

POSITION PAPER



Consultation Document

EFRAG public consultation on draft ESRS

ESBG (European Savings and Retail Banking Group)

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August 2022



3D. Adequacy of Disclosure Requirements – Governance 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 G1-1 – Governance structure and composition

The undertaking shall provide information on its governance structure and composition.

The principle to be followed under this Disclosure Requirement is to provide an understanding of the structure and composition of the governance and the distribution of roles and responsibilities throughout the undertaking's organisation, from its administrative, management and supervisory bodies to its executive and operational levels.

1 Question 173: Please, rate to what extent do you think G1-1 – Governance structure and composition

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		X				
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

We consider the information requested in the proposed standard ESRS G1 to be too detailed. Especially for small institutions, this would mean a high effort, which is not necessarily required by Articles 19a and 19b of the CSRD.



Moreover, according to *Appendix B: Application guidance*, disclosure requirements under G1-1 are applicable to the “highest decision-making authority, including the body(ies) that exercise the administrative, management and supervisory functions”. Accordingly, the reference to ‘operational levels’ in paragraph 13 it is not coherent with Appendix B (AG.1) and should be removed as including operational levels as “high-decision making bodies” would be excessive and very burdensome to report on.

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

ESRS G1-1 is not fully compatible with the governance of some of our member institutions. In particular, it does not take into account special legal requirements. Examples: (1.) Independence of members (see para. 14(d)) is not required in some Member States for less significant institutions, therefore this information should not be required. (2.) It is unclear what use the tenure of members is supposed to have (see para. 14(e)).

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

We note some observations with respect to point A), on the relevance of the information about the sustainability matter covered.

There is a need for clarity with respect to paragraph 13. The reference to ‘operational levels’ in paragraph 13 it is not coherent with Appendix B (AG.1) in which it is established that disclosure requirements under G1-1 are applicable to the “highest decision-making authority, including the body(ies) that exercise the administrative, management and supervisory functions”. Accordingly, including operational levels in G1-1 as “high-decision making bodies” would be contradictory and excessive and very burdensome to report on

In addition to this, paragraph 14 (g) states that information should be disclosed with respect to the representation of stakeholder groups within the governance structure and composition. As the representation of stakeholders in the governance bodies is particular of only some jurisdictions, the relevance of this disclosure requirement (paragraph 14, point (g)) is unclear and should therefore be clarified, alternatively should be expressly stated that such disclosure requirement is to be informed if applicable according to the applicable local legislation.

Furthermore, the wording “if applicable” should be added to the end of paragraph 12, in order to ensure proportionality of disclosure requirements.

On AG5, point (c) it is unclear if the “corporate reporting and audit” are only given as examples of “competencies” or if they will be included. The context is not clear.

With respect to AG 9, clarifications should be introduced to state that the information on changes to the composition of the administrative, management and supervisory bodies of the undertaking



from the previous reporting period should extend to the end of the reference period of the sustainability report.

Overall, there is a lack of proportionality with respect to the disclosure requirements. It is considered that some disclosure requirements are disproportionate for companies that are unlisted e.g. on evaluation process, remuneration policy. There should be an option whereas the requirements for disclosure are optional for non-listed companies as well as for small and medium-sized companies.

Moreover, there is an overlap between the disclosure requirements found in this standard with those found in other reports e.g. the corporate governance report. There needs to be a clarification with respect to cross-referencing of disclosure requirements e.g. through an index, in order to avoid duplication of reporting requirements.



DR G1-2 – Corporate governance code or policy

The undertaking shall disclose the corporate governance code, policy or practices that determine the function of its administrative, management or supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about any legal or regulatory requirements that mandate and influence the design of the governance structure of the undertaking, together with information on aspects implemented that are over and above any relevant legal or regulatory requirements.

2 Question 174: Please, rate to what extent do you think G1-2 – Corporate governance code or policy

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						
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

We note some observations with respect to point A), on the relevance of the information about the sustainability matter covered. Clarifications are needed with respect to paragraph 17, point (a) on the concept of “corporate governance code”. Some members understand this to refer to national laws. Therefore an indication of where this information is available should not be required. The company does not have the possibility to impact where the information is available / if it is moved etc.

In addition to this, it should be clarified what is meant by “over and above” in paragraph 16.



DR G1-3 – Nomination process

The undertaking shall provide information about the nomination and selection processes for its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the criteria used for selecting and nominating the members of the undertaking's administrative, management and supervisory bodies.

3 **Question 175: Please, rate to what extent do you think G1-3 – Nomination process**

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		x				
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



The proposed standard ESRS G1 is not fully compatible with the governance of some of our member institutions. In particular, it does not take into account special legal requirements. Examples: (1.) In some types of institutions, the institution has no influence on the selection and appointment of supervisory body members. Although the nomination process can be described, it cannot be influenced. (2.) Independence of members (see para. 21(b)iii.) is not required in some Member States for less significant institutions, therefore this information should not be required.

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

In relation to point A) of the questions, the removal of disclosure requirements for nomination process of stakeholders (paragraph 21, point (b), sub-point (i)) has been suggested as it is not clear what the relevance of this is in the context of the nomination process.



DR G1-4 – Diversity policy

The undertaking shall provide information on the diversity policy applied in relation to its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the undertaking's diversity policy to promote a diversified composition of its administrative, management and supervisory bodies. This shall also include the diversity criteria adopted with the associated rationale on their prioritisation, and the mechanism adopted to foster diversity representation.

4 Question 176: Please, rate to what extent do you think G1-4 – Diversity policy

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		x				
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

The proposed standard ESRS G1 is not fully compatible with the governance of some of our member institutions. In particular, it does not take into account special legal requirements. Examples: (1.) In some types of institutions, the institution has no influence on the selection and appointment of supervisory body members. Although the nomination process can be described, it cannot be influenced. The same is true for the diversity policy. (2.) The creed /religion of the members (see AG 6) may not be asked by the employer at all. Therefore, this cannot be reported.

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

In relation to point A) of the questions, there is a need to ensure consistency regarding diversity criteria throughout the ESRS G1. In this sense, the diversity criteria found in paragraph 24 should be consistent with the criteria in G1-9 (composition of AMSB) as well as with AG 25.

Additionally, the diversity indicators expressed in AG 25, point (e) should be consistent with DR G1-4 and with DR G1-9. In addition to this, the words “creed” and “disability” should be removed as disclosures on these issues would be quite sensitive due to privacy concerns. Moreover, this diversity criteria established in AG 25 is not required by Level 1 regulations which regulates diversity criteria matters (specifically Directive 2013/34/EU, art. 20 (g) does not require the inclusion of such diversity indicators).

In addition to this, it is considered that complying with the criteria on disclosure requirements for “vulnerable groups” (paragraph 24, point (a), sub-point (iii)) is quite difficult to achieve in practice.



DR G1-5 – Evaluation process

The undertaking shall describe the process, if any, followed for evaluating the performance of its administrative, management and supervisory bodies in overseeing the management of the undertaking.

The principle to be followed under this Disclosure Requirement is to provide transparency on the process implemented by the undertaking for the evaluation of the performance of its administrative, management and supervisory bodies in supervising the management of the undertaking.

5 Question 177: Please, rate to what extent do you think G1-5 – Evaluation process

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 G1-6 – Remuneration policy

The undertaking shall describe the policy used for the remuneration of its administrative, management and supervisory bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the undertaking’s policy for the remuneration of the administrative, management and supervisory bodies.

6 Question 178: Please, rate to what extent do you think G1-6 – Remuneration policy

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						
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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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

In relation to point A) of the questions, we suggest an amendment in the wording of paragraph 32 point (c), as formally only shareholders/owners views are to be taken into account together with any corresponding voting results in the process of determining the remuneration policy of directors. Reference to other stakeholders should be given only if applicable according to local legislation in force



DR G1-7 – Risk management processes

The undertaking shall provide information on its risk management processes, with regards to risk arising for the undertaking and for the stakeholders.

The principle to be followed under this Disclosure Requirement is to inform about the undertaking's risk management processes. This includes an understanding of the supervision and monitoring of risk management by the undertaking's administrative, management and supervisory bodies.

7 Question 179: Please, rate to what extent do you think G1-7 – Risk management processes

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 G1-8 – Internal control processes

The undertaking shall provide information on its internal control processes, including in relation to the sustainability reporting process.

The principle to be followed under this Disclosure Requirement is to inform about the aspects related to the governance factors that affect the undertaking's internal control processes, including in relation to sustainability reporting. This also includes an understanding of the supervision and monitoring of those processes by the undertaking's administrative, management and supervisory bodies.

8 Question 180: Please, rate to what extent do you think G1-8 – Internal control processes

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 G1-9 – Composition of the administrative, management and supervisory bodies

The undertaking shall provide information about the composition of its administrative, supervisory and management bodies.

The principle to be followed under this Disclosure Requirement is to provide information about the diversity of the members of its administrative, management and supervisory bodies and committees.

9 Question 181: Please, rate to what extent do you think G1-9 – Composition of the administrative, management and supervisory

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		x				
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



The proposed standard ESRS G1 is not fully compatible with the governance of some of our member institutions. In particular, it does not take into account special legal requirements. Example: In some institutions there are no "shareholder-selected members" (see para. No. 43(a)).

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

In relation to point A) of the question, it is considered that the diversity criteria should be consistent with the one described in DR G1-4 as well as with AG 25.



DR G1-10 – Meetings and attendance rate

The undertaking shall provide information about the number of meetings and the attendance rate for its administrative, management and supervisory bodies and committees.

The principle to be followed under this Disclosure Requirement is to provide information about the rate of participation in meetings of the members of the administrative, management and supervisory bodies and committees.

10 Question 182: Please, rate to what extent do you think G1-10 – Composition of the administrative, management and supervisory

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		x				
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



The proposed standard ESRS G1 is not compatible with the governance of some of our member institutions. In particular, it does not take into account special legal requirements. Example: It is unclear what use the attendance rate is supposed to have (see para. 48 (b)).

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

In relation to point A) of the questions: Paragraph 48, point (b) remains unclear, because it does not describe an attendance rate.



DR G2-1– Business conduct culture

The undertaking shall disclose its initiatives to establish, develop and promote a business conduct culture

The principle to be followed under this Disclosure Requirement is to provide an understanding of how the administrative, management and supervisory bodies are involved in forming, monitoring, promoting and assessing the business conduct culture.

11 Question 183: Please, rate to what extent do you think G2-1 – Business conduct culture

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						
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

On paragraph 17 (a) (business conduct subjects that are taken into consideration and discussed ...): Information on internal discussions could be confidential. Therefore, this part of the requirements should be omitted.



DR G2-2 – Policies and targets on business conduct

The undertaking shall provide information about its policies with respect to business conduct matters.

The principle to be followed under this disclosure requirement is to provide an understanding of the undertaking’s ability (i) to mitigate any negative impacts and maximise positive impacts related to business conduct throughout its value chain, and (ii) to monitor and manage the related risks.

12 Question 184: Please, rate to what extent do you think G2-2 – Policies and targets on business conduct

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 G2-3 – Prevention and detection of corruption and bribery

The undertaking shall provide information about its system to prevent and detect, investigate, and respond to allegations or incidents relating to corruption and bribery.

The principle to be followed under this disclosure requirement is to provide transparency on the key procedures of the undertaking to prevent and detect, investigate and respond to corruption or bribery-related incidents or allegations.

13 Question 185: Please, rate to what extent do you think G2-3 – Prevention and detection of corruption and bribery

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		X				
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

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

Regarding A) and C), on paragraphs 24 (c) and (d) (number of corruption and bribery allegations through whistleblowing-channels and number of internal investigations):
This information would add little value to a sustainability report and cannot be verified, as it refers to mere allegations. It would be sufficient to provide general remarks on the prevention and investigation of corruption or bribery-related incidents.



DR G2-4 – Anti-competitive behaviour prevention and detection

The undertaking shall provide information about its system to prevent and detect, investigate, and respond to allegations or incidents relating to anti-competitive behaviour.

The principle to be followed under this disclosure requirement is to provide transparency on the key procedures of the undertaking to prevent and detect, investigate and respond to allegations or incidents of anti-competitive behaviour.

14 Question 186: Please, rate to what extent do you think G2-4 – Anti-competitive behaviour prevention and detection

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		X				
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

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

Regarding A) and C, on paragraph 29 (number of allegations on anti-competitive behaviour through whistleblowing-channels and number of internal investigations):
This information would add little value to a sustainability report and cannot be verified, as it refers to mere allegations. It would be sufficient to provide general remarks on the prevention and investigation of anti-competitive behaviour.



DR G2-5 – Anti-corruption and anti-bribery training

The undertaking shall provide information about any anti-corruption and anti-bribery training programmes offered.

The principle to be followed under this disclosure requirement is to provide an understanding of the undertaking’s training and educational initiatives to develop and maintain awareness related to anti-corruption or anti-bribery and business conduct within the undertaking as well as in the value chain.

15 Question 187: Please, rate to what extent do you think G2-5 – Anti-corruption and anti-bribery training

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		x				
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



On paragraph 32 (a) and (d): Even if no personal data has to be reported under this requirement, the data would nevertheless be confidential. Data on the corruption / bribery-risk of specific persons must be accumulated within internal risk analysis that take internal preventative measures into account. These criteria as well as the results are confidential and should not be disclosed. For reporting requirements under the ESRS, it would be sufficient to provide information on whether all potentially exposed employees are sufficiently trained in these matters.

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 G2-6 – Corruption or bribery events

The undertaking shall provide information on legal proceedings related to corruption or bribery during the reporting period.

The principle to be followed under this disclosure requirement is to provide transparency on legal proceedings relating to corruption or bribery incidents during the reporting period and the related outcomes.

16 Question 188: Please, rate to what extent do you think G2-6 – Corruption or bribery events

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						
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

Relating to point A): Reporting on details of ongoing legal proceedings (paragraph 38 (b)) could affect confidential information, create legal risks and would be burdensome, depending on the applicable level of detail. Moreover, no final judgement exists regards ongoing proceedings. Reporting on proceedings against employees is however not possible due to the protection of personal information.



DR G2-7 – Anti-competitive behaviour events

The undertaking shall provide information on any publicly announced investigation into or litigation concerning possible anti-competitive behaviour it is facing during the reporting period.

The principle to be followed under this disclosure requirement is to provide transparency on publicly announced investigations into or litigation concerning possible anti-competitive behaviour of the undertaking that are ongoing during the reporting period.

17 Question 189: Please, rate to what extent do you think G2-7 – Anti-competitive behaviour events

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 G2-8 – Beneficial ownership

The undertaking shall provide information about its beneficial owners (as defined in article 3(6) of Directive (EU) 2015/849) and control structure.

The principle to be followed under this disclosure requirement is to provide transparency on the individuals who ultimately own or control the undertaking's organisational and control structure, including beneficial owners.

18 Question 190: Please, rate to what extent do you think G2-8 – Beneficial ownership

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 G2-9 – Political engagement and lobbying activities

The undertaking shall provide information on its political contributions and lobbying or advocacy activities.

The principle to be followed under this disclosure requirement is to provide transparency on the types, purpose and cost of political contributions and lobbying activities of the undertaking during the reporting period.

19 Question 191: Please, rate to what extent do you think G2-9 – Political engagement and lobbying activities

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		X				
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

Data on in-kind contributions and on indirect contributions regards political and lobbying or advocacy activities (paragraph 48 b and AG 17) are difficult to determine and would generate only little information value.

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 G2-10 – Payment practices

The undertaking shall provide information on the payment practices to support transparency about these practices given the importance of timely cash flows to business partners.

The principle to be followed under this disclosure requirement is to provide insights on the contractual payment terms and the average actual payments.

20 Question 192: Please, rate to what extent do you think G2-10 – Payment practices

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



Payment delays complicate the financial management of undertakings, especially SMEs, who rely on predictable flows of cash to operate. According to the relevant EU legislation (Directive 2011/7/EU) a payment is late when the creditor has not received the funds at the expiry of the period negotiated in the contract. And yet, even payments performed within the contractually negotiated period can hide unfair payment practices. Very often businesses accept payment terms longer than they are comfortable with, as such terms may reflect the one party's power compared to the other, such as by virtue of its size or brand.

21 Question 193: do you consider that the indicators in G2-10 (in isolation or jointly) capture the following sufficiently:

	Yes	No	No opinion
the extent to which accounts payable or creditors at period end have been outstanding			
the fairness of the undertaking's payment practices			

If not, please provide your rationale and indicate the sector(s) for which you deem add-ons necessary.

22 Question 194: what alternative indicators would you propose? Please specify whether your proposal(s) are of sector-agnostic or sector-specific nature.



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



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