

Corporate Sustainability Reporting Directive

Analysis and recommendations on the EU Commission's proposal to reform the EU Non-Financial Reporting Directive

As part of the Green Deal, the European Commission confirmed the EU's ambition to reform the EU Non-Financial Reporting (NFR) Directive, and as part of the process, develop accompanying EU sustainability reporting standards. On 21 April, the Commission presented its legislative proposal for a Corporate Sustainability Reporting (CSR) Directive.

Since entering into effect in 2018, the EU NFR Directive has provided a legal framework for companies and financial actors to report on sustainability risk exposure and impacts on people and the planet. However, as reflected in the assessment of the Alliance for Corporate Transparency on the non-financial statements of 1000 EU companies, most companies fail to disclose relevant, material and comparable sustainability information. This research, which was cited alongside other studies cited in the EU Commission official fitness check to evaluate the state of corporate disclosure in the EU, clearly points to the urgent need to improve the relevance, comparability and reliance of companies' ESG data.

This reform is particularly critical to meet the EU's ambition to ensure sufficient finances for the transition towards a sustainable and resilient economy. As stated by Commissioner McGuinness, this will require additional yearly investments of 500 billion EUR in sustainable activities, and can only be successful if companies measure and report the right information to investors, banks and insurers.

This document includes an assessment of the issues that need to be addressed, to ensure the law meets its objectives, including:

- › [A balance between an inclusive and proportional scope to ensure a level playing field and enable sustainable finance](#)
- › [Clarity in the general reporting obligations regarding disclosures of risks, opportunities, impacts and related targets \(double materiality\)](#)
- › Key aspects that the legislation should specify concerning disclosure on:
 - » [Governance related matters](#)
 - » [Climate change](#)
 - » [Human rights \(and social matters generally\)](#)
- › [The governance and due process concerning the development and adoption of EU sustainability reporting standards*](#)

Key findings from the research conducted on the sustainability-related information disclosed by 1000 EU companies pursuant to the implementation of the EU NFRD, as well as a detailed regional breakdown is available in the [Annex](#).

This briefing has been prepared with the contribution of the following organisations: Frank Bold, WWF EU Office, Global Witness, Oxfam, Publish What You Pay, Shift, ShareAction, Transport and Environment.

*The proposal empowers the EU Commission to adopt delegated acts, following the technical advice of the European Financial Reporting Advisory Group, to provide for the sustainability reporting standards. The standards will have to be developed for themes outlined in the law, through the development of more specific reporting requirements to be prepared by experts in the EU standard setter.

SCOPE

The proposal extends the scope to cover all large companies¹, and SMEs (excluding micro-undertakings) whose transferable securities are admitted to trading on a regulated market of any Member State. However, it excludes SMEs that are not publicly listed, irrespective of whether they operate in high-risk and high-impact sectors which need to undergo a transformation. SMEs listed on SME Growth Markets and other MTFs are also excluded from the Commission's proposal. The Commission's proposal also includes an exemption for subsidiaries whose parent companies provide a consolidated sustainability report, and doesn't take into account foreign groups.

Key recommendations

- ◆ The scope should be further extended to cover small and medium-sized companies from high-risk sectors
- ◆ Large companies that are part of corporate groups should not be exempted from reporting obligations, similarly to financial reporting requirements
- ◆ Foreign groups whose EU subsidiaries combined meet the threshold applicable for EU companies, should be required to prepare a consolidated report as is the case for the EU groups.

Rationale

1) Excluding private SMEs from high-risk sectors will create an uneven playing field and is problematic on two accounts.

- First, investors and relevant stakeholders would not have access to sustainability information on medium-sized companies with high risks and actual or potential negative impacts, such as, among others, energy, manufacturing and agricultural sectors. Banks will need this information from all companies to analyse their own risk exposure and to fulfill their disclosure obligations.
- Second, this exclusion risks leaving smaller companies in high risk sectors behind in the reallocation of capital to support transition to a sustainable economy, thus undermining the competition for the benefit of dominating companies, and more advanced economies across the EU. The sustainability data set out by the Directive and accompanying standards will influence access to loans and investments for transition. Even a slight delay in the ability to collect and present the relevant data by companies not included in the scope, will put them and national economies at a competitive disadvantage.

The [EU Parliament also agreed last year](#) to integrate all companies from high-risk sectors in the reform of the corporate ESG disclosure legislative reform. Similarly, investor groups such as EFAMA and IIGCC together with accounting bodies and NGOs [called for a risk-based approach](#) independent from "size or legal status". **A list of such high risk sectors should be prepared and amended every three years by the European Commission through a Delegated Act in connection to the development of sector-specific reporting standards.** The initial list should include sectors that are linked to systemic risks of serious harm to human rights or to the environmental objectives defined in the Taxonomy Regulation.

The proposed scope of the CSRD will cover 49000 companies, of which 1500 will be (listed) SMEs. Micro companies represent 92.7% of EU enterprises (which are excluded). Adding SMEs from high-risk sectors would expand the scope by additional 41 000 - 62 000 companies.

2) The exemption for large companies that are part of corporate groups from the obligation to disclose their own sustainability information would also undermine the level playing field and create a major gap in transparency.

The proposed exemption is different from the rules for financial reporting, which do not exempt companies from publishing statutory financial accounts because they are also integrated into consolidated financial accounts. Throughout the EU, some sectors (such as the financial industry) are highly concentrated. It is not uncommon that the market in smaller EU Member States is dominated by large subsidiaries of foreign groups. Exempting these companies, and requiring disclosures only from the parent companies of such groups will inevitably lead to non-disclosure of important information on resilience and significant impacts of the subsidiaries, because such information may not be considered as material at the level of the group. This would result in lack of accountability at national level to the public, investors and stakeholders needing these insights.

¹ Definition of a large undertaking in the Accounting Directive. Companies that meet 2 out of 3 criteria: a) 250 employees b) 20M EUR turnover c) 40M EUR balance sheet

GENERAL REPORTING REQUIREMENTS

The proposal requires companies to report on the business model, including its resilience to sustainability related risks, opportunities and plans to ensure compatibility with the transition to a sustainable and climate neutral economy in alignment with 1.5°C Paris Agreement goal; targets,, policies, due diligence processes and principal impacts, principal risks, and relevant indicators.

Key recommendations

The proposal covers the main reporting areas and the categories of information required for meaningful sustainability disclosures. Nevertheless, **the following clarification is needed to ensure integrity of the information:**

- ◆ **Targets, performance against targets, policies, actions taken by the company, and how these contribute the achievement of set targets** should all be **explicitly linked to the outcomes of the company's double-materiality assessment**, i.e. the company's principal impacts, risks and opportunities;

Rationale

1) The research into the implementation of the EU Non-Financial Reporting Directive, which is summarised in the European Commission's fitness check, provides evidence that simply requiring companies to report on policies, actions taken by the company, and their outcomes does not lead to relevant disclosures. In order to ensure that companies focus their strategies on addressing their actual principal risks and impacts, the reporting legislation must specify that all required disclosures must be linked to the identified material sustainability issues, and provide a clear definition of double materiality.

Data from Alliance for Corporate Transparency research on the information disclosed by 1000 EU companies in 2019 shows that while 82% of companies report their climate as well as human rights policies:

- 54% report on climate risks, but only 36% have a climate target (14% of these are science-based or aligned with the Paris Agreement, and only 6% consider their risks and opportunities across short, medium and long-term time horizons)
- 57% declare they are linked to risks of human rights violations, yet only 22% explain their human rights due diligence process and less than 4% report any examples or KPIs relevant to the prevention or mitigation of the identified risks.

2) It is crucial to specify that disclosures of companies' climate targets must include time-bound plans covering long, medium and short term in order to avoid companies disclosing only a long-term target (e.g. net-zero emissions by 2050) without providing reliable information on how and what the company will do to achieve it. It's also important to define what is considered as "net-zero" and how those considerations are aligned with science-based transition scenarios. This is also important to ensure proper consideration and disclosure of related risks and opportunities. A clear definition in the legislation of what qualifies as a science-based target connected to companies' identified impacts and aligned with EU sustainability goals and criteria (i.e alignment with the taxonomy climate and environmental objectives or alignment with a 1.5°C climate scenario) and the explanation and evidence to the company achievements to this end, is indispensable to ensure relevant, comparable and reliable information and limit green-washing

- Results from the [German Environment Agency research](#) on 228 companies disclosure information on climate in 2018 and 2019:
 - Around 30% of the companies report a general environmental strategy or a climate strategy
 - Less than half (45%) of the companies state climate targets
 - From these, only 19 percent are science-based
 - Short-term climate targets (< 5 years) are mentioned by 26%
 - medium-term climate targets (5 to 10 years) by 9%
 - Long-term targets (> 10 years) by 17%



- 32 companies, including 11 from the DAX 30 companies, also state the goal of climate neutrality, although it often remains unclear what exactly their understanding of it is.
 - On other environmental topics (resources and materials, biodiversity, air, water and waste): between 42 and 83 percent of the companies do not report at all on any of these topics in 2019. Overarching strategies are missing in $\frac{2}{3}$ of all reports.
 - Between 3% (biodiversity) and 22% (resources and materials) of the companies name concrete targets for the environmental topics, but mostly do not quantify them
- [CDSB's 2020 review](#) of 50 of European largest listed companies concluded that:
- 26% of companies did not use targets to monitor environmental performance and 16% failed to link progress updates clearly to policies.
 - Only 10% provided quantitative metrics on biodiversity and 4% deforestation and forest degradation compared to over 90% for water and climate.

GOVERNANCE DISCLOSURES

The proposal requires disclosing a description of the role of the administrative, management and supervisory bodies with regard to sustainability factors.

Key recommendations

To ensure sufficient information on the undertaking's management of sustainability risks and opportunities, and how these are embedded in the undertaking's strategy, the requirements should include details on the role of the board in:

- ◆ Discussing the **results of the due diligence process** implemented with regard to sustainability matters to identify adverse impacts, **including any direct engagement with the stakeholders affected** by the identified impacts, as well as principal risks to the undertaking and opportunities for the undertaking related to sustainability matters;
- ◆ **Approving the undertaking's strategy and targets** related to sustainability matters and of financial resources for their implementation, and **monitoring progress and challenges** linked to the implementation of the strategy;
- ◆ Providing **specific oversight on the implementation of the undertaking's strategy** related to sustainability matters, including through setting up dedicated committees;
- ◆ **Expertise on sustainability matters** possessed by the members of the administrative, management and supervisory bodies

Rationale

The analysis of 1000 large EU corporations' non-financial (sustainability) reports by the Alliance for Corporate Transparency revealed that, on average, only 14% of companies provide insights on the integration of sustainability in core business strategy, Board discussions, and performance incentives. A follow-up study on the climate reporting of 300 Southern European and Central and Eastern European companies from high risk industries showed an even bigger gap, with results between 7.2% and 10.6%.

CDSB also reviewed in 2020 the environmental and climate-related disclosures of Europe's 50 largest listed companies showing that only half of companies fully disclose the environmental and climate-related aspects of their business model. Furthermore, the assessment of the governance and strategy elements of the TCFD framework concluded that 30% of companies failed to provide complete disclosures on their due diligence or governance arrangements, including the roles and responsibilities of board or management.

Sound reporting on the governance of sustainability matters helps companies to identify material sustainability information, and enables companies and their managers to properly consider risks and opportunities and make strategic decisions, which can be ensured through the recommendations on the suggested amendment above. Furthermore, investors' keep asking for better information on companies' governance (G) aspects as they're considered the basis for the other sustainability pillars (ESG).

CLIMATE CHANGE DISCLOSURE

In outlining the themes for which the European Commission should adopt sustainability reporting standards, the proposal indicates that such standards should specify requirements for reporting on climate change mitigation and adaptation.

Key recommendations

The proposal should clarify that the mandate for the European Commission to adopt reporting requirements for companies to report on climate change mitigation should include

- ◆ emissions on all scopes,
- ◆ the plans of the undertaking, including all time horizons, short, medium-term (2030) and long-term (2050) emissions reduction targets to ensure that its business model and strategy are compatible with the limiting of global warming to 1.5 °C in line with the Paris Agreement

Rationale

While the proposal provides a clear mandate to report on plans to ensure the compatibility of company business models and strategies with the transition towards a sustainable economy and with the limiting of global warming to 1.5 °C in line with the Paris Agreement, it does not reflect this in the provisions on mandatory sustainability standards; it only refer to standards that should address climate change mitigation and adaptation, without further qualifications. The transition will generate risks and opportunities that will have major implications for companies' business models and strategies. Furthermore, banks and investors are required to consider their own climate-related risks, which is impossible in absence of such information from their clients and investee companies.

Yet, as documented by the multiple analyses of the Alliance for Corporate Transparency and other initiatives, even among the large EU companies, only a minority provide clear information on their climate transition plans:

- Only around 15% report on alignment with the Paris Agreement (14% of the 1000 EU companies from all regions and sectors in 2019, and 16% of 300 high-risk companies from Southern and Eastern EU Member States in 2020)
- Between 6% (1000 EU companies) and 9% (300 companies from high-risk sectors and regions) addressing all time horizons and specific climate scenarios

CDSB study in 2020 on Europe's 50 largest listed companies, incl. disclosure on TCFD key elements:

- Strategy: While 72% disclosed at least one business impact associated with their reported risks, only 32% specifically addressed the impacts on their business model or strategy, and only 4% defined the short, medium and long-term time horizons over which the identified risks would impact the organisation
- Risk management: 74% considered both transition and physical risks
- Metrics/target: 24% disclosed quantitative targets on the integration of climate and environmental considerations into board-level remuneration arrangements)

German Environment Agency research on 228 companies:

- Only 17% report on specific environmental strategies relevant for climate change mitigation or adaptation, other than greenhouse gas emissions reduction, for example on resource efficiency or water
- Biodiversity and the circular economy, which are central to the EU Taxonomy as well as to effective climate change mitigation, are declared as material in not even 5 percent of the cases. Water is also classified as material in only 8 percent of the reports.

In order to help companies to focus on the right data and develop successful plans, mitigate risks, and harness opportunities, European standards need to provide a clear framework for reporting on climate transition plans, including scope of the plans, interim objectives, timelines, and capital alignment. **While such details cannot be fully addressed in the Directive itself, it should provide an explicit guidance for the European Commission and the EFRAG on the key elements and qualities to be reflected in the respective standard.**

DISCLOSURE OF HUMAN RIGHTS AND SOCIAL MATTERS

The proposal includes a requirement for the European Commission to adopt a standard specifying disclosure obligations regarding on equal opportunities (including gender equality and equal pay for equal work, training and skills development, and employment and inclusion of people with disabilities), working conditions (including secure and adaptable employment, wages, social dialogue, collective bargaining and the involvement of workers, work-life balance, and a healthy, safe and well-adapted work environment) and respect for the human rights, including fundamental freedoms, democratic principles and standards established in the International Bill of Human Rights and other core UN human rights conventions, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the ILO fundamental conventions and the Charter of Fundamental Rights of the European Union.

Key recommendations

The mandate for the European Commission's to adopt standards specifying information to be disclosed by undertakings on 'social' factors category should provide a clearer and more coherent structure:

- ◆ The standard should be based on human rights and environmental due diligence, which needs to be clearly identified in the Directive; because social factors are manifestation of human rights
- ◆ The proposal should clearly specify the essential aspects that the standards need to address including specification of categories of affected stakeholders, disclosure of salient human rights issues, key elements for supply chains disclosures, and quality criteria for KPIs;
- ◆ The employee-related issues need to be simplified and better connected to the due diligence and risks of adverse impacts on employees; the current list of employee-related disclosures are broad and overlapping, including a mix of well defined issues linked to employee rights (equal opportunities, wages, collective bargaining) and more nebulous factors, which may not be fit for standardisation (work-life balance, training and and skills developments)

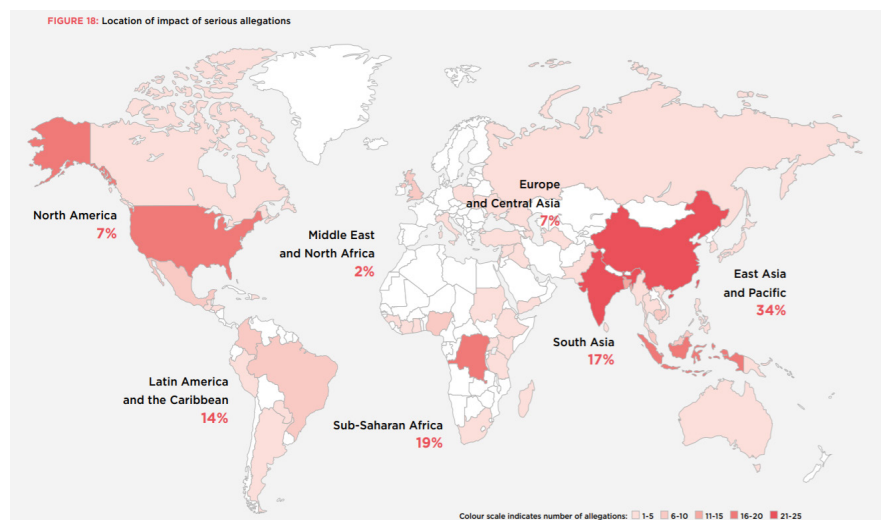
Rationale

Standardisation of reporting on human rights and more broadly social issues is less developed than for the environmental factors. This is because companies' social impacts and risks cannot be so readily translated into quantitative indicators. This is of particular concern with respect to supply chains, where the most severe impacts are concentrated.

As gathered by the Corporate Human Rights Benchmark, the most common types of allegations related to instances of forced labour, health and safety, and child labour. While the majority of 225 allegations made were against companies headquartered in OECD member countries, the opposite is true when it comes to the location of impact, with 85% of alleged impacts occurring in developing countries.

Existing reporting standards and practice put a disproportionate focus on disclosure of policies (from employee benefits to policies against human trafficking). ; indeed according

to the Alliance for Corporate Transparency's assessment of 1000 EU companies' non-financial disclosures, 82% of companies report their policies in this regard and 67% indicate existence of human rights risks, but only 26%



describe these risks in meaningful detail, 22% describe their due diligence process, and less than 4% reporting on the effectiveness of the management of those risks.

The [results](#) of the Corporate Human Rights Benchmark (part of the World Benchmarking Alliance) also show the following troublesome findings:

- nine out of ten automotive companies scored 0 when it comes to demonstrating how they manage risks such as forced labour, child labour or freedom of association and collective bargaining within their supply chain
- Of the 229 companies assessed, 104 had at least one allegation of a serious human rights impact meeting the CHRB severity threshold. Companies engaged in a dialogue with stakeholders in less than a third of cases and provided effective remedy that was satisfactory to the victims in only 4% of cases

Companies are also often advised to report KPIs, which carry little information value, such as hours of training for employees on human rights issues, or on unreliable and unmeasurable indicators such as % of suppliers exposed to risks of particular human rights abuses. This, however, is not indicative of a company's impact, or appropriateness and effectiveness of the actions taken by the company to prevent or minimise the impact, as expected by the international standards on corporate responsibility to respect human rights. Mandating disclosure on such indicators would lead companies to a tick-box exercise and focus on the wrong activities and data.

The UN Guiding Principles on Business and Human Rights provide the framework for human rights reporting and should be the starting point for any standard on the matter. Not only are they internationally recognised and are based on key quality criteria that ensure the relevance of disclosure on human rights; they also create the link to another piece of upcoming legislation, namely mandatory human rights and environmental due diligence. For this reason, the Directive needs to better reflect the essential aspects that the standards need to address in this area (as per the recommendation included above).

In this context, the indicators concerning companies' employees provide helpful insights, if they are clearly indicative of risk to employees as a one of the key groups of potentially affected stakeholders. Such indicators include diversity, wages, collective bargaining, and workers participation in the designing and overseeing the Occupational Health and Safety system.

EU STANDARD SETTING PROCESS AND GOVERNANCE

Based on the proposal, the Commission shall adopt delegated acts to provide for sustainability reporting standards, specifying the information that undertakings are to report in accordance with the Directive. The initial standards should be adopted by 31 October 2022 and with additional standards by 31 October 2023 providing further details and sectoral specifications.

When adopting the delegated acts which will set the sustainability reporting standards, the Commission is expected to:

- Take into account the technical advice from EFRAG, which needs to be developed with proper due process, public oversight and transparency, with the expertise of relevant stakeholders, and accompanied by cost-benefit analyses (impacts of the technical advice on sustainability matters)
- Consult Member State Expert Group on Sustainable Finance;
- Consult the European Banking Authority, the European Insurance and Occupational Pensions Authority, the European Environment Agency, the European Union Agency for Fundamental Rights, the European Central Bank, the Committee of European Auditing Oversight Bodies and the Platform on Sustainable Finance
- Request the opinion of the European Securities and Markets Authority

Key recommendations

The proposal should clarify:

- ◆ The standards that the Commission should adopt by October 2023 shall focus on high-priority high-impact sectors.
- ◆ Safeguards and requirements ensuring multi-stakeholder representation and subject matter expertise in the process of developing EFRAG's technical advice for the adoption of EU standards should be defined during the CSRD reform. EU standards should be developed by an independent technical advisory body with balanced representation of preparers, investors, and civil society organisations and social partners, whose composition is approved by the Commission. The definition of safeguards and democratic oversight and mandate (as it was agreed by co-legislators during the finalisation of the Taxonomy regulation for the composition of the Platform for Sustainable Finance);
- ◆ That participation in the standard-setting process should not be subject to a fee, as is currently suggested in EFRAG's report to the European Commission (which outlines suggested changes to EFRAG's governance and composition, in light of its new non-financial standard-setting role).

Rationale

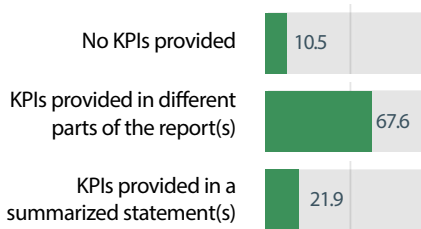
- From the perspective of financial stakeholders as well as affected stakeholders alike, it is important that the sector-specific EU standards focus primarily on the sectors that cause the biggest adverse impacts on human rights and the six environmental objectives defined in the EU Taxonomy. Given the complexity of sector-specific standards, the European Commission should start by addressing only a limited number of the high-priority sectors in order to ensure that it is able to deliver meaningful standards. Such priority sectors include, among others, Mining and quarrying; Manufacture of wearing apparel; Crop and animal production.
- The Commission is meant to act on the basis of 'technical advice', however the proposal does not prescribe any particular process or governance structure at EFRAG; while EFRAG's Chairman has produced a report outlining suggested changes to its governance to host the new non-financial reporting pillar, it fails to clarify how it aims to ensure appropriate multi-stakeholder, subject matter expertise. In this regard, the engagement of civil society experts is fundamental given that (a) for a number of sustainability reporting issues, expertise is concentrated in the NGO sector and (b) their role is critical to ensure the impact side of double-materiality is reflected in the EU standards (EFRAG current role and membership is exclusively focused on financial reporting).
- Jean-Paul Gauzès' report suggests that participation in the standard-setting process should be subject to a fee, with a possible exception of civil society. **To ensure all stakeholders can participate and to avoid conflicts of interest, participation should be covered by public financing.**

Annex: Overview of key findings emerging from the research conducted by the Alliance for Corporate Transparency on the sustainability disclosures of 1000 EU companies

Below, please find an overview of key findings emerging from the [research](#) conducted by the [Alliance for Corporate Transparency](#) on the sustainability disclosures of 1000 EU companies. These figures highlight widespread shortcomings in the corporate reporting practices of companies across Europe, as they fail to provide relevant and comparable information on sustainability risks and impacts. This underscores the need to strengthen corporate sustainability requirements to ensure meaningful corporate transparency on such issues.

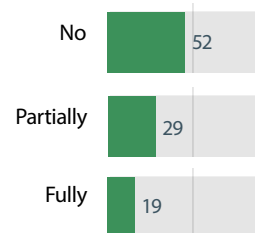
Presentation of information

KPIs presentation



Strategic perspective

Key issues in the description of policies and risks in the main non-financial statement correspond with the overview of sustainability issues in the business model description



Governance

Integration of sustainability in the mandate of the Board and senior management



Information on how performance against ESG criteria affects executive compensation

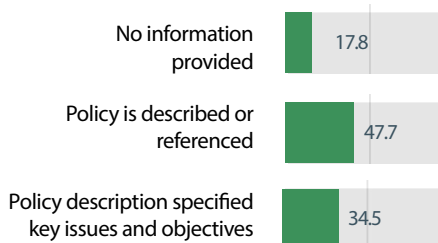


Sustainability matters addressed by the Board and decisions

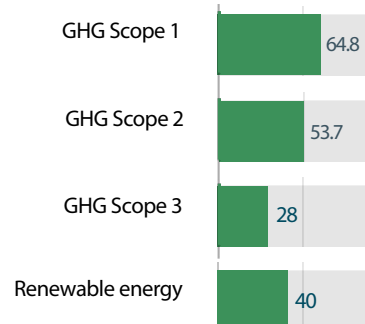


Climate change

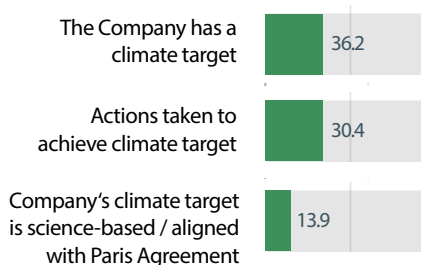
Policy description



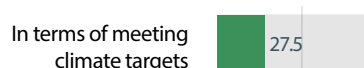
KPIs



Quality of policy disclosure

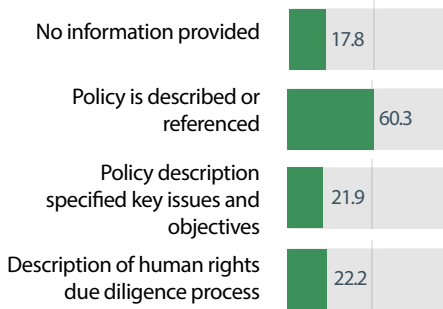


Outcomes



Human Rights Matters

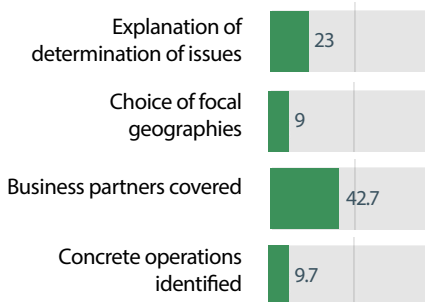
Policy description



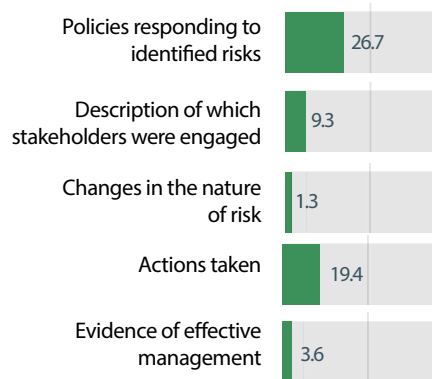
Statement of risks that could have a material financial impact on the organization



Determination and description of salient issues



Management of salient issues

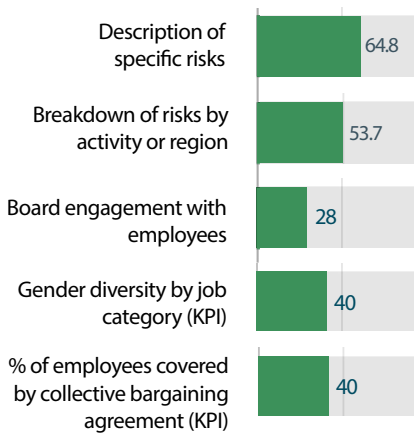


Supply chain transparency



Employee Matters

Workforce statistics



CLIMATE CHANGE RESULTS PER REGION

CLIMATE CHANG	Austria & Germany	Benelux	Eastern Europe	France	Ireland & UK	Southern Europe	Nordic
Policies & procedures							
Not described	16.3%	20.6%	45.3%	7.1%	19.7%	10%	3.7%
Described	36.4%	43.1%	44.7%	45.7%	42.5%	65.3%	52.2%
Key issues and objectives specified	47.3%	36.3%	10%	47.2%	37.8%	24.7%	44%
Quality of policy disclosure							
Climate target	50.4%	41.2%	6.7%	52.8%	39.4%	24.1%	47%
Alignment with Paris targets	13.9%	14.7%	1.3%	24.4%	14.4%	11.8%	19.4%
Actions taken	42.6%	39.2%	3.3%	43.3%	30.8%	21.2%	41%
Outcomes	41.9%	31.4%	2.7%	38.6%	28.7%	19.4%	36.6%
Risks description							
Short, medium, and long-term horizons	5.4%	5.9%	0%	6.3%	9%	7.1%	6.7%
Physical risks	16.3%	21.6%	1.3%	44.9%	23.9%	26.5%	23.1%
Transition risks	14.7%	15.7%	7.3%	25.2%	21.8%	15.9%	13.4%
Effects on company's business strategy & financial planning	22.5%	23.5%	4%	30.7%	21.3%	21.8%	23.1%
Strategy to manage risks	31%	34.3%	14%	43.3%	31.9%	30%	39.5%
Below 1.5 / well below 2 degrees scenario included	7.8%	3.9%	1.3%	11%	9.6%	5.3%	6.7%
KPIs							
Renewable Energy	48.1%	35.8%	17.8%	44%	26.1%	59.3%	50.4%
GHG Scope 1	66.9%	61.5%	29.3%	66.1%	75.9%	81.4%	68.1%
GHG Scope 2	54.9%	47.7%	15.9%	54.3%	66.3%	75.6%	53.9%
GHG Scope 3	33.8%	25.7%	6.4%	42.5%	25.6%	34.3%	31.2%
Intensity Scope 1	29.3%	30.3%	13.4%	22.8%	43.2%	35.5%	28.4%
Intensity Scope 2	13.5%	13.8%	4.5%	7.1%	20.6%	17.4%	14.9%
Intensity Scope 3	6%	6.4%	1.3%	6.1%	6.5%	4.1%	6.4%

HUMAN RIGHTS RESULTS PER REGION

HUMAN RIGHTS	Austria & Germany	Benelux	Eastern Europe	France	Ireland & UK	Southern Europe	Nordic
Policies & procedures							
Not described	13.2%	20.6%	38%	18.9%	14.9%	12.4%	7.5%
Described	58.9%	57.8%	52%	62.2%	52.7%	74.1%	64.2%
Key policies and objectives specified	27.9%	21.6%	10%	18.9%	32.4%	13.5%	28.3%
Human rights due diligence process	26.4%	21.6%	3.3%	25.2%	28.7%	18.2%	32.8%
Risks identification							
None	38%	48%	65.3%	37.8%	39.4%	45.9%	28.4%
Vague	27.9%	26.5%	26.7%	33.9%	30.8%	32.3%	38.8%
Description of specific risks	34.1%	25.5%	8%	28.3%	29.8%	21.8%	32.8%
Includes a description of most significant impacts	15.5%	16.7%	2.7%	18.1%	17%	10%	24.6%
Determination and description of salient issues							
Determination of salient issues is explained	23.3%	20.6%	2.7%	28.3%	31.4%	19.4%	35.1%
Choice of focal geographies	9.3%	8.8%	2.7%	9.4%	10.6%	7.1%	15.7%
Business partners covered	52.7%	42.1%	11.3%	45.7%	50.5%	41.2%	56.7%
Concrete operations identified	10.1%	9.8%	2%	8.7%	13.8%	7.6%	15.7%
Management of salient issues							
Policies responding to identified risks	27.9%	26.5%	10%	18.9%	39.9%	23.5%	37.3%
Stakeholder engagement	14.7%	19.6%	4.7%	15.7%	15.4%	10.6%	20.1%
Changes in the nature of the risk	0%	1%	0%	0%	3.7%	1.2%	2.2%
Actions taken	19.4%	21.6%	5.3%	18.1%	23.9%	15.3%	33.6%
Requirements placed on business partners	35.7%	22.5%	4.7%	18.9%	30.3%	23.5%	37.3%
Evidence of effective management	3.1%	3.9%	0.7%	3.9%	5.3%	2.9%	5.2%
Systemic initiatives	10.8%	7.8%	0.7%	7.1%	10.1%	5.9%	12.7%
Grievance mechanisms							
Grievance mechanisms and application	11.6%	11.8%	4%	6.3%	13.8%	11.7%	17.1%