



Sustainable Finance Webinars

Environmentally Sustainable Economy in the New Landscape

## Roundtable: ESG Impacts on Corporates

Valeria Fazio - Senior Manager, Sustainable Innovation BDO

Thursday 31 March 2022, 3:00pm - 6:00pm



EMPOWERING   
SUSTAINABLE GROWTH

# The key fundamentals of Sustainability

From CSR to ESG



## RISK-BASED APPROACH

- Environment
- Social
- Governance



## STAKEHOLDER ENGAGEMENT

- Customers
- Shareholders
- Employees
- Suppliers
- Community
- ...

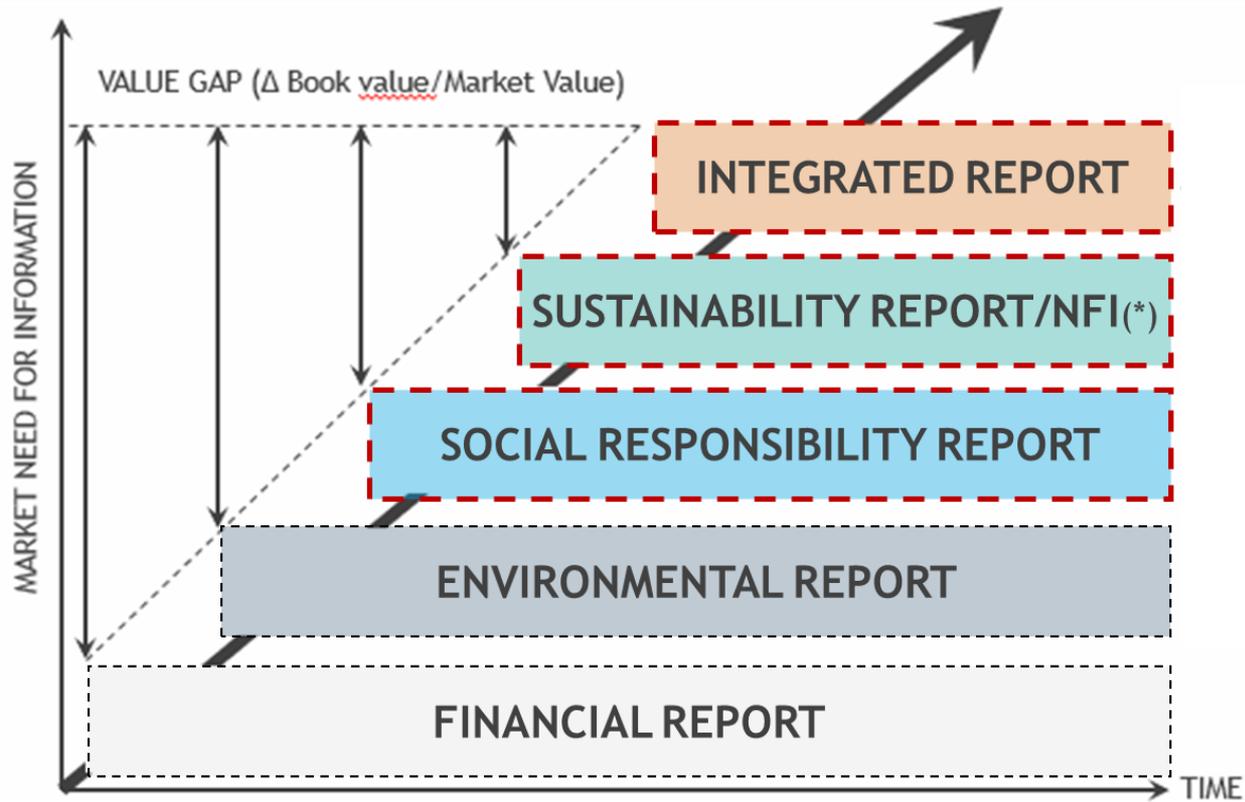


## INTEGRATED THINKING

- Aims to look at a business holistically to find value-creation opportunities, using a combination of financial and non-financial methods.

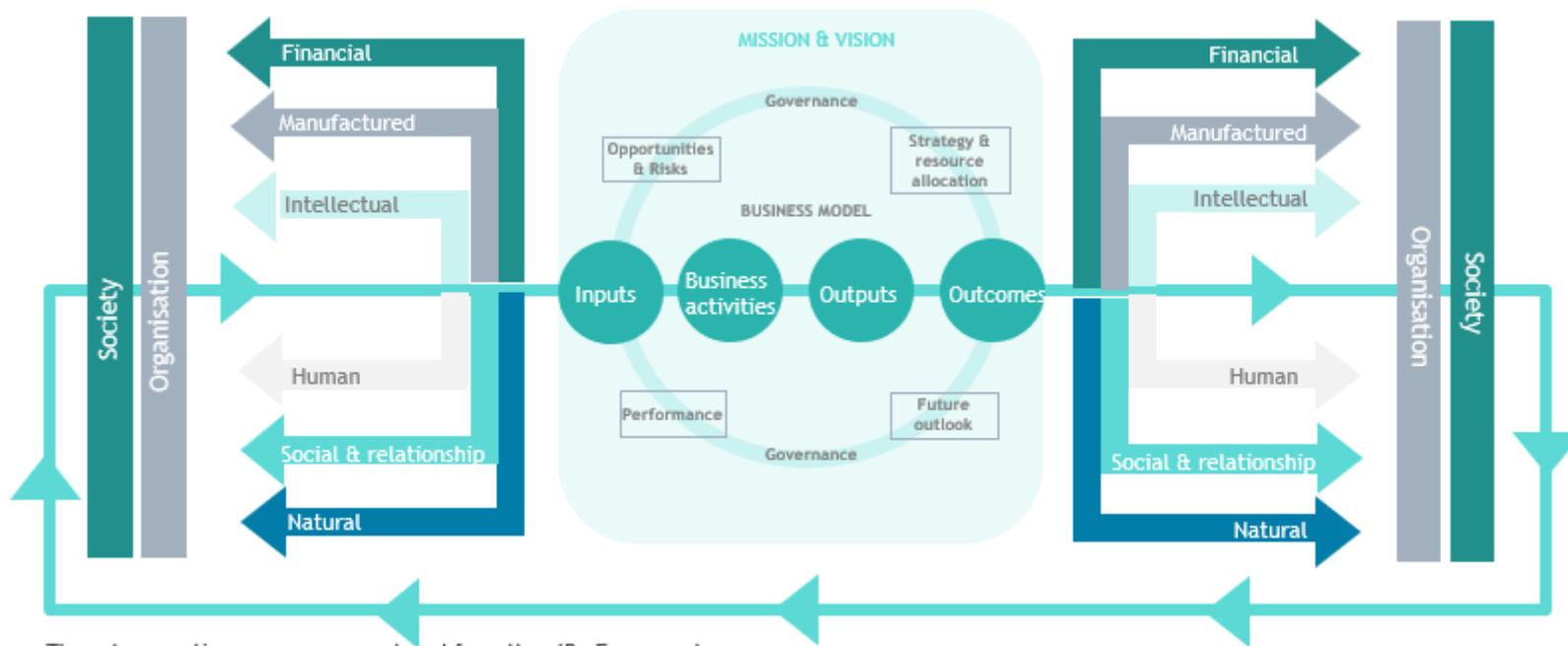
## MATERIALITY

# From Financial Report to Integrated Report



(\*) Non-Financial Information

# Integrated Reporting calls for Integrated Thinking and forward-looking approach



The value creation process - reproduced from the <IR> Framework

# Sustainability Reporting Ecosystem

Narrowing down on main standards and frameworks

Non financial reporting standards are evolving rapidly. Here you find the main frameworks that help Companies in building their ESG data:



AccountAbility has defined standards that represent important guidelines for the definition of an effective stakeholder engagement. Their aim is not to replace existing reporting standards, but to integrate them by providing Practitioners useful practices and perspectives to develop further, possible approaches to dialogue with their key stakeholders.

## Guidelines for reporting disclosure



Climate Disclosure Standards Board



Principles for Responsible Investments



Task Force on Climate-Related Financial Disclosures



Science Based Targets  
Driving Ambitions Corporate Climate Action



The WEF report "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation" proposes a common, core set of metrics and recommended disclosures to use to align their mainstream reporting

<https://www.weforum.org/whitepapers/toward-common-metrics-and-consistent-reporting-of-sustainable-value-creation>



IFRS Foundation Trustees announce working group to accelerate convergence in global sustainability reporting standards focused on enterprise value.

<https://www.ifrs.org/projects/work-plan/sustainability-reporting/consultation-paper-and-comment-letters/>

## Data published by companies through specific questionnaires



DISCLOSURE INSIGHT ACTION



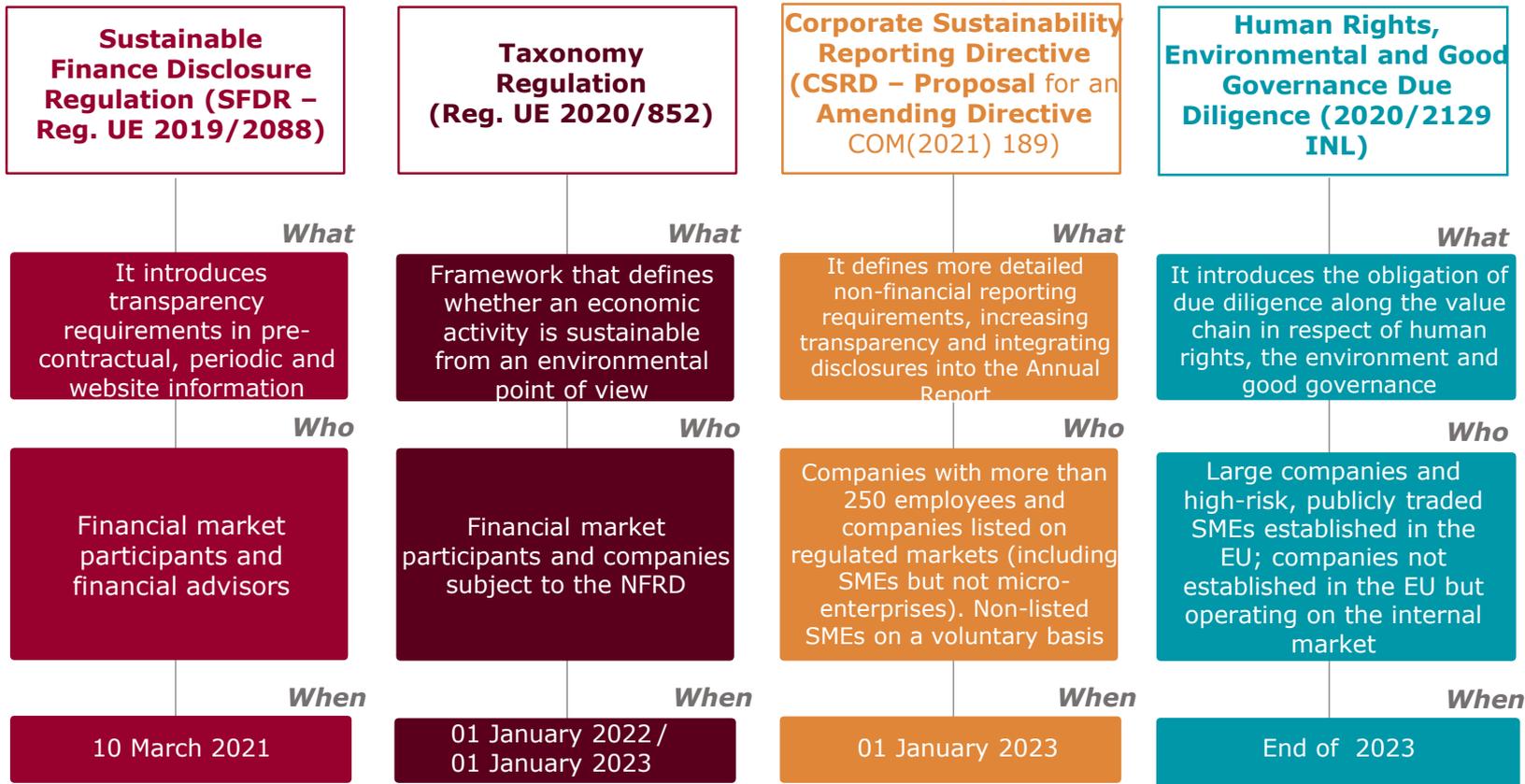
Dow Jones Sustainability Indexes

## Evaluation of based on public and/or private information available



Our diligence on ESG and business conduct

# How and Why ESG reporting and rating are going to converge



# Focus on CSRD

	Current European directive 2014/95 / EU	Corporate Sustainability Reporting Directive
When will the norm be applied?	2018	2023 (for SMEs in 2026) <ul style="list-style-type: none"> <li>• The first set of standards will be mandatory from 2023 (with draft published by 2022)</li> <li>• The second set of standards will be available from 2024</li> </ul>
Who will be subject to the norm?	<b>Public interest entities (PIE) &gt; 500 employees.</b> Including: listed companies, as well as banks and insurance companies	<b>All large organizations, that is</b> <ul style="list-style-type: none"> <li>• &gt; 250 employees and / or</li> <li>• &gt; 40 million in turnover and / or</li> <li>• &gt; 20 million total assets</li> </ul>
What is the reporting perimeter?	<ul style="list-style-type: none"> <li>✓ Environmental Protection</li> <li>✓ Social responsibility and treatment of employees</li> <li>✓ Respect for human rights</li> <li>✓ Anti-corruption</li> <li>✓ Diversity</li> </ul>	<ul style="list-style-type: none"> <li>✓ Double materiality concept: sustainability risks and impact</li> <li>✓ Process of managerial selection of issues for stakeholders</li> <li>✓ Information set in a "forward-looking" perspective, including targets and future progress</li> <li>✓ Intangible information increases (capital, social, human and intellectual)</li> <li>✓ Reporting in line with SFDR and Taxonomy</li> </ul>
Is it mandatory to have third party assurance?	<b>NO</b>	<b>YES</b> <ul style="list-style-type: none"> <li>• Integration in the Audit Report</li> <li>• Include the taxonomic process used to identify key information</li> </ul>
Where should the reporting be published?	Included in the <b>Annual Report</b>	Included in the <b>Company management report</b>
In what format should the report be published?	Online or in PDF	To be sent in electronic format (XHTML or following the ESEF - European Single Electronic Format)

# Beyond Reporting

Sustainability is a journey



**Contatti:**

**Valeria Fazio  
Senior Manager**

**tel. +39 335 7175376  
valeria.fazio@bdo.it**

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