
- **Notable variation remains across both countries and sectors**, pointing to different maturity levels in transition planning and disclosure.
- **At the country level**, the following trends were observed:
    - **Adoption of Transition plan for climate change mitigations is higher in Northern and Western** Europe (e.g., Netherlands: 73%, Sweden: 69%, Denmark: 69%).
    - **Adoption is strongly country-driven, with little overall** difference among preparers in the same country. **Potential drivers for this trend could be:**
        - Ambition of the countries in which the preparers operate (e.g., Sweden and Denmark have highly ambitious Net Zero targets). Still, it is not always the case (e.g., Finland does not confirm the trend).
        - Other factors might influence this selection (e.g., stakeholder pressure).
- **Currently, Transition plans for climate change mitigation are not highly detailed and standardized:**
    - **Only few preparers observed fully explain the CTP components outlined in *draft* IG4[10],** indicating a gap between formal declaration and meaningful disclosure.
    - **~70% of preparers report having near-term (2030 or earlier) Scope 1 & 2 targets compatible with 1.5°C**, indicating broad climate ambition[11]
        - Of these, 60% have targets validated by external standards such as SBTi, while 40% follow sector-specific frameworks without external validation [11]
        - Although Financial Institutions predominantly rely on sector-specific frameworks (e.g., Net Zero Banking Alliance), almost 40% have SBTi-validated targets [11]
        - One third (34%) still lacks clear near-term Scope 1 & 2 targets, and 16% report targets not compatible with 1.5°C, suggesting a shift towards targets greater than 1.5°C [11]

Share (%) of companies declaring to have a CTP

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▸ Non-Financial	62%	73%	48%	21%	71%	74%	64%	76%	15%	61%	72%	50%	61%	46%	56%	545
▸ Financial	50%	41%	42%	37%	81%	50%	*	50%	0%	40%	60%	100%	*	33%	48%	111
Total	60%	69%	48%	23%	73%	69%	67%	72%	12%	56%	69%	60%	67%	43%	55%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 16: Share of companies declaring to have a transition plan for climate change mitigation, aggregated by FIs and non-FIs

[10] IG4 is still an unapproved draft: stabilized secretariat version available in the SRB meeting (26/02/2025) in EFRAG website

[11] Insight derived from a manual analysis on a sub-set of 50 companies

Share (%) of companies declaring to have a CTP

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▼ **Non-Financial**	62%	73%	48%	21%	71%	74%	64%	76%	15%	61%	72%	50%	61%	46%	56%	545
Manufacturing	69%	72%	54%	16%	60%	84%	60%	70%	60%	42%	83%	75%	*	57%	60%	250
Information and com...	50%	100%	33%	0%	100%	60%	100%	100%	0%	*	*	66%	-	20%	50%	66
Wholesale and retail	40%	50%	37%	*	80%	*	*	*	0%	*	*	-	*	30%	50%	46
Professional, scientifi...	50%	33%	75%	42%	*	*	*	-	-	-	*	*	-	*	50%	40
Transportation and St...	50%	100%	50%	*	*	66%	*	-	-	-	-	-	33%	60%	61%	31
Electricity, gas. steam	*	100%	*	50%	100%	*	-	75%	*	*	-	*	*	66%	71%	32
Construction	75%	*	20%	*	*	*	*	75%	*	*	-	-	-	*	54%	24
Real estate activities	71%	*	-	-	*	-	*	-	-	*	-	-	*	66%	70%	17
Administrative and su...	*	-	-	*	*	*	-	*	*	-	-	-	*	-	20%	10
Mining and quarrying	*	-	*	-	*	-	-	-	*	-	-	*	-	66%	50%	10
Other Non-Financial	66%	100%	75%	*	-	*	-	*	*	-	*	-	*	0%	47%	19
▼ **Financial**	50%	41%	42%	37%	81%	50%	*	50%	0%	40%	60%	100%	*	33%	48%	111
Bank	50%	33%	60%	50%	100%	37%	*	66%	0%	25%	75%	*	*	45%	52%	74
Insurance	50%	40%	*	*	75%	75%	-	*	*	*	*	*	-	0%	41%	29
AM & other Fis	*	*	-	*	*	-	-	-	-	-	-	-	-	33%	37%	8
Total	60%	69%	48%	23%	73%	69%	67%	72%	12%	56%	69%	60%	67%	43%	55%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 17: Share of companies declaring to have a transition plan for climate change mitigation

Case study: Transition plan for climate change mitigation (CTPs) disclosures

Company description:
Publicly traded company operating in global logistics and supply chain management. It serves industrial, commercial, and consumer markets. Its core business focuses on transportation and logistics solutions.

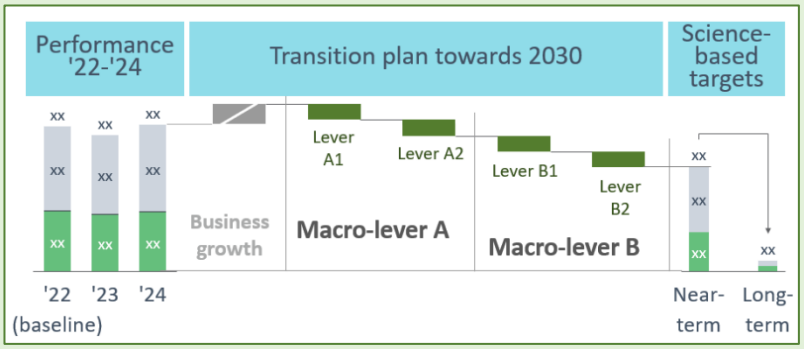
Trend identified:
Despite most companies do not provide detailed disclosures of their CTPs (e.g., without clear targets, levers and funding), initial examples of clear, detailed and transparent CTPs with quantified decarbonisation levers are starting to be published.

1.5°C compatibility:

- 1.5 °C compatibility: The company announced the validation of near and long-term climate targets by SBTi, on all scopes (Scope 1, 2 and 3), in line with a 1.5°C scenario.

Decarbonisation levers:

- Clear quantification of how decarbonisation levers contribute to its net zero targets.
- Highlights the level of control on these levers (higher vs. lower).



Investments and funding: Capex highlighted for relevant decarbonisation levers.

5.2 Internal Carbon Pricing (ICP) and Biodiversity metrics

***Key observations** | 1. Internal Carbon price by sector and countries:*

- **Internal carbon pricing (ICP) adoption remains low overall**, with only ~20% of preparers using it and most (~70%) of reporting below 25%.
- **ICP adoption is highest in carbon-intensive sectors,** as in Mining (60%); Electricity/gas (~50%); Transport/storage (~30%).
- **Countries with advanced climate regulations and disclosure norms show broader ICP use** across sectors (e.g., Netherlands, Spain, and Denmark).
- **Service sectors** (e.g., Information & Communications and Financials) **have lower ICP adoption** across countries.

Share (%) of companies using ICP

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
► **Non-Financial**	35%	30%	9%	12%	35%	10%	19%	40%	5%	38%	27%	33%	7%	34%	24%	545
► **Financial**	6%	0%	0%	12%	9%	0%	*	50%	0%	0%	0%	33%	*	0%	5%	111
Total	31%	27%	9%	12%	30%	8%	18%	41%	4%	28%	19%	33%	7%	25%	21%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 18: Share of companies declaring use of Internal Carbon Pricing (ICP) aggregated by FIs and non-FIs

Share (%) of companies using ICP

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▼ **Non-Financial**	35%	30%	9%	12%	35%	10%	19%	40%	5%	38%	27%	33%	7%	34%	24%	545
Manufacturing	46%	40%	12%	9%	34%	10%	30%	40%	0%	42%	16%	50%	*	42%	29%	250
Information and com...	20%	42%	8%	0%	0%	0%	0%	0%	0%	*	*	0%	-	20%	10%	66
Wholesale and retail	20%	25%	0%	*	40%	*	*	*	0%	*	*	-	*	0%	13%	46
Professional, scientifi...	20%	11%	0%	14%	*	*	*	-	-	-	*	*	-	*	15%	40
Transportation and St...	50%	33%	25%	*	*	33%	*	-	-	-	-	-	0%	60%	32%	31
Electricity, gas. steam	*	20%	*	50%	100%	*	-	75%	*	*	-	*	*	100%	53%	32
Construction	25%	*	0%	*	*	*	*	50%	*	*	-	-	-	*	20%	24
Real estate activities	0%	*	-	-	*	-	*	-	-	*	-	-	*	33%	5%	17
Administrative and su...	*	-	-	*	*	*	-	*	*	-	-	-	*	-	10%	10
Mining and quarrying	*	-	*	-	-	-	-	-	*	-	-	*	-	66%	60%	10
Other Non-Financial	33%	0%	0%	*	-	*	-	*	*	-	*	-	*	0%	10%	19
▼ **Financial**	6%	0%	0%	12%	9%	0%	*	50%	0%	0%	0%	33%	*	0%	5%	111
Bank	0%	0%	0%	16%	0%	0%	*	33%	0%	0%	0%	*	*	0%	2%	74
Insurance	25%	0%	*	*	0%	0%	-	*	*	*	*	*	-	0%	10%	29
AM & other Fis	*	*	-	*	*	-	-	-	-	-	-	-	-	0%	12%	8
Total	31%	27%	9%	12%	30%	8%	18%	41%	4%	28%	19%	33%	7%	25%	21%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 19: Share of companies declaring use of Internal Carbon Pricing (ICP)

***Key observations** | 2. Biodiversity reporting by sector and countries*

- **~30% of preparers started to report biodiversity metrics** (with an average of ~4 metrics each[12])**,** with similar disclosure rates across financial and non-financial sectors, including preparers that do not consider biodiversity to be material, but might report on it anyways.
- **Disclosure across sectors is highly fragmented, with some industries** (e.g. Real Estate and Construction) **showing high adoption, while most remain below 30-40%.**
- **Biodiversity metric disclosure is highest in sectors with direct land or ecosystem impact, such as:**
  - Construction (~60%), Electricity & gas (62%), and Real estate (64%) *e.g., 100% of Spanish and French construction companies, and 85% of French real estate firms report biodiversity metrics.*
  - **Country variation is high:** Higher disclosure in France (49%), Sweden (44%), Austria (44%), and the Netherlands (39%). Lower uptake observed in Italy (18%) and Germany (23%).

Share (%) of companies disclosing biodiversity metrics

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
► **Non-Financial**	47%	22%	26%	19%	42%	23%	22%	60%	25%	53%	45%	41%	23%	34%	32%	545
► **Financial**	56%	25%	57%	12%	27%	25%	*	0%	33%	20%	40%	0%	*	11%	28%	111
Total	49%	23%	29%	18%	39%	24%	24%	52%	27%	44%	44%	33%	27%	28%	32%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 20: Share of companies disclosing biodiversity metrics, aggregated by FIs and non-FIs

Share (%) of companies disclosing biodiversity metrics

	France	Germany	Finland	Italy	Nether-lands	Denmark	Belgium	Spain	Poland	Austria	Sweden	Norway	Greece	Other	Total	# Companies Analysed
▼ **Non-Financial**	47%	22%	26%	19%	42%	23%	22%	60%	25%	53%	45%	41%	23%	34%	32%	545
Manufacturing	48%	32%	30%	22%	34%	26%	25%	30%	40%	57%	50%	75%	*	42%	34%	250
Information and com...	0%	0%	8%	0%	0%	20%	0%	33%	20%	*	*	0%	-	20%	7%	66
Wholesale and retail	40%	0%	12%	*	80%	*	*	*	0%	*	*	-	*	40%	30%	46
Professional, scientifi...	30%	0%	25%	14%	*	*	*	-	-	-	*	*	-	*	17%	40
Transportation and St...	50%	0%	75%	*	*	0%	*	-	-	-	-	-	0%	20%	25%	31
Electricity, gas. steam	*	40%	*	50%	25%	*	-	100%	*	*	-	*	*	66%	62%	32
Construction	100%	*	20%	*	*	*	*	100%	*	*	-	-	-	*	62%	24
Real estate activities	85%	*	-	-	*	-	*	-	-	*	-	-	*	33%	64%	17
Administrative and su...	*	-	-	*	*	*	-	*	*	-	-	-	*	-	10%	10
Mining and quarrying	*	-	*	-	*	-	-	-	*	-	-	*	-	66%	60%	10
Other Non-Financial	66%	0%	25%	*	-	*	-	*	*	-	*	-	*	0%	26%	19
▼ **Financial**	56%	25%	57%	12%	27%	25%	*	0%	33%	20%	40%	0%	*	11%	28%	111
Bank	40%	33%	60%	0%	33%	12%	*	0%	40%	0%	25%	*	*	9%	24%	74
Insurance	75%	20%	*	*	25%	50%	-	*	*	*	*	*	-	25%	41%	29
AM & other Fis	*	*	-	*	*	-	-	-	-	-	-	-	-	0%	25%	8
Total	49%	23%	29%	18%	39%	24%	24%	52%	27%	44%	44%	33%	27%	28%	32%	656
# Companies Analyzed	103	83	79	65	56	51	33	29	26	18	16	15	15	67	656	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 21: Share of companies disclosing biodiversity metrics

[12] Manual check on a sub-set of 100 companies was used to proxy the average number of metrics

Key observations | 3. Types of entity-specific biodiversity metrics[13]

The following insights are based on desk research that was run for the "case studies". Given the varied practices, instead of having single companies case studies we gathered our observations and tactical examples (green box).

- **Disclosure of biodiversity metrics has high variability across sectors and preparers.**
- Most preparers have disclosed entity-specific metrics that are **very specific to their own company and business activities and are not easily grouped into macro clusters.**
- The **boxes below provide a set of examples** of biodiversity metrics that were observed **in the non-financial and financial sectors**.

Examples of entity-specific biodiversity metrics used by preparers in non-financial sectors:

- **Number of endangered or unique species found in the company's operating areas:** illustrates how many rare or at-risk plants and animals live in areas where the company operates (e.g., forests, mines, energy sites).
- **Percentage of quarry or mining sites with biodiversity management plans:** illustrates what share of company's sites have a plan to protect local nature (e.g., limit tree cutting).
- **Area of habitats restored or under active restoration:** tracks how much land the company has replanted, cleaned up, or returned to its natural state after using it for business.
- **Species appearing on the IUCN (International Union for Conservation of Nature) Red List and national conservation lists in affected areas:** quantifies how many endangered species are found in the locations where the company operates.

Examples of entity-specific biodiversity metrics used by preparers in financial sectors:

- **Number of companies excluded from investment or lending due to negative biodiversity impact**: measures how many companies the financial institution has decided not to invest in or lend to because their activities cause significant harm to biodiversity (e.g., deforestation, habitat destruction).
- **Number of engagements with companies on biodiversity:** measures how many times the institution has spoken with or influenced companies in its portfolio to improve how they manage their impact on nature and ecosystems.
- **Share of investments in companies with activities that negatively affect biodiversity-sensitive areas**: measures the percentage of total investments that go to companies operating in or harming protected or ecologically sensitive areas, such as rainforests or wetlands.
- **Biodiversity dependency assessment in € billion exposure at default (EaD):** measures how much of the institution's loan or investment portfolio (in euros) is financially exposed to companies that depend heavily on natural ecosystems, such as agriculture, forestry, or fisheries.
- **Global Biodiversity Score (GBS):** measures the impact of the investments on biodiversity, using standardised scores that reflect how much natural habitat is preserved or lost across the portfolio.

[13] Insights derived from a manual check on a sub-set of 50 companies

Case study: Biodiversity | Connection between Metrics and Targets

Trend identified:
While most preparers show weak links between metrics and targets (often lacking granularity or methodological transparency and limiting the decision-usefulness of disclosures) some have begun to establish clearer connections between the two.

Company description:
Multinational consumer products company operating across the full Value Chain, from design to retail. It has a global presence and integrates manufacturing, logistics, and distribution.

Description:

- The preparer defined a **comprehensive set of biodiversity metrics, each linked to a specific target.**
- **Metrics are accompanied by clear definitions and calculation methodologies**, supporting full transparency and user understanding.
- One of the key metrics is **waste valorisation**, defined as the share of manufacturing waste recycled, reused, or sent to energy recovery instead of being disposed of.
- **This metric also aligns with the "waste diverted from disposal" metric under ESRS E5** paragraph 37(b), highlighting the links and synergies between Environmental standards.
- **The waste valorisation metric also has a clear target** to increase the valorisation rate by 10 percentage points over five years (baseline: 2024).
- **Presenting the target, baseline, and historical trend together enables clarity** on the gap to target, and whether it is narrowing or widening.
- **However, the metric equates recycling and reuse**, potentially limiting the emphasis on preferred waste strategies such as reuse over energy recovery.

5.3 Financial effects of climate-related risks

Case study: Quantitative financial effects of climate risks

Trend identified:
While many preparers still report climate risks in broad narrative terms, some have started quantifying their financial effects, including asset-level exposure and revenue impact, to support more decision-useful disclosures.

Company description:
Publicly listed company operating globally with integrated logistics capabilities and strong supply chain expertise. With operations in over 130 countries, it serves industrial, retail, and consumer markets. Its core business focuses on ocean and inland transportation, port terminal operations, and end-to-end logistics and supply chain solutions.

Climate-related physical risk assessment

- Critical assets analysed, including terminals, warehouses, data centres, and third-party properties.
- Assets were mapped against key climate hazards (e.g., heatwaves, flooding, windstorms, water stress), considering multiple time horizons and scenarios.
- Financial impact of potential climate risks in 2050 was quantified.
- High-risk assets are included in a loss prevention programme, with risk engineering reports guiding local mitigation actions.

Visualisation

- Highlights top assets at physical risk, highlighting their geographical positioning, key risks, potential asset damages and revenue losses.

Top 5 assets exposed to physical climate risks:

	Estimated tot. annual revenue loss and asset damage in 2050	Key climate risks
Site 1	XX M€	Wildfires, Draught / water stress
Site 2	XX M€	Coastal floods
Site 3	XX M€	Storms / hurricanes
Site 4	XX M€	Coastal floods
Site 5	XX M€	Heatwaves

6 Topical standards (Social)

6.1 Adequate wages in the EEA

Key observations:

- **Most preparers (93%) declare paying adequate wages to their employees.**
- **Only 1% of preparers declare not paying adequate wages** to their employees in EEA.
- **Differences across sectors are minimal**, indicating a broadly uniform.
- **Most provide general, global statements** - limited differentiation between EEA and non-EEA.[14]

Share (%) of companies ensuring adequate wages to their employees in EEA

	All employees are paid an adequate wage	Not all employees are paid an adequate wage	N/A	# Companies Analysed
► **Non-Financial**	94%	1%	5%	545
► **Financial**	92%	-	8%	111
Total	93%	1%	6%	656
# Companies	612	6	38	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 22: Share of companies declaring to pay adequate wages to their employees in EEA, aggregated by FIs and non-FIs

Share (%) of companies ensuring adequate wages to their employees in EEA

	All employees are paid an adequate wage	Not all employees are paid an adequate wage	N/A	# Companies Analysed
▼ **Non-Financial**	94%	1%	5%	545
Manufacturing	92%	2%	6%	250
Information and com...	93%	-	7%	66
Wholesale and retail	91%	-	9%	46
Professional, scientifi...	95%	*	*	40
Transportation and St...	100%	-	-	31
Electricity, gas. steam	100%	-	-	32
Construction	87%	-	13%	24
Real estate activities	100%	-	-	17
Administrative and su...	90%	-	*	10
Mining and quarrying	100%	-	-	10
Other Non-Financial	100%	-	-	19
▼ **Financial**	92%	-	8%	111
Bank	91%	-	9%	74
Insurance	96%	-	*	29
AM & other Fis	87%	-	*	8
Total	93%	1%	6%	656
# Companies Analyzed	612	6	38	

(*) Fewer than three companies reported (data insufficient for comparison)
(-) Zero companies reported (no data available)

Figure 23: Share of companies declaring to pay adequate wages to their employees in EEA

[14] Insights derived from a manual check on a sub-set of 50 companies

6.2 Severe human rights (HR) impacts

Given the variety in practices observed, instead of having single companies case studies we gathered our observations and examples from a **desk research run for the "case studies" on a subset of 50 companies.**

Observed trends:

- **S1-17 Discrimination incidents within Own operations**: 81% of the companies in the sub-set reported cases of discrimination with a high variability in terms of the numbers reported.
- **S1-17 Severe human rights incidents in Own operations:** Whilst 78% of the companies disclosed this datapoint, only 5% of those reported one or more incidents. The majority of companies disclosed that no incidents were identified.
- **S2-4 Severe human rights incident for Workers in the value chain**: A third of the companies in the sub-set disclosed this datapoint in ESRS S2 but only 10% of those reported one or more incidents. The majority of the companies disclosed that no incidents were identified.

Examples of severe human rights violations:

Preparers have identified and disclosed various **instances of severe human rights incidents**. These violations have predominantly occurred within their own workforce and mostly include, for example:

- **Discrimination**, based on factors such as ethnic or social origin, skin, colour, gender, nationality, language, religion, belief, age, physical or mental disability, gender identity, sexual orientation, or political opinion (where aligned with democratic principles and respect for diversity). This relates to SFDR PAI 7 from table 3.
- **Harassment**, including sexual harassment, psychological abuse, or other forms of physical or mental intimidation. This relates to SFDR PAI 7 from table 3.

6.3 Own workforce

1. Case study: ESRS S1-14 Health & Safety – Linking PATs (Policies, Actions and Targets) and entity-specific datapoints

Trend identified:
While most preparers still present Health & Safety policies separately from their actions and performance data, we note that some preparers have started to link policies with actions and metrics and outcomes clearly

Company description:
Publicly listed company operating in the health technology sector. Headquartered in EU, it operates in more than 100 countries and focuses on diagnostic imaging, patient monitoring, and informatics

Policies overview:

- **Full coverage of workforce-related policies applicable across the entire reporting group**
- Each policy includes a **detailed narrative, reference to relevant third-party standards**, and cross-references to sections in the sustainability report where it is operationalised.

Policy	Content	Third party standards	Reference to relevant section
Policy name	In-depth policy description	Reference to any external standards leveraged to build the policy	Report's sections deep-diving the policy
...	...	...	...

Policies link with internal procedures and management systems – e.g., Health & Safety tracking:

- Strong integration between policies and internal programmes, demonstrated by **presenting procedures, metrics, and performance outcomes** within a consolidated section of the report.
- This report includes all details necessary for a coherent and easy-to-understand disclosure:
    - Health & Safety programmes implemented.
    - Metrics (e.g., number of days lost due to work-related injuries and fatalities, and the rate of recordable work-related accidents per hours worked)
    - Performance tracking against previously defined targets, with results clearly explained, even for entity-specific metrics.

2. Case study: ESRS S1-16 Remuneration - Remuneration policies and assessment

Trend identified:
While many preparers still disclose remuneration and DE&I policies in general terms, some are starting to link them through standardised metrics and clear methodologies. This enables more transparent, measurable, and comparable reporting.

Company description:
Publicly listed multinational financial institution operating in the banking sector. Headquartered in Europe, it operates in more than 40 countries with focus on food and agriculture financing, retail banking, and wholesale banking services.

Policies related to Remuneration:

- **Strategic DE&I policy integration** linking diversity and inclusion commitments directly to gender equality metrics and compensation practices across the entire corporate group.
- **Policy-to-action framework** demonstrating how DE&I policies translate into specific programmes with clear targets and measurable outcomes on gender pay gap reduction.
- **Cross-referenced implementation** connecting policy statements to operational sections within the sustainability report, ensuring coherent narrative between commitments and performance.

Remuneration assessment:

- **Clear illustration of methodology** with comprehensive scope definitions, calculation processes, and detailed explanations enabling verification and replication of compensation analysis.
- **Gender pay at a more granular level,** providing both adjusted and unadjusted gender pay gap data.
- **Acknowledgement of remaining gaps** with transparent recognition that differences still exist and require continued efforts to achieve full pay equity.
- **Highest individual compensation disclosure** providing specific amount paid to the highest compensated individual compared to company-wide median employee wages, with clear ratio calculations demonstrating compensation transparency.

6.4 ESRS S2 Workers in the Value Chain

Case study: ESRS S2 Engagement with workers in the Value Chain

Trend identified:
While many preparers still report human rights policies regarding their Value Chain at a high level, some are starting to operationalise them through supplier actions, ESG onboarding, and grievance mechanisms to enable consistent oversight

Company description:
Renewable energy company operating globally across multiple continents. Focused on wind, solar, and energy storage development with extensive supply chain operations spanning high-risk geographical regions for human and labour rights

Policies | linkage to supplier engagement:

- **The company's Human Rights Policy is grounded in international standards** (e.g., UN Guiding Principles, ILO Core Conventions, OECD Due Diligence Guidelines).
- **These principles are operationalized through supplier codes of conduct, procurement policies, and ESG onboarding protocols.**
- **A structured risk-based approach** (e.g., country risk mapping) ensures that human rights considerations guide supplier selection, contracting, and ongoing engagement.

Processes to engage along the Value Chain:

- **The company tailors its engagement by supplier category,** applying stricter due diligence to high-risk or high-impact relationships (e.g., solar component suppliers, contractors in complex geographies).
- **Engagement includes ESG assessments**, traceability requirements, audits and site inspections.
- **Stakeholders across the Value Chain are segmented and addressed based on their risk exposure.**

Grievance channels and monitoring:

- **A publicly available grievance mechanism** (e.g., "Speak Up" channel) **enables any stakeholder -** including Value Chain workers **- to raise concerns confidentially and anonymously.**
- **Protections against retaliation are clearly defined**, and the system's effectiveness is tracked through periodic reporting and incident analytics.

6.5 ESRS S3 Affected communities[15]

Key observations:

The following insights are based on desk research that was run for the "case studies". Given the varied practices, instead of having single companies case studies we gathered our observations and tactical examples (green box).

- **A growing number of companies have started to disclose affected communities as a material topical standard**, often consolidating them on a single page or section of the report.
- **Entity-specific metrics**, which go beyond minimum disclosure requirements and are tailored to each company's business, are used to reflect how the business specifically interacts with communities.
- **A clear connection is established between community-related policies and implementation practices**, such as financial inclusion, education, or local economic development programmes.
- **Human rights due diligence often includes consideration of community impacts**, especially in sectors operating in sensitive regions.
- **Companies commonly disclose grievance mechanisms available to communities**, although information on usage rates and effectiveness monitoring remains limited.
- **The disclosures demonstrate a growing effort to track and communicate social value creation**, particularly through impact-focused initiatives linked to partnerships, or core business.

Examples of entity-specific metrics used to describe impacts on affected communities:

Preparers have identified and disclosed a range of entity-specific metrics to illustrate how they affect communities. These are typically voluntary disclosures, tailored to each company's activities and societal footprint. Key examples include:

- **Number of people reached:** Captures how many individuals have participated in community-focused initiatives such as job training, education programmes, or entrepreneurship support.
- **Access to financial services:** Reflects the number of people who have gained access to basic financial products such as loans, savings, or insurance.
- **Community investment:** Reports the amount of financial support allocated to local projects, typically through corporate foundations or donation programmes, often broken down by thematic areas such as education, health, or environmental protection.
- **Use of grievance mechanisms:** Indicates how often communities raised concerns through formal channels, including data on resolution rates or types of issues raised.
- **Community impact assessments:** Tracks how often projects are evaluated for potential effects on nearby communities, including percentage of new activities screened or actions taken.

[15] Calculated from a manual analysis on a sub-set of 50 companies was used to proxy the average number of metrics

6.6 ESRS S4 Consumers and End-users [16]

Key observations:

The following insights are based on desk research that was run for the "case studies". Given the varied practices, instead of having single companies case studies we gathered our observations and tactical examples (green box).

- **Consumer-related disclosures are becoming more structured and expansive,** particularly for companies with large consumer-facing brands and in the services industry (e.g. financial services)
- There is a **growing showcase of how products, services, or brand platforms impact consumers**, using entity-specific metrics.
- **Digitalisation is key in how companies measure and report consumer experience and impact**, primarily through platforms, apps, or targeted campaigns.
- **Responsible consumption and inclusion are recurring focus areas**, particularly in sectors such as food, beverage, and financial services. Disclosures increasingly include behaviour change initiatives, product reformulations, and access enhancements.
- **Companies frequently highlight their grievance mechanisms for consumers** (e.g., complaint channels), but effectiveness metrics remain rare.
- **Consumer impact disclosures often reflect reputational priorities**, emphasising purpose-led branding, consumer trust, or themes related to well-being.

Examples of entity-specific metrics used to describe impacts on consumers and end-users:

Preparers have disclosed a range of tailored indicators to reflect how they engage with consumers and end-users. These metrics are often aligned with each preparer's business model, product portfolio and stakeholder focus. Examples include:

- **Consumer reach and satisfaction**: Captures how many people are reached by products, services, or campaigns, supported by satisfaction indices.
- **Responsible consumption efforts:** Includes metrics such as the share of marketing budget dedicated to responsible messaging, or the availability of healthier product options.
- **Inclusive product offerings:** Tracks the introduction of product variants or service formats designed to meet diverse consumer needs, such as low-alcohol, lactose-free, sugar-reduced offerings or accessible digital experiences.
- **Digital engagement:** Number of users on e-commerce platforms, mobile apps or customer portals, as well as usage rates or value delivered through personalisation tools.
- **Consumer support and complaints:** Number of cases raised through public-facing consumer channels, resolution timelines, and customer feedback on issue handling.
- **Brand-led social initiatives:** Programmes for flagship brands that address mental health, social inclusion, or financial literacy, with metrics on reach, participation, or awareness.

[16] Insights derived from a manual check on a sub-set of 100 companies was used to proxy the average number of metrics

7 Appendix

7.1 Caveats and limitations

The use of GenAI, which enabled some of the findings of this study, may still produce errors (referred to as "hallucinations"), even though all questions underwent manual testing, as described below. Hence, all summary statistics in this report shall be viewed as market trends, not as detailed company-by-company analysis. This report does not explain the practices of any single preparer but presents aggregated findings across a set of the first wave of sustainability statements applying the ESRS. Finally, we acknowledge that a portion of the sustainability statements published by April 20, 2025 (the cut-off date for report collection) might not have been identified during the data collection process. Reports published after this deadline were not included.

7.2 Methodology

Overview

The first step of this analysis involved collecting 2025 sustainability statements (reflecting 2024 information), issued according to the CSRD with the following features:

i) Assured by a third party according to the EU Sustainability Reporting Standards (ESRS).
ii) Issued in all languages and countries (regardless of CSRD transposition into national law).
iii) Published between January 1, 2025, and April 20, 2025.

In the absence of a unique, comprehensive and public repository, the sustainability statements were gathered from a mix of data providers, alerts, advanced search,[17] and other public sources. This process returned 656 sustainability statements across various industrial sectors and geographies, as shown in **section 3**.

A set of questions was selected to assess the application of cross-cutting standards (General Disclosures) and topical standards (Environment, Social, Governance). Starting from a long list of potential questions, the EFRAG Secretariat then selected a subset with high relevance, complexity, and potential to provide insights and trends.

The study incorporated the use of Generative Artificial Intelligence (AI) to analyse the statements. The GenAI engine analysed the collected statements for each of the pre-determined questions. To ensure that the engine produced accurate results, the AQL[18] method was used to identify a representative set of 50 reports[19] to cross-check the correctness of GenAI responses manually. Starting from 13 potential questions, 11 resulted in correct results when checked with manual analysis and were included in the scope of GenAI analysis; the remaining two were deemed unsuitable from a quality perspective and excluded from the GenAI analysis (see more information in the next paragraph). The results of the 11 questions analysed with GenAI are shown in tables throughout the report and can also be found in EFRAG's interactive dashboard, which is accessible here.

Process

A bespoke GenAI engine was created to perform a large-scale assessment of 656 sustainability statements published in early 2025, reflecting the reporting year 2024. The objective was to generate high-quality, scalable insights into how companies are applying ESRS to create disclosures at this early stage of CSRD implementation.

[17] e.g., Refinitiv Workspace

[18] The Acceptance Quality Limit (AQL) is a sampling technique to define the maximum # of acceptable errors (defects)

[19] The sustainability statements reviewed were selected to represent the share of industries included in the market study

To ensure robustness and consistency, a structured and repeatable process was applied for each question assessed. The process began with a representative set of 50 sustainability statements. The pre-selected questions were reviewed manually (i.e., by humans) for each statement to establish a performance benchmark for the model. Based on these reference answers, tailored prompts were developed to guide the AI in identifying the relevant content within each statement and formatting its output consistently for ease of interpretation.

The GenAI prompts were then tested on the same set of 50 reports, with AI-generated responses compared against the manually established references. The prompts were refined iteratively until accuracy reached an acceptable quality threshold, following the Acceptable Quality Level (AQL) approach. The threshold was defined as fewer than five errors per question across each test.

Through this quality review process, two of the 13 preselected questions were excluded from the assessment because they did not meet the quality threshold. Only the 11 questions that met this quality threshold were included in the broader analysis. For each of the 11 questions, the validated prompts were then deployed across the whole dataset of 656 statements, generating a consistent and structured set of AI responses.

For the questions that did not pass the quality threshold, the unreliable answers stemmed from the variety of methods used by reporters to present information. For instance, they employed a range of infographics and table styles - often in non-standard formats - to convey values. This posed a significant challenge for the large language models to comprehend the content.

This methodology enabled the extraction of systematic insights at scale while maintaining the quality standards typically associated with manual review. It also established a replicable foundation for ongoing, high-frequency monitoring of sustainability reporting practices under the ESRS framework. During the case-study manual analysis we collected useful contextual information that were used to enrich the narrative of the overall study (and flagged accordingly).

7.3 Glossary and definitions

Term	Long Form	Short Explanation
ESRS	European Sustainability Reporting Standards	EU-mandated framework for corporate sustainability disclosures
CSRD	Corporate Sustainability Reporting Directive	EU directive mandating sustainability reporting for large companies
PATs	Policies, Actions, and Targets	Company-specific ESG policies, actions, and targets related to material matters
IROs	Impacts, Risks, and Opportunities	Elements to assess impact materiality (*impacts*) and financial materiality (*risks and opportunities*)
DMA	Double Materiality Assessment	Analysis of both financial and impact materiality
VC	Value Chain	The full range of activities from sourcing to end-user relating to a business
CTP	Transition plan for climate change mitigation	A company's roadmap for aligning with climate goals (e.g., net-zero)
AR16	Application Requirement 16	Guidance in the ESRS defines the structure of materiality assessments
ICP	Internal Carbon Pricing	Monetary value to carbon emissions internally for decision-making
SBTi	Science-Based Targets Initiative	Organisation validating emission reduction targets in line with climate science
IG	Implementation Guidance (e.g., IG3, IG4)	Supporting documents providing practical guidance for implementing ESRS developed by EFRAG
GICS	Global Industry Classification Standard	A standardised classification system for industries globally
NACE	Nomenclature of Economic Activities	The EU's official system for classifying economic activities
AQL	Acceptable Quality Level	Benchmark for acceptable errors in testing AI output quality

CSRD 1.0 requirements to identify preparers mandated to publish CSRD statements in 2025

As per Art.5 of Directive (EU) 2022/2464, for financial years starting on or after 1 January 2024, companies mandated to report are:

(i) **Large undertakings** within the meaning of Article 3(4) of Directive 2013/34/EU which are public-interest entities (PIEs) as defined in Article 2(1) of that Directive exceeding on their balance sheet dates the average number of 500 employees during the financial year;

(ii) **Public-interest entities (PIEs)** as defined in Article 2(1) of Directive 2013/34/EU which are parent undertakings of a large group within the meaning of Article 3(7) of that Directive exceeding on its balance sheet dates, on a consolidated basis, the average number of 500 employees during the financial year.

Key definitions:

Per Article 3(4) of Directive 2013/34/EU, **"Large undertakings"** shall be undertakings which on their balance sheet dates exceed at least two of the three following criteria:

(a) balance sheet total: EUR 20,000,000;
(b) Net turnover: EUR 40,000,000;
(c) Average number of employees during the financial year: 250.

- As per Article 3(7) of Directive 2013/34/EU, **"Large groups"** shall be groups consisting of parent and subsidiary undertakings to be included in a consolidation and which, on a consolidated basis, exceed the limits of at least two of the three following criteria on the balance sheet date of the parent undertaking:
  (a) balance sheet total: EUR 20,000,000;
  (b) Net turnover: EUR 40,000,000;
  (c) Average number of employees during the financial year: 250.
- As per Article 2(1) of Directive 2013/34/EU**, "Public-interest entities"** means undertakings within the scope of Article 1 of DIRECTIVE (EU) 2022/2464, which are:
  (a) Governed by the law of a Member State and whose transferable securities are admitted to trading on a regulated market of any Member State within the meaning of point (14) of Article 4(1) of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments (1);
  (b) Credit institutions as defined in point (1) of Article 4 of Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (1), other than those referred to in Article 2 of that Directive;
  (c) Insurance undertakings within the meaning of Article 2(1) of Council Directive 91/674/EEC of 19 December 1991 on the annual accounts of insurance undertakings (2); or
  (d) Designated by Member States as public-interest entities, for instance undertakings that are of significant public relevance because of the nature of their business, their size or the number of their employees

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