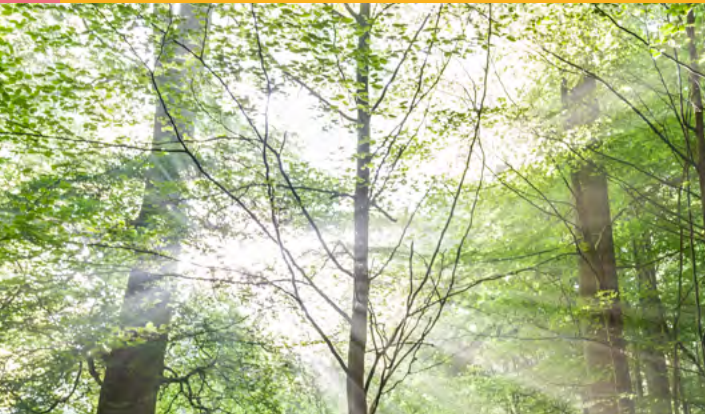


The Non-Financial Reporting Directive is changing!

Are you in scope?



Transparency over sustainability is a key pillar of the European Sustainable Finance Plan. In this context, the European Commission (EC) is expanding the Non-Financial Reporting Directive's ("NFRD") scope and the development of mandatory sustainability reporting standards. The Corporate Sustainability Reporting Directive ("CSRD") will replace the NFRD and proposes common European reporting rules to enhance transparency by requiring companies to report sustainability information in a consistent and comparable manner for EU entities in scope of the regulation.

Nowadays, investment decisions are not solely made based on traditional financial information. Investors, Asset managers, Non-Governmental Organisations, Analysts and data providers, along with many other players on the market are seeking more and more environmental and social information. This represents a real challenge in terms of relevance, accuracy, completeness and reliability of data that you need to provide to your investors.

An agreement on the CSRD is expected in early 2022, which will be a year of critical changes for non-financial information reporting.

Direct impact

What would be the main provisional changes?

	Current Regulation	CSRD proposal
Scope	Listed and large public interest companies with more than 500 employees.	<ul style="list-style-type: none"> All listed companies in EU (including listed SMEs*, but excluding the micro-undertakings) All large undertakings (including credit institutions and insurance undertakings) which meet two of the three criteria: <ul style="list-style-type: none"> » more than 250 employees » net turnover more than EUR 40 million, or » balance sheet more than EUR 20 million EU subsidiaries of non-EU undertakings Any non-EU entities with securities listed on a EU regulated market <p>* the requirements on listed SMEs would apply only 3 years after they apply to other undertakings</p>
Common Standard	None	European Sustainability Reporting Standards (ESS) - under development and largely based on existing frameworks (GRI, SASB, etc.) ensuring a legislative coherence with the EU Taxonomy and Sustainable Finance Disclosure Regulations. First set of standards is expected to be adopted by the EU in October 2022.
Disclosure requirements	How sustainability issues may affect the company. How and to what extent the company's activities affect the society and the environment.	For the financial year starting on or after 1 January 2023: <ul style="list-style-type: none"> Brief description of the undertaking's business model and strategy Sustainability targets set by the undertaking and progress towards achievement Role of the administrative, management and supervisory bodies concerning sustainability Description of the policies in relation to sustainability matters Description of: <ul style="list-style-type: none"> » the due diligence process implemented with regard to sustainability matters » the principal actual or potential adverse impacts connected with the undertaking value chain » any actions taken, and the result of such actions, to prevent, mitigate or remediate actual or potential adverse impacts Description of the principal risks to the undertaking related to sustainability matters, including the principal dependencies on such matters, and how these risks are managed
Attestation report	No requirements	For the financial year starting on or after 1 January 2023, a limited assurance engagement will be required by any audit firm to perform on the reporting, including the process carried out to identify information reported pursuant to the standards and on the mark-up of sustainability reporting. All information should be published as part of the undertaking's management report and disclosed in a digital format.

Your challenges

- Reassess your relationship with your stakeholders, and respond to their expectations.
- Build/adapt your sustainability strategy to respond to this business shift.
- Adapt your operational procedures, processes and controls to be ready for a transparent and accurate

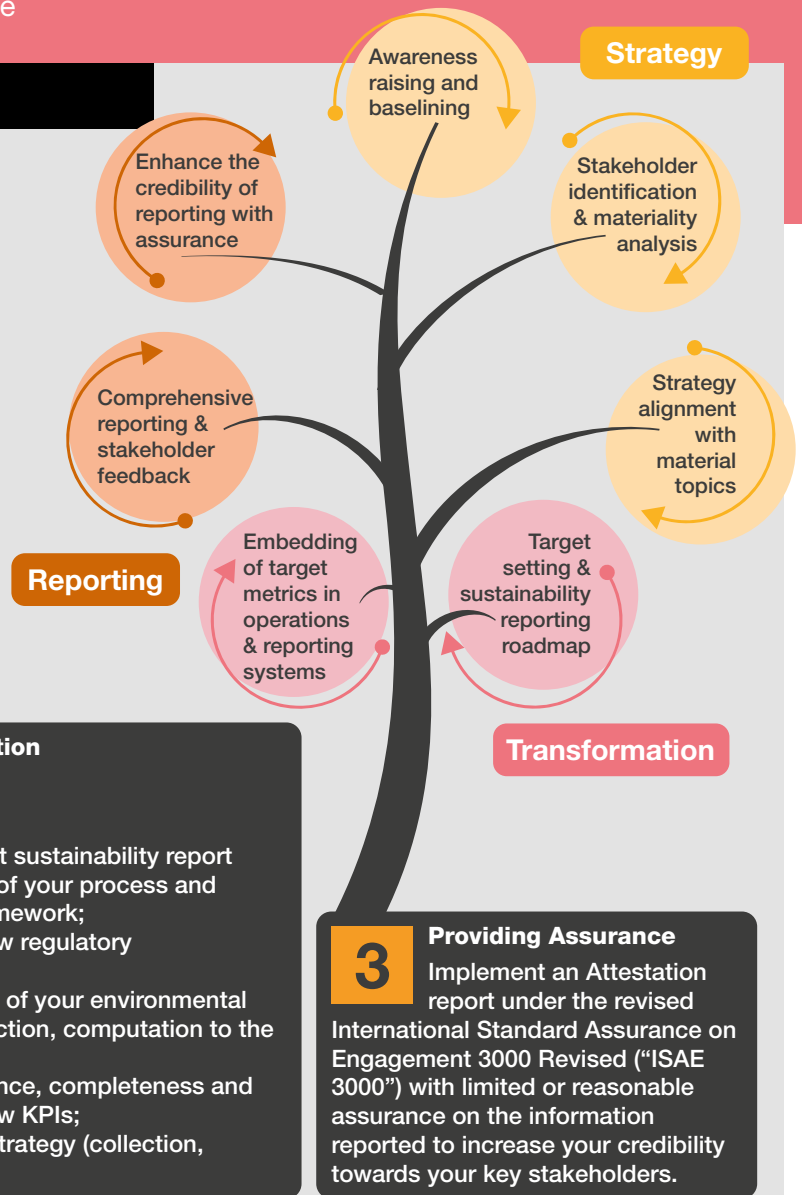
- reporting: timing, technical knowledge upskilling, availability of your resources, tools.
- Enhance data management process (data quality, collection, computation and reporting).

How we can help you

Your Sustainability reporting journey

We can support you in building your strategy and preparing a roadmap to ensure compliance with the recent regulations, taking into account the five sustainability issues: environment, social responsibility and treatment of employees, human rights, diversity on the board of directors, bribery and anti-corruption.

We can also help to strengthen your control environment around sustainability, so that you are adequately equipped to face the new requirements impacting your organisation and at a later stage to face an external audit.



1 Readiness assessment

- Assist you in the implementation of a sustainability reporting strategy responding to the new regulatory requirements;
- Identify your key stakeholders and expectations;
- Define your key material topics;
- Define and integrate KPIs into the decision-making process;
- Ensure regulatory/framework compliance.

2 Implementation

- Assess your current sustainability report
- Assess the design of your process and internal control framework;
- Identify missing new regulatory requirements;
- Improve the quality of your environmental data from the collection, computation to the reporting process;
- Assess data relevance, completeness and accuracy and review KPIs;
- Review your data strategy (collection, storage, etc.).

3 Providing Assurance

Implement an Attestation report under the revised International Standard Assurance on Engagement 3000 Revised ("ISAE 3000") with limited or reasonable assurance on the information reported to increase your credibility towards your key stakeholders.

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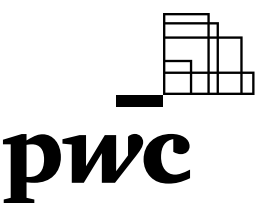
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