

# POSITION PAPER



## **Consultation Document**

### **EFRAG public consultation on draft ESRS**

ESBG (European Savings and Retail Banking Group)

Rue Marie-Thérèse, 11 - B-1000 Brussels

**August 2022**





### **3B. Adequacy of Disclosure Requirements – Environmental standards**

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

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

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



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

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

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

**1 Question 79: Please, rate to what extent do you think DR E1-1 – Transition plan for climate change mitigation**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance		X				
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

In DR E1-1 par. 15 (c), the undertaking is required to disclose an explanation of the financial resources supporting the implementation of the transition plan. In ESBG's view, the requirement to disclose the allocation of a financial institution's financial resources supporting the implementation of the transition plan is a matter confidentiality and may give a competitive advantage to competitors. We propose to remove this requirement. Also,



the CSRD proposal itself inserts a new article 25b that protects high confidential data and states that if some disclosure requirements put in danger confidentiality, undertakings need to start a discussion with auditors to demonstrate that it is too confidential and that disclosure should not occur. In particular, the Commission proposal for the CSRD introduced a new Article 25b to the Audit Directive on "Professional Ethics, Independence, Objectivity, Confidentiality and Professional Secrecy as regards of assurance of sustainability reporting". The proposal states that Articles 21 to 24a of the Audit Directive (on professional ethics, independence and objectivity and confidentiality and professional secrecy) as regards the statutory audit of financial statements shall apply to the assurance of sustainability reporting. It is indeed stated in Article 23 of the Audit Directive that Member States shall ensure that all information and documents to which a statutory auditor or audit firm has access when carrying out a statutory audit are protected by adequate rules on confidentiality and professional secrecy. Therefore, it is understood that through this new proposal, the same requirements with respect to the confidentiality shall be required with respect to the assurance of sustainability reporting. We prefer this alternative. The same issue is identified in the ESRS 1 and 2 (cross cutting standards) regarding disclosure of contracts and agreements.

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

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

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With the exception of paragraph 4, the ESRS E1 disclosure obligations on climate change refer to the Paris Agreement aim of '*limiting the global warming to 1.5°C*'. This, however, does not accurately reflect the Paris Agreement's commitment, which establish a global framework for preventing severe climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. As a result, there might be undertakings that aim to set a target of 2°C instead of pursuing efforts to limit global warming up to only 1.5°C.



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

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

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

**2 Question 80: Please, rate to what extent do you think DR E1-2 – Policies implemented to manage climate change mitigation and adaptation**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)	X					
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
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G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
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It is not clear what is required to be disclosed by an undertaking in par. 16 in E1-2. In our view, an explanation of the environmental policy should be deemed sufficient.

For part B, we consider the climate adaptation disclosure requirements to be sector specific rather than sector agnostic information because climate change adaptation is not significant for the financial industry. Considering this, we propose the two following options:

- a) all disclosure requirements regarding climate change adaptation should be moved to the upcoming sector specific standards
- b) comply or explain approach: after every reference to climate change adaptation disclosures in the environmental – sector agnostic standards, the legislators should add “where applicable” or “where relevant” to ensure that banks wouldn’t need to disclose information that are irrelevant. However, this solution already applies to all disclosure requirements as in scope companies must only disclose what is relevant and material based on a materiality assessment that is – as for now – complex and time-consuming.



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

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

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

**3 Question 81: Please, rate to what extent do you think DR E1-3 – Measurable targets for climate change mitigation and adaptation**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered		X				
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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The table in DR E1-3 par. 24 includes the general requirements for the disclosure of all types of climate-related targets and additional requirements for the disclosure of GHG emission reduction targets. Regarding the general requirements for disclosure of climate-related targets (based on ESRS 1 Disclosure Principle 2), for each target, the undertaking shall disclose: (a) the relationship of the target to the policy objectives. It is not clear to which target the point (a) refers to, i.e. 1.5 degrees Celsius, well below 2 degrees Celsius or another target.

Also, according to point c first column, undertakings are required to disclose *'the scope of the target, including an explanation of any limitations as to its operations, value chain and geographical boundaries or activities'*. In our view, this disclosure requirement should be requested in the context of disclosing information on GHG emissions targets. Requiring this disclosure in DR E1-3 is unrealistic and duplicates the disclosure efforts of undertakings.

In addition, we would like the European Commission to clarify what is the nature of the second column of requirements named 'Additional requirements for disclosure of GHG emission reduction targets'. Are these additional requirements voluntary?

In point b second column 'Additional requirements for disclosure of GHG emission reduction targets', an undertaking is required to disclose *'GHG emission reduction targets in absolute value and, if deemed meaningful, in intensity value (relative)'*. We would like to ask why an undertaking is required to disclose the absolute value of GHG emission reduction targets.

In point c second column, the undertaking is not allowed to *'include GHG removals, carbon credits or avoided emissions as means to achieve (GHG emission reduction) targets'*. We disagree with these criteria. Although, we could agree that these offset measures could not be a significant proportion to achieve the undertaking's GHG emission reduction targets, not considering them at all is unrealistic and contradictory to meeting EU's climate change objectives.

An undertaking is also required *'from 2025 onwards, (to) update the base year for its GHG emission reduction targets in five-year rolling periods.'* We suggest that such an update is required at a minimum every five years as already agreed by the United Nations Net-Zero Banking Alliance and the framework of the Science Based Targets initiative.

Finally, an undertaking is required to *'provide an explanation of the expected quantitative contributions from different decarbonisation levers to the achievement of the GHG emission reduction'*



*targets*'. We recommend that this requirement should be voluntary.

Apart from the above, par. 25 requires that *'in case the undertaking discloses a net-zero target, it shall explain the scope, methodologies and frameworks applied and how the residual GHG emissions are intended to be neutralised, e.g., by GHG removals in own operations and the value chain (ESRS E1 Disclosure Requirement 12)'*. In our view, the table in par. 24 covers the same requirement. We would like the European Commission to clarify this requirement.

In par. 26, the term *'GHG neutrality'* is used. It would be useful to have a definition of this term at EU level.



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

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

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

**4 Question 82: Please, rate to what extent do you think DR E1-4 – Climate change mitigation and adaptation action plans and resources**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered		X				
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
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**For part F, please specify what existing European sustainability reporting**



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According to DR E1-4 par. 24, *'the undertaking shall disclose its climate change mitigation and adaption action plans and the resources allocated for their implementation'*. We would like the European Commission to clarify if by the term *'resources'* means only financial resources, CAPEX or also FTE or other.

In par. 30, an undertaking is required to *'relate monetary amounts to the most relevant amount presented in the financial statements'*. The definition of *'most relevant amount'* is unclear. We ask the European Commission to clarify.



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

The undertaking shall provide information on its energy consumption.

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

**5 Question 83: Please, rate to what extent do you think DR E1-5 – Energy consumption & mix**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
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B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
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**DR E1-6 – Energy intensity per net turnover**

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

**6 Question 84: Please, rate to what extent do you think DR E1-6 – Energy intensity per net turnover**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered		X				
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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Par. 35 of DR E1-6 requires the undertaking to *'provide information on the energy consumption associated with activities in high climate impact sectors per net turnover of these activities'*. We would like the European Commission to clarify what is the definition of *'high climate impact sectors'*. In our view, it might be difficult to fit our business model into the so called 'high climate impact sectors'. Finally, we ask the European Commission to clarify whether the currency used for the calculation of net turnover should be the EURO or the respective national currencies.



**DR E1-7 – Scope 1 GHG emissions**

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

**7 Question 85: Please, rate to what extent do you think DR E1-7 – Scope 1 GHG emissions**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
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**DR E1-8 – Scope 2 GHG emissions**

The undertaking shall disclose its gross indirect energy Scope 2 GHG emissions in metric tons of CO2 equivalent.

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

**8 Question 86: Please, rate to what extent do you think DR E1-8 – Scope 2 GHG emissions**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**



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**DR E1-9 – Scope 3 GHG emissions**

The undertaking shall disclose its gross indirect Scope 3 GHG emissions in metric tons of CO2 equivalent.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the GHG emissions that occur in the undertaking’s value chain beyond its Scope 1 and 2 GHG emissions. For many undertakings Scope 3 GHG emissions are the main component of the GHG inventory and an important driver of their transition risks.

**9 Question 87: Please, rate to what extent do you think DR E1-9 – Scope 3 GHG emissions**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
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In our view, a comparable and common methodology as well as respective guidance is needed for the efficient disclosure of Scope 3 GHG emissions.



**DR E1-10 – Total GHG emissions**

The undertaking shall disclose its total GHG emissions in metric tons of CO2 equivalent.

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

**10 Question 88: Please, rate to what extent do you think DR E1-10 – Total GHG emissions**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered		X				
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
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According to DR E1-10 par. 48, the disclosure of the undertaking's total GHG emissions in metric tons of CO<sub>2</sub> equivalent aims to *'provide an overall understanding of the undertaking's GHG emissions and whether they occur from its own operations or the value chain'*. We would like to note that regarding the disclosure of information on our value chain, we are dependent on our corporate customers reporting. Thus, a phase in implementation of this requirement should be considered to facilitate the collection of sufficient data.

Par 49 requires the disclosure of total GHG emissions in metric tons of CO<sub>2</sub> equivalent to be presented in terms of location-based and market-based methods. We would like the European Commission to clarify if undertakings are required to use both methods for the presentation of their disclosures.



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

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

**11 Question 88: Please, rate to what extent do you think DR E1-11 – GHG intensity per net turnover**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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Par 50 of DR E1-11 requires the undertaking to '*disclose its total GHG emissions per net turnover*'. We would like the European Commission to clarify whether the net turnover is a relevant metric for every sector or whether it is possible to also consider revenue and physical intensity metric (such as MWh, m2).



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

The undertaking shall disclose GHG removals from own operations and the upstream and downstream value chain in metric tons of CO2 equivalent.

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

**12 Question 90: Please, rate to what extent do you think DR E1-12 – GHG removals in own operations and the value chain**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered		X				
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance		X				
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
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According to par. 55, the disclosure of GHG removals from own operations and the upstream and downstream value chain in metric tons of CO2 equivalent shall include '(a) the total amount of GHG removals in metric tons of CO2eq, separated for own operations and the value chain and broken down by removal activity'. We consider the disclosure of GHG removals from the upstream and downstream value chain challenging. It is not very clear whether this refers to direct emissions.



Also, we would like the European Commission to provide a definition for the term '*nature-based solution*' in par.25 (b) (iii).

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

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

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

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

**13 Question 91: Please, rate to what extent do you think DR E1-13 – GHG mitigation projects financed through carbon credits**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
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D. Meets the other objectives of the CSRD in term of quality of Information						
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**(Optional) DR E1-14 – Avoided GHG emissions from products and services**

The undertaking may disclose its estimated total avoided GHG emissions from its products and services in metric tons of CO2 equivalent.

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

**14 Question 92: Please, rate to what extent do you think DR E1-14 – Avoided GHG emissions from products and services**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance		X				
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



In our view, the disclosure of estimated total avoided GHG emissions from its products and services in metric tons of CO2 equivalent is quite challenging for the banking sector.

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

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

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

EFRAG uses the word 'may' in DR E1-14 par. 59. Could you please clarify whether this means that this disclosure requirement is voluntary?



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

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

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

**15 Question 93: Please, rate to what extent do you think DR E1-15 – Potential financial effects from material physical risks**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of Information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU Legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of Implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

**For part F, please specify what existing European sustainability reporting**



obligation you think the disclosure requirements misses to address adequately

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

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

According to par. 66 in DR E1-15, the disclosure of the estimated potential financial effects from material physical risks aims to '*provide an understanding of how material climate-related physical risks may affect the undertaking's performance and position over the short, medium and long term*'. We would like to confirm whether undertakings are required to disclose the potential financial effects of material physical risks for all time periods, i.e. short, medium and long term.

We also ask the European Commission to clarify what does the word '*percentage*' cover in par 67. Could this mean percentage of total assets? This is not clear to us.



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

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

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

**16 Question 94: Please, rate to what extent do you think DR E1-16 – Potential financial effects from material transition risks**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

**For part F, please specify what existing European sustainability reporting**



obligation you think the disclosure requirements misses to address adequately

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

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



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

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

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

**17 Question 95: Please, rate to what extent do you think DR E1-17 – Potential financial effects from climate-related opportunities**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

**For part F, please specify what existing European sustainability reporting**



obligation you think the disclosure requirements misses to address adequately

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

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



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

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

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

**18 Question 96: Please, rate to what extent do you think E2-1 – Policies implemented to prevent and control pollution**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**19 Question 97: Please, rate to what extent do you think DR E2-2 – Measurable targets for pollution**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**20 Question 98: Please, rate to what extent do you think DR E2-3 – Pollution action plans and resources**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**21 Question 99: Please, rate to what extent do you think DR E2-4 – Pollution of air, water and soil**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**22 Question 100: Please, rate to what extent do you think DR E2-5 – Substances of concern and most harmful substances**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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



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

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

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

**23 Question 101: Please, rate to what extent do you think DR E2-6 – Pollution-related incidents and deposit impacts and risks, and financial exposure to the undertaking**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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



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

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

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

**24 Question 102: Please, rate to what extent do you think DR E2-7 – Financial effects from pollution-related impacts, risks and opportunities**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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



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

The undertaking shall disclose its policies related to water and marine resources.

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

**25 Question 103: Please, rate to what extent do you think DR E3-1 – Policies implemented to manage water and marine resources**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**26 Question 104: Please, rate to what extent do you think DR E3-2 – Measurable targets for water and marine resources**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**27 Question 105: Please, rate to what extent do you think DR E3-3 – Water and marine resources action plans and resources**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

The undertaking shall provide information on its water management performance.

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

**28 Question 106: Please, rate to what extent do you think DR E3-4 – Water management performance**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

The undertaking may provide information on its water intensity performance.

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

**29 Question 107: Please, rate to what extent do you think DR E3-5 – Water intensity performance**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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

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



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

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



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

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

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

**30 Question 108: Please, rate to what extent do you think DR E3-6 – Marine resources-related performance**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
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**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**

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



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

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



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

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

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

**31 Question 109: Please, rate to what extent do you think DR E3-7 – Financial effects from water and marine resources related impacts, risks and opportunities**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

**For part E, please explain why costs would be unreasonable and / or what**



particular benefit this disclosure requirement offers

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

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

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



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

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

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

**32 Question 106: Please, rate to what extent do you think DR E4-1 – Transition plan in line with the targets of no net loss by 2030, net gain from 2030 and full recovery by 2050**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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



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

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

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

**33 Question 111: Please, rate to what extent do you think DR E4-2 – Policies implemented to manage biodiversity and ecosystems**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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



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

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

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

**34 Question 112: Please, rate to what extent do you think DR E4-3 – Measurable targets for biodiversity and ecosystems**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
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**DR E4-4 – Biodiversity and ecosystems action plans**

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

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

**35 Question 113: Please, rate to what extent do you think DR E4-4 – Biodiversity and ecosystems action plans**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
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**For part G, please explain how you think further alignment could be reached**

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**DR E4-5 – Pressure metrics**

The undertaking shall report pressure metrics.

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

**36 Question 114: Please, rate to what extent do you think DR E4-5 – Pressure metrics**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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**For part F, please specify what existing European sustainability reporting obligation you think the disclosure requirements misses to address adequately**



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**DR E4-6 – Impact metrics**

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

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

**37 Question 115: Please, rate to what extent do you think DR E4-6 – Impact metrics**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
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**DR E4-7 – Response metrics**

The undertaking shall disclose response metrics.

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

**38 Question 116: Please, rate to what extent do you think DR E4-7 – Response metrics**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
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**(Optional) DR E4-8 – Biodiversity-friendly consumption and production metrics**

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

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

**39 Question 117: Please, rate to what extent do you think DR E4-8 – Biodiversity-friendly consumption and production metrics**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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**(Optional) E4-9 – Biodiversity offsets**

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

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

**40 Question 118: Please, rate to what extent do you think DR E4-9 – Biodiversity offsets**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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H. Represent information that must be prioritised in first year of implementation						
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**For part E, please explain why costs would be unreasonable and / or what particular benefit this disclosure requirement offers**



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

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

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

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

**41 Question 119: Please, rate to what extent do you think DR E4-9 – Financial effects from biodiversity-related impacts, risks and opportunities**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
I. Is well suited to be transformed in a digital reporting taxonomy that will avoid creating misunderstandings or practical complexities						

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



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

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

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

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

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

**42 Question 120: Please, rate to what extent do you think DR E5-1 – Policies implemented to manage resource use and circular economy**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
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H. Represent information that must be prioritised in first year of implementation						
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**For part F, please specify what existing European sustainability reporting**



obligation you think the disclosure requirements misses to address adequately

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

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

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

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

**43 Question 121: Please, rate to what extent do you think DR E5-2 – Measurable targets for resource use and circular economy**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
F. Is sufficiently consistent with relevant EU policies and other EU legislation						
G. Is as aligned as possible to international sustainability standards given the CSRD requirements						
H. Represent information that must be prioritised in first year of implementation						
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**For part G, please explain how you think further alignment could be reached**

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

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

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

**44 Question 122: Please, rate to what extent do you think DR E5-3 – Resource use and circular economy action plans**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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**DR E5-4 – Resources inflows**

The undertaking shall provide information on its resources' inflows.

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

**45 Question 123: Please, rate to what extent do you think DR E5-4 – Resources inflows**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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**DR E5-5 – Resources outflows**

The undertaking shall provide information on its resources' outflows.

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

**46 Question 124: Please, rate to what extent do you think DR E5-5 – Resources outflows**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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**DR E5-6 – Waste**

The undertaking shall provide information on its wastes.

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

**47 Question 125: Please, rate to what extent do you think DR E5-6 – Waste**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
E. Reaches a reasonable cost / benefit balance						
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**DR E5-7 – Resource use optimisation**

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

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

**48 Question 126: Please, rate to what extent do you think DR E5-7 – Resource use optimisation**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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**DR E5-8 – Circularity support**

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

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

**49 Question 127: Please, rate to what extent do you think DR E5-8 – Circularity support**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
D. Meets the other objectives of the CSRD in term of quality of information						
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**DR E5-9 Financial effects from resource use and circular economy-related impacts, risks and opportunities**

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

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

**50 Question 128: Please, rate to what extent do you think DR E5-9 – Financial effects from resource use and circular economy-related impacts, risks and opportunities**

**1/ Not at all 2/ To a limited extent with strong reservations, 3/ To a large extent with some reservations 4/ Fully 5/ No opinion 6/ Not applicable**

	1	2	3	4	5	6
A. Requires relevant information about the sustainability matter covered						
B. Requires information that is relevant for all sectors (sector-agnostic only information)						
C. Can be verified / assured						
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### **Additional information**

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) below. **Please make sure you do not include any personal data in the file you upload if you want to remain anonymous.**

*The maximum file size is 1 MB.*

*You can upload several files.*

*Only files of the type pdf,txt,doc,docx,odt,rtf are allowed*



### **About ESBG (European Savings and Retail Banking Group)**



European Savings and Retail Banking Group – aisbl

Rue Marie-Thérèse, 11 ■ B-1000 Brussels ■ Tel: +32 2 211 11 11 ■ Fax : +32 2 211 11 99

Info@wsbi-esbg.org ■ www.wsbi-esbg.org

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