



Unpacking CSRD: A Guide for Business

Webinar: 03 December 2024, 11am-12pm

Davy Horizons. **Helping you define sustainable solutions.**

1

Welcome & Introduction

Introduction to webinar hosts from Bank of Ireland & Davy Horizons



Colette Shirley

Director of Sustainability
Bank of Ireland

A graduate of UCD and post-graduate of ACCA, Colette has over 20 years' experience of international banking in Ireland and the UK, with Bank of Ireland Group. Colette has worked across various sectors including Support Services, TMT, Infrastructure, Industrials and Financial Services and most recently headed up the Healthcare Team in Corporate Banking Ireland.

Colette is now the Director of the Sustainability Team for the Corporate and Commercial Division and has experience at guiding companies on materiality topics, KPIs and sustainable financing solutions.



Dr. Dorothy Maxwell FICRS

Head of Davy Horizons

25 years international experience working with business and government on sustainability across all ESG verticals based in New York, Brussels, London, Dublin & Singapore. Previous roles include with Accenture, Willis Towers Watson, McKinsey Centre for Sustainable Business, European Commission, UK Dept of Environment (DEFRA), and Senior Advisor to HRH Prince of Wales International Sustainability Unit. She has also been Head of Sustainability with Sanpower Group (China & UK) and Selfridges Group. She has an extensive track record leading and delivering sustainability and ESG projects in PLC, private and SME business across food, financial services, construction, real estate, FMCG/retail, distribution/warehousing, transport, pharmaceuticals and ICT.

Dorothy holds a MSc and PhD in Environmental Science and Economics from Imperial College London and lectures on their sustainability MSc. She is author of Valuing Natural Capital: Future Proofing Business & Finance, on the board of the Institute of Corporate Responsibility and Sustainability (ICRS) and the UK Corporate Eco Forum. She is a member of the Central Bank of Ireland (CBI) Climate & Sustainable Finance Forum, Co-Chairs the CBI Climate Finance Capacity Building Working Group and is a member of the ISO14000 Technical Committee (TC207) for drafting new sustainability standards.

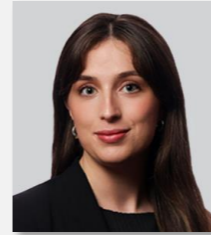


Dr. Helen Kavanagh

Associate Director
of Sustainability

Helen has over 15 years' experience of sustainability leadership in a multifaceted career spanning supply chain and procurement, diversity and inclusion, human rights advocacy, and academia. Prior to joining Davy Horizons, she led initiatives to establish digital sustainability solutions and embed ESG risk controls across procurement and supply chain at BT.

Helen also holds a rich history advocating for human rights in the NGO sector in both Ireland and internationally and has previously held positions as Head of the Council for Immigrants in Ireland and advisor to the Council for the EU delegation to the UN. She holds a PhD from the University of Limerick exploring EU member states' dynamics at the United Nations.



Seána Carty

Sustainability Associate

Seána joined the Davy Horizons team in 2024 as a Sustainability Associate. She has international experience in the field of sustainability and human rights law and policy. Prior to joining Davy Horizons, she worked at the Department of Foreign Affairs in Ireland, supporting, among other things, the implementation and review of Ireland's National Plan on Business and Human Rights.

She has experience working in international organisations and civil society organizations in Dublin and Brussels. Her academic background includes a Master of Laws (LLM) in Business and Human Rights from the University of Dundee in Scotland and a Bachelor of Civil Law (BCL) in Law and Politics from University College Dublin in Ireland.

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LYST

Origin
ENTERPRISES PLC



Aim

This webinar will be hosted by Davy Horizons – Bank of Ireland Group’s expert sustainability consultancy. It will provide:

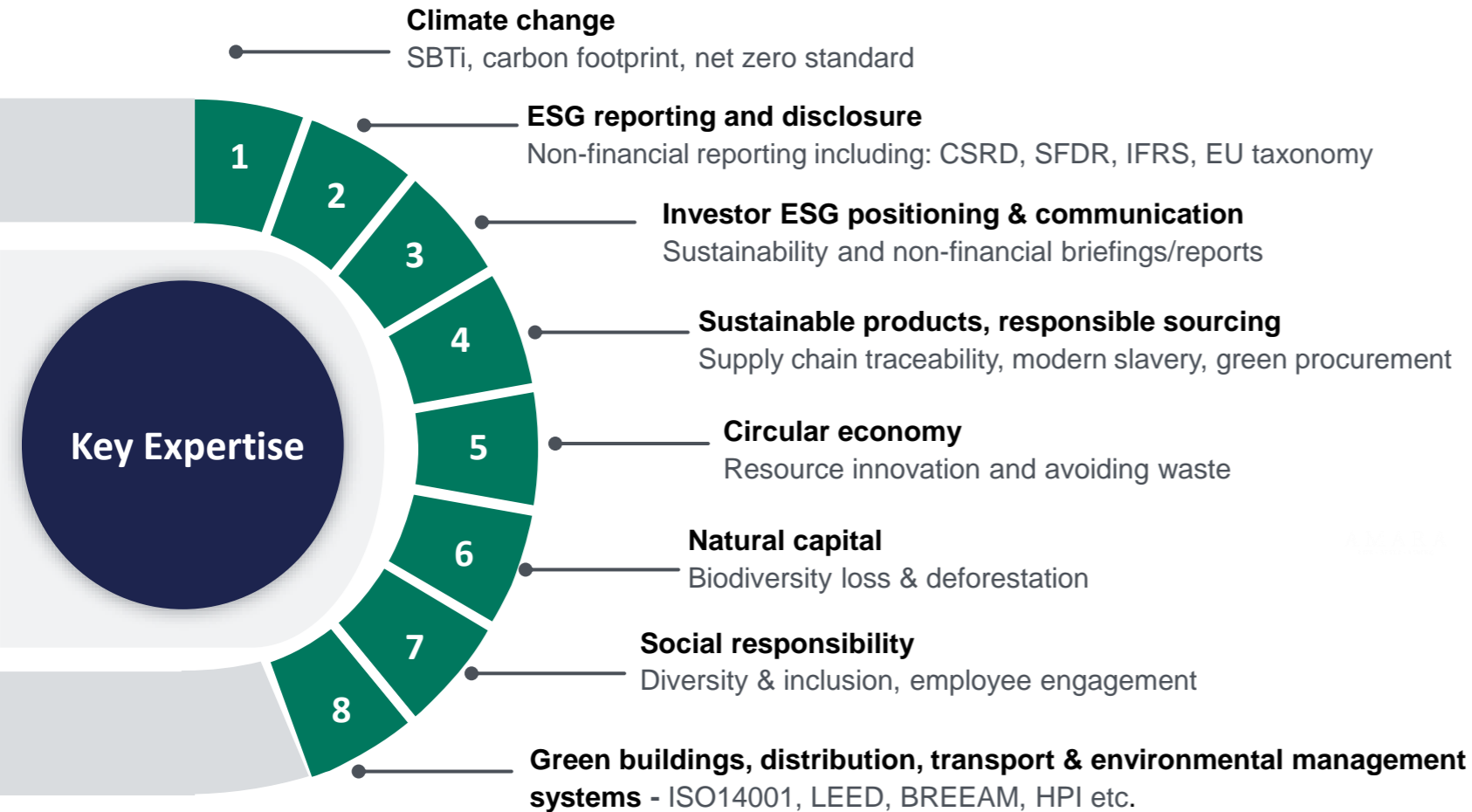
- A practical introduction to CSRD;
- Myth bust on who is in scope and what companies need to do, by when;
- Case examples illustrating practical guidance;
- Resources for grants and other supports;
- Take away guide and podcast for follow up.

Agenda

- 1 Welcome & Introduction
- 2 CSRD - What, When & How
- 3 Case examples – Deep dive on the European Reporting Sustainability Standards (ESRS)
- 4 CSRD – Supports
- 5 Q&A/Discussion

Meet the Davy Horizons Team & Services

davy.ie/horizons



Davy Horizons are the sustainability consultancy in Davy and Bank of Ireland Group.

We are a world class team of sustainability practitioners bringing > 45 years combined track record supporting business and government across ESG topics.

The services we provide are illustrated.

As thought leaders, our affiliations are below and publications/events on the next page. For more information visit us at davy.ie/horizons



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Advisory



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MBA
Director for ESG



Dr. Helen Kavanagh
Associate Director
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Wafa Ben Moussa
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Ruchi Vansia
Senior Sustainability
Manager



Gina Mester
Senior Sustainability
Associate



Ellen Keating
Sustainability Business
Executive



Seána Carty
Sustainability Associate

Davy Horizons Thought Leadership

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ESG peer network events & insights



Regular newsletter updates - [SUBSCRIBE here](#)



Stimulating the debate

Davy Horizons ESG Peer network

- CFO, IR and ESG specialist events in Dublin and London to help build networks, understand trends and solve problems



Working Groups

Central Bank of Ireland Climate Forum

- Davy Horizons is Co-Chair of the Capacity Building working group which seeks to address the 'green skills gap' across the broader financial services sector

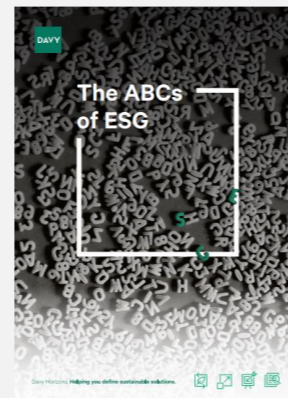
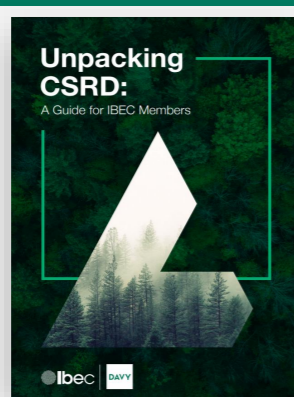


International Sustainable Finance Centre of Excellence

- Davy Group is a partner of the ISFCE and is also a member of the Net Zero Transition and Climate Reporting & Disclosures working groups

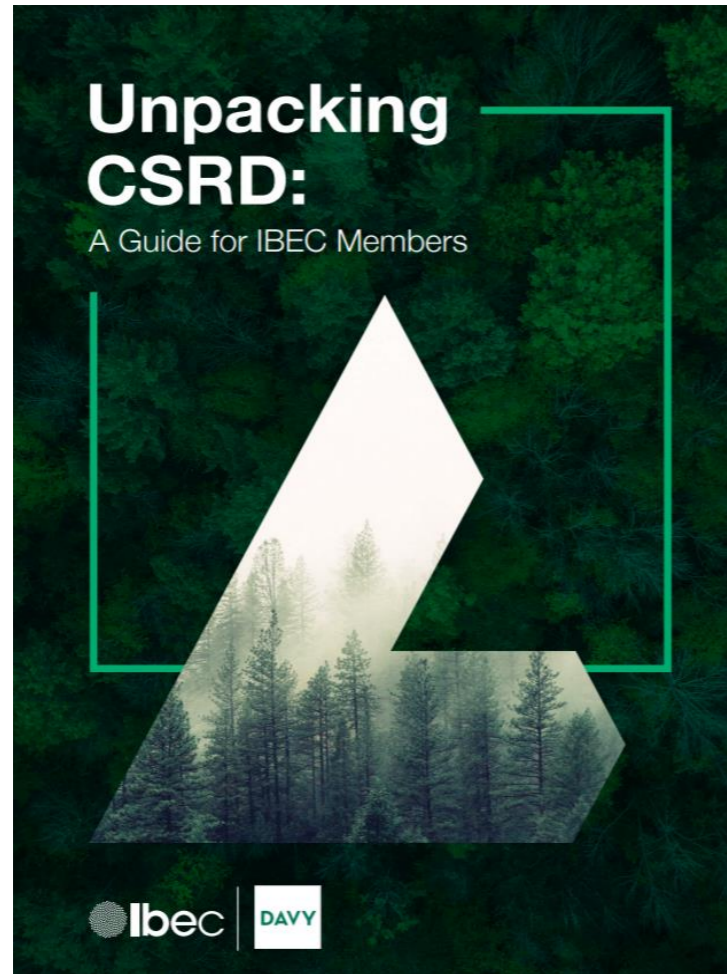


Publishing insights for ESG stakeholders



Unpacking CSRD: A Guide for Business

[DOWNLOAD Unpacking CSRD - IBEC](#)



AIM

- **Demystify – Practical Toolkit for business** that companies can use as they prepare for CSRD reporting.
- **Clarity on what CSRD is, how to comply and avail of the benefits** credible and effective sustainability reporting brings.
- **Case studies** illustrate good practice
- **Roadmap** with actionable **steps**
- **Resources** to facilitate implementation.

SCOPE & INTENDED USERS

- Corporates in scope of CSRD or in their value chain
- Functions overing sustainability, reporting, finance, operations (CSO, Co Sec, CFO, GM)

51 / Responds





Kara McGann
Head of Skills and Social Policy, Ibec



Dr. Dorothy Maxwell,
Head of Sustainability
and ESG Advisory, Davy



Dr. Helen Kavanagh,
Associate Director of
Sustainability, Davy

Ep.51

Unpacking CSRD: A Guide for Business

In this episode of Ibec Responds, we delve into the upcoming changes brought by the Corporate Sustainability Reporting Directive (CSRD) with expert insights from Ibec's Kara McGann, Dr Dorothy Maxwell and Dr Helen Kavanagh of Davy Horizons.

2 CSRD - What, When, How

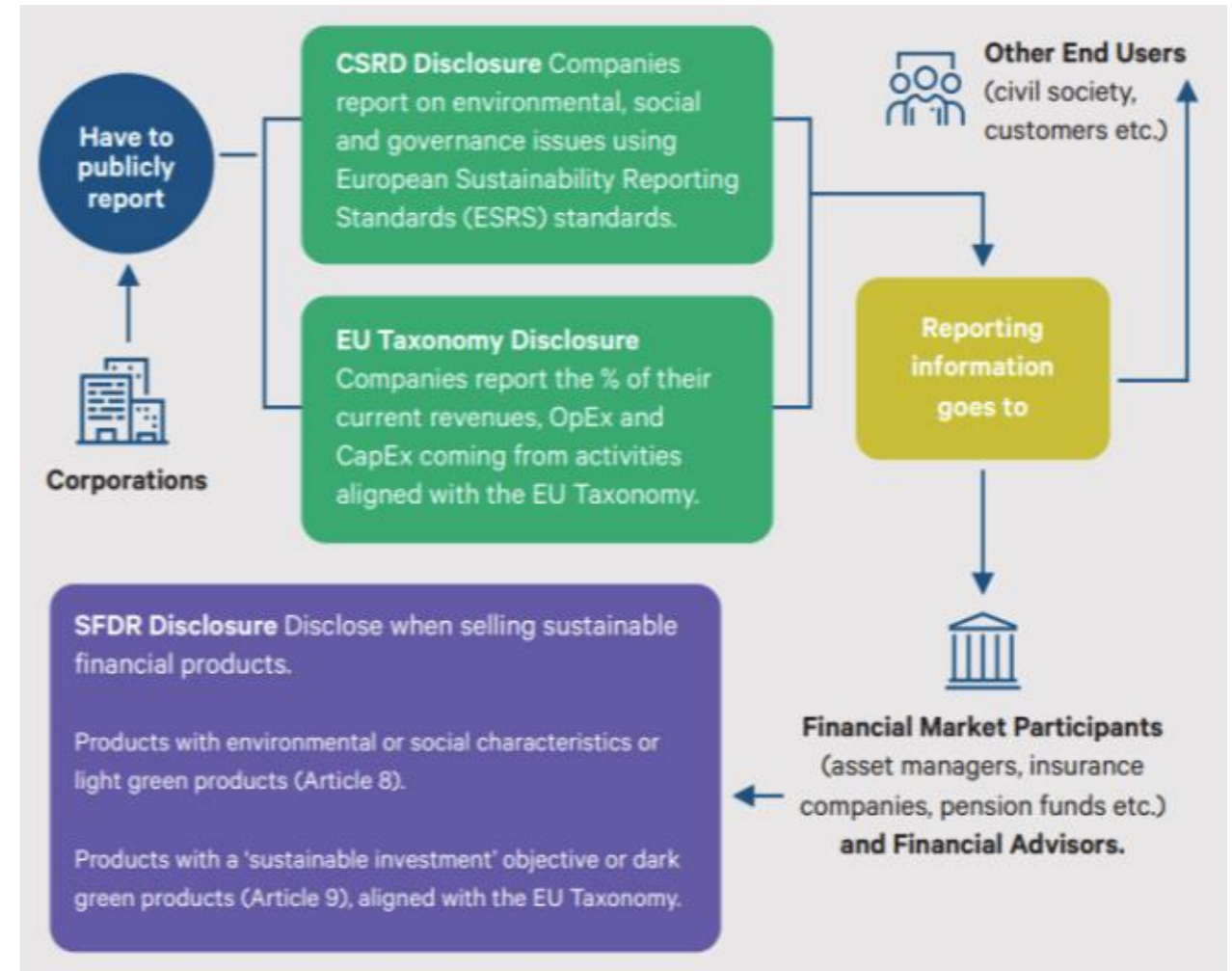
Introduction to CSRD

What?

- Modernises and regulates Sustainability Reporting in business across ESG
- Integrated Reporting – Sustainability Statement in Annual Report
- Detailed ESG disclosure requirements & Data points - Complex & an Uplift for most
 - ✓ Mandatory – legally required
 - ✓ Material – Double Materiality Assessment (DMA)
- Standardised, reliable ESG data subject to **limited assurance** & avoid greenwash
- Digital tagging using **XBRL**
- Aligns to international reporting & best practice initiatives.

Why?

- Provide financial stakeholders with reliable, comparable ESG data to assess risk
- Drive sustainable market transformation
 - ✓ Meet EU Sustainable Finance Disclosure Regulation (SFDR) requirements
 - ✓ EU Taxonomy – Turnover, CAPEX, OPEX



Source: EU Sustainable Finance Action Plan Framework

Introduction to CSRD

Scope & Timing

Requirement	Who	When	What	Action Required
Corporate Sustainability Reporting Directive (CSRD)	Large, listed corporates > 500 employees	FY 2024 (publication 2025)	Comply with 12 detailed ESRS reporting standards.	Prepare to submit an ESRS-compliant report
	Large EU corporates (including EU subsidiaries of non-EU parent companies) who exceed at least two of the following criteria: <ul style="list-style-type: none"> • 250+ employees • Total balance of €25m+ • Net turnover of €50m+ 	FY 2025 (publication 2026)	Phased introduction of certain requirements.	Conduct a Double Materiality Assessment Gather required information Prepare for digital data tagging 3rd Party Assurance
	Listed SMEs: While there is no legal obligation for non-listed SMEs, guidance is expected to be published for them in time			

Introduction to CSRD

European Sustainability Reporting Standards (ESRS)

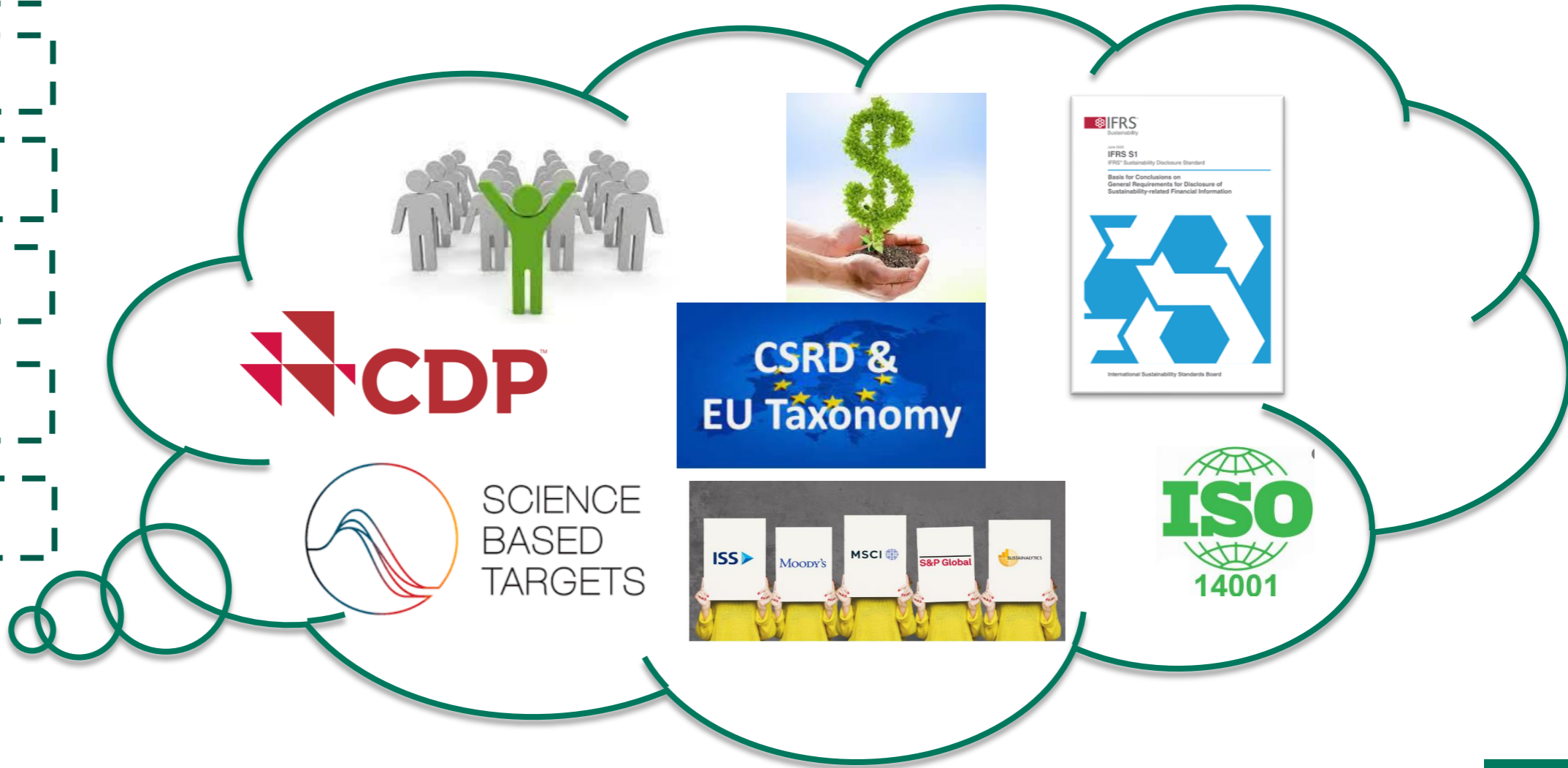
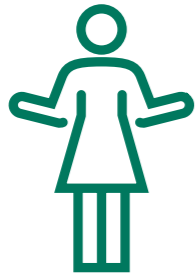
- 12 ESRS and supporting Implementation Guidance documents – playbook
- Key requirements for CSRD are meeting the mandatory or material reporting requirements defined in the ESRS 12 standards across specified **sustainability matters** as illustrated.

Sustainability matters under the ESRS standards across ESG include:

 Climate Change mitigation and adaptation	 Working conditions, pay and incentives
 Biodiversity and Ecosystem services	 Diversity, Equality and Inclusion
 Transition to the Circular Economy	 Wellbeing
 Sustainable Products	 Health and Safety
 Human rights and modern slavery	 Engagement
 Responsible Sourcing and procurement in value chains	 Training

Cross-cutting Standards	Environment	Social	Governance
ESRS 1 - General Principles	E1 - Climate Change	S1 - Own Workforce	G1 - Business Conduct
ESRS 2 – General Disclosures	E2 - Pollution	S2 - Workers in the Value Chain	
	E3 - Water and marine resources	S3 - Affected Communities	
	E4 - Biodiversity and Ecosystems	S4 - Consumers and end-users	
	E5 - Resource Use and Circular Economy		

Engaging Business Functions on CSRD



Introduction to CSRD

Double Materiality Assessment

AIMS

1. Identify:

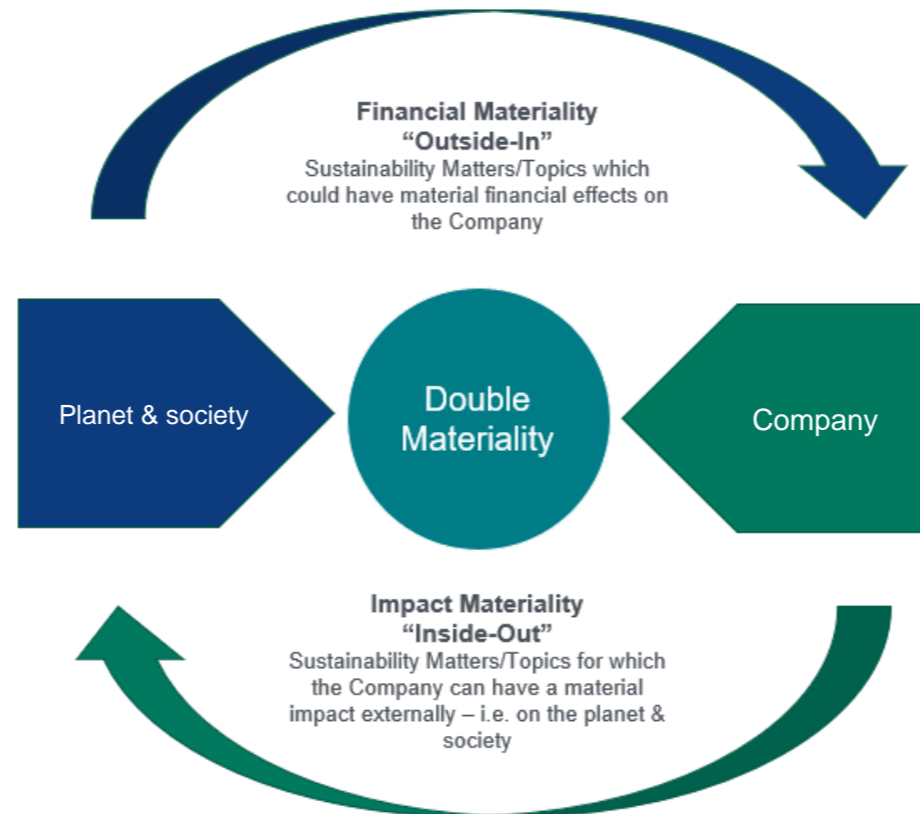
- Impact Materiality
- Financial Materiality

2. Assess:

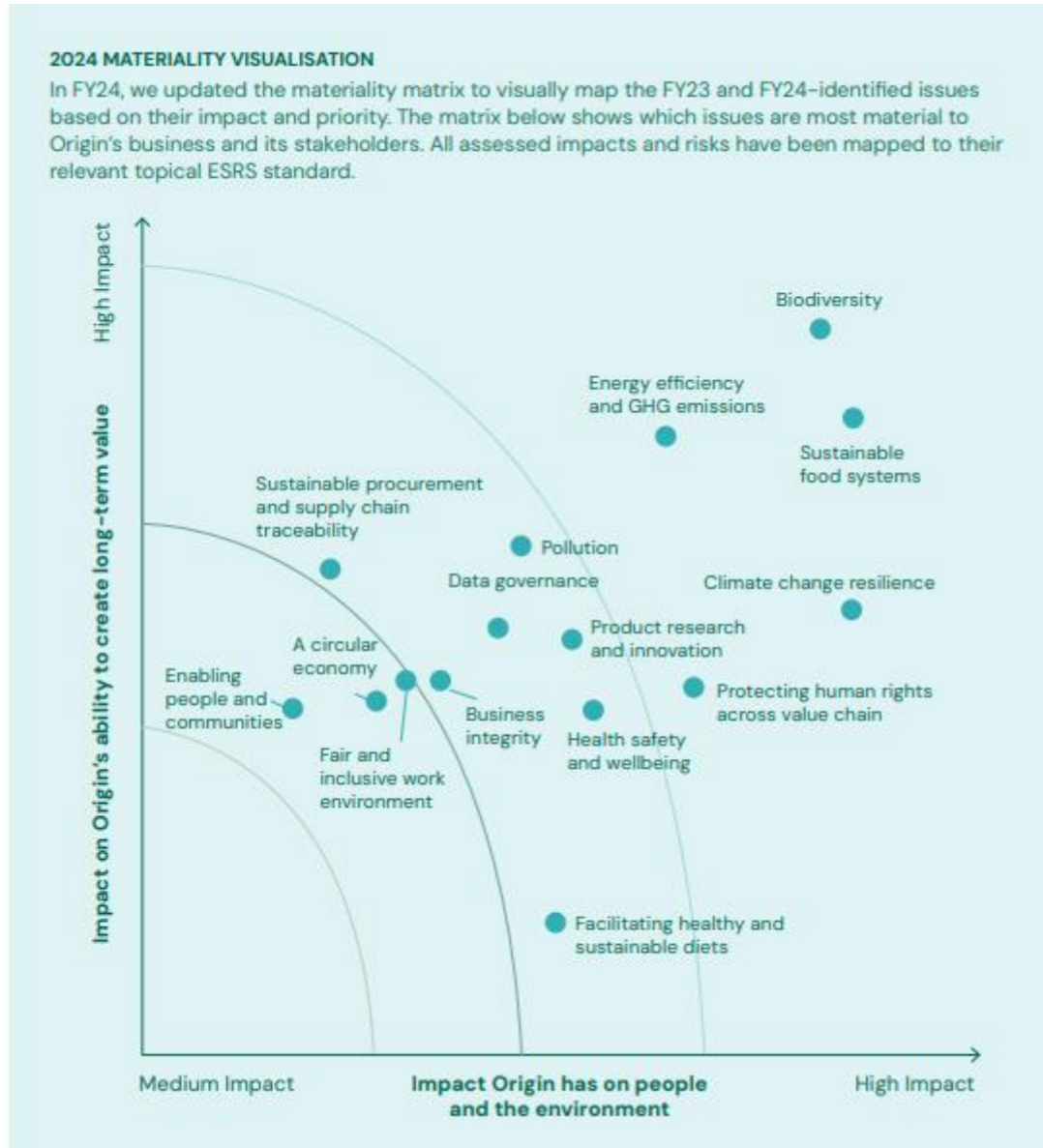
- Dependencies, Impacts, Risks and Opportunities (DIROs)
- Determine the most significant topics material for reporting

3. Align with Disclosure Requirements:

- Governance, Strategy, and Policy;
- Impact, Risk and Opportunity Management;
- Metrics and Targets.



Case Example: CSRD Double Materiality Matrix, AgriBusiness/Food



- Five key topics remain our most material themes:
- biodiversity;
 - soil health;
 - sustainable food systems;
 - energy efficiency and GHG emissions;
 - climate change resilience.

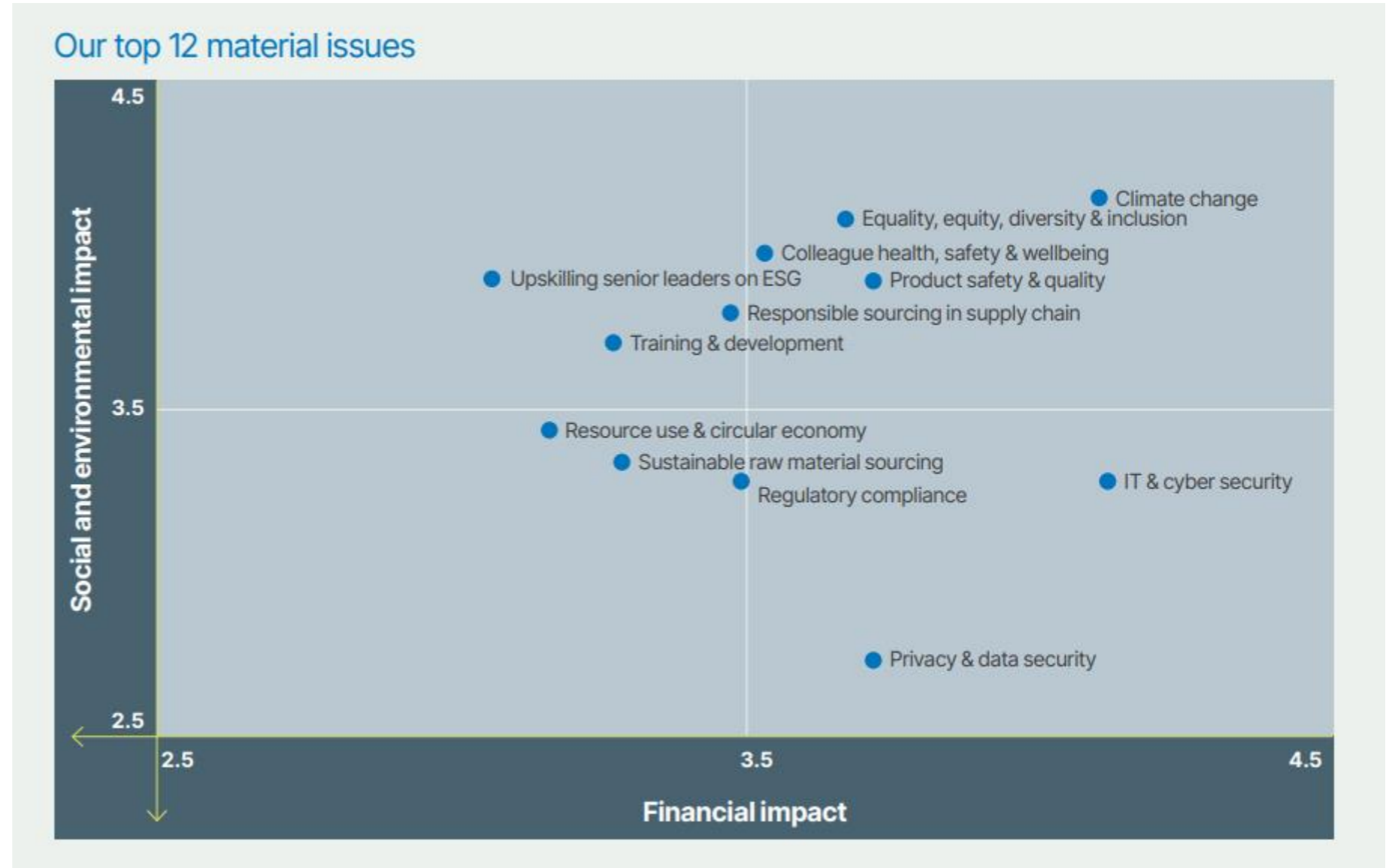
Source: [Origin-SR24.pdf](#)

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Case Example: CSRD Double Materiality Matrix, Built Environment/Retail



Source: [ESG reports and data centre | Grafton Group plc](#) :



Source: Grafton Group plc

:

CSRD Compliant Reporting – What does it look like?

CSRD Sustainability Statement

The Sustainability Statement is structured to include four key sections.

- **General Information**, laying the groundwork and context of operations.
- **Environmental matters**, showcasing the company’s environmental footprint and mitigation strategies.
- **Social matters**, reflecting on impacts on own workforce, value chain, affected communities and consumers
- **Governance information** detailing the structures and policies governing your organisation.

Across ESG sections, the subsections are divided by

- **Governance, Strategy, Policy**
- **Impact, Risk and Opportunity Management**
- **Metrics and Targets**
- **Disclosures & Datapoints** – per ESRS

CSRD Sustainability Statement structure



Legislation, Guidance and Standards

The CSRD legislation and its supporting guidance and standards define the playbook for aligning with CSRD requirements. In particular this includes the 12 ESRS and three Implementing Guidance documents from EFRAG.

The DM assessment should meet the requirements of ESRS 1, ESRS 2 and EFRAG IG 1. In the absence of sector specific standards published by EFRAG, sector specific best practice materiality guidance including IFRS Foundation SASB Standards and GRI relevant for the sector/ activities should be used as well.

Legislation

- [Corporate Sustainability Reporting Directive - European Commission \(europa.eu\)](#)
- [Commission Delegated Regulation \(EU\) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards \(europa.eu\)](#)
- [EUR-Lex - 02013L0034-20240109 - EN - EUR-Lex \(europa.eu\)](#)
- [Irish implementing legislation European Union \(Corporate Sustainability Reporting\) Regulations 2024 S.I. No. 336/2024](#)

Guidance and Standards

In support of the CSRD law, EFRAG has published the following Implementation Guidance documents that were used:

- [EFRAG IG 1: Materiality Assessment](#)
- [EFRAG IG 2: Value Chain](#)
- [EFRAG IG 3: Detailed ESRS Datapoints and Accompanying Explanatory Note](#)
- [Sustainability Reporting XBRL Taxonomies - EFRAG](#)



CSRD Phase in dates for data and disclosures

Some omissions are allowed during the first three years of reporting for companies under 750 employees and for all undertakings. These are summarised below.

Undertakings with a maximum of 750 employees may omit information on:



For the first year	For the first two years
<ul style="list-style-type: none"> Scope 3 emissions and total greenhouse gas emissions (ESRS E1) Own Workforce (ESRS S1) 	<ul style="list-style-type: none"> Biodiversity and ecosystems (ESRS E4) Employees in the value chain (ESRS S2) Affected communities (ESRS S3) Consumers and end-users (ESRS S4)

All undertakings may omit information on:

For the first year	For the first three years
<ul style="list-style-type: none"> Allocation of total revenue by key ESRS sectors (ESRS 2, reported from the date of application set out in sector-specific standards) Anticipated financial effects of the undertaking's significant risks and opportunities (ESRS 2) Anticipated financial effects of climate change, pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy (ESRS E1-E5) The main characteristics of the undertaking's own non-employee workforce (e.g., consultants hired on a contract basis, etc.), (ESRS S1-7) Extension of collective bargaining agreements and social dialogue for own workforce in non-EEAR countries (ESRS S1-8) Social protection (ESRS S1-11) Details on persons with disabilities (S1-12) Information on training and skills development (S1-13) Cases of work-related ill health and number of workdays lost due to injuries, accidents, fatalities and work-related ill health and Non-employees and their health and safety at the workplace (selected datapoints ESRS S1-14) Work-life balance (ESRS S1-15) 	<ul style="list-style-type: none"> Entity-specific disclosures that have been reported in previous periods if they meet or are adapted to meet the qualitative characteristics referred to in ESRS 1 (ESRS 1) It will suffice to report only qualitative disclosures on anticipated financial effects (ESRS 2) It will suffice to report only qualitative disclosures on anticipated financial effects from climate change, pollution (with one exception) water and marine resources, biodiversity and ecosystems, resource use and circular economy-related impacts, risks and opportunities (ESRS E1-9, E2-6, E3-5, E4-5, E5-6) – omit quantitative.



3 Case Examples - Deep Dive into ESRS

Deep Dive into ESRS S2: Workers in the Value Chain

Social	S2 Workers in the Value Chain
 <p>Sub-Topics</p>	<ul style="list-style-type: none"> • Material Risks and Opportunities for value chain workers • Human Rights and Labour Standards • Worker Engagement • Grievance Mechanisms • Action Plans and Remedies • Tracking Progress and Accountability
 <p>Disclosures</p>	<ul style="list-style-type: none"> • Policies on human rights, working conditions and equal treatment in the value chain (e.g. Supplier code of conduct) • Identification of value chain workers impacted by material risks and opportunities • Engagement processes with workers and representatives in the value chain • Description and effectiveness of grievance mechanisms • Actions taken to mitigate risks and enhance well being in the value chain • Metrics and targets for progress on value chain worker outcomes (e.g. working conditions, equity) • Resource Allocation and accountability for managing value chain worker impacts (Board oversight, senior mgt KPI's)

Sample of Disclosure Requirements for S2 Workers in the Value Chain		
ID	Data Point	Data Type (units)
S2-1_01	Description of relevant human rights policy commitments relevant to value chain workers	Narrative
S2-2_04	Disclosure of function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertakings approach	Narrative
S2-3	Grievance mechanisms for value chain workers, including channels, confidentiality, and effectiveness	Narrative
S2-4	Actions and resources allocated to manage material impacts, risks, and opportunities for value chain workers	Narrative/Monetary (€)
S2-5	Targets for managing material impacts and opportunities for value chain workers and tracking progress	Narrative/Number (%)

Deep Dive into ESRS E1: Climate Change

Environment	E1 Climate Change
 <p>Sub-Topics</p>	<ul style="list-style-type: none"> • Climate change adaptation • Climate change mitigation • Energy
 <p>Disclosures</p>	<ul style="list-style-type: none"> • Policy • Scope 1-3 Emissions • 1.5°C aligned near term reduction target • Climate Transition Plan (CTP) • Quantitative climate scenario risk assessment - Physical and Transition risks & financial implications. • EU Taxonomy - Investment to meet the Plan (CAPEX, OPEX, Turnover) • Use an internal carbon price for financial assessment. • Board and senior executive accountability. • Annual KPIs & incentives linked

Sample of Disclosure Requirements for E1 Climate Change

ID	Data Point	Data Type (units)
E1.GOV-3_01	Whether and how climate-related considerations are factored into remuneration of members of administrative, management and supervisory bodies	Narrative
E1.GOV-3_02	Percentage of remuneration linked to climate	Number (%)
E1-6_01 - E1-6_03	Gross Scope 1,2,3 and total GHG emissions	Table
E1-1_01	Climate Transition Plan (CTP)	Narrative
E1-1_02	Explain how targets align to 1.5°C	Narrative
E1-1_04-06	Financial resources for the Plan	Monetary (€)

Deep Dive into ESRS E1: Climate Change – Example: Agri Business/Food Sector



Reporting

- CTP
- Scope 1-3
- Targets
- Solutions
- Verification

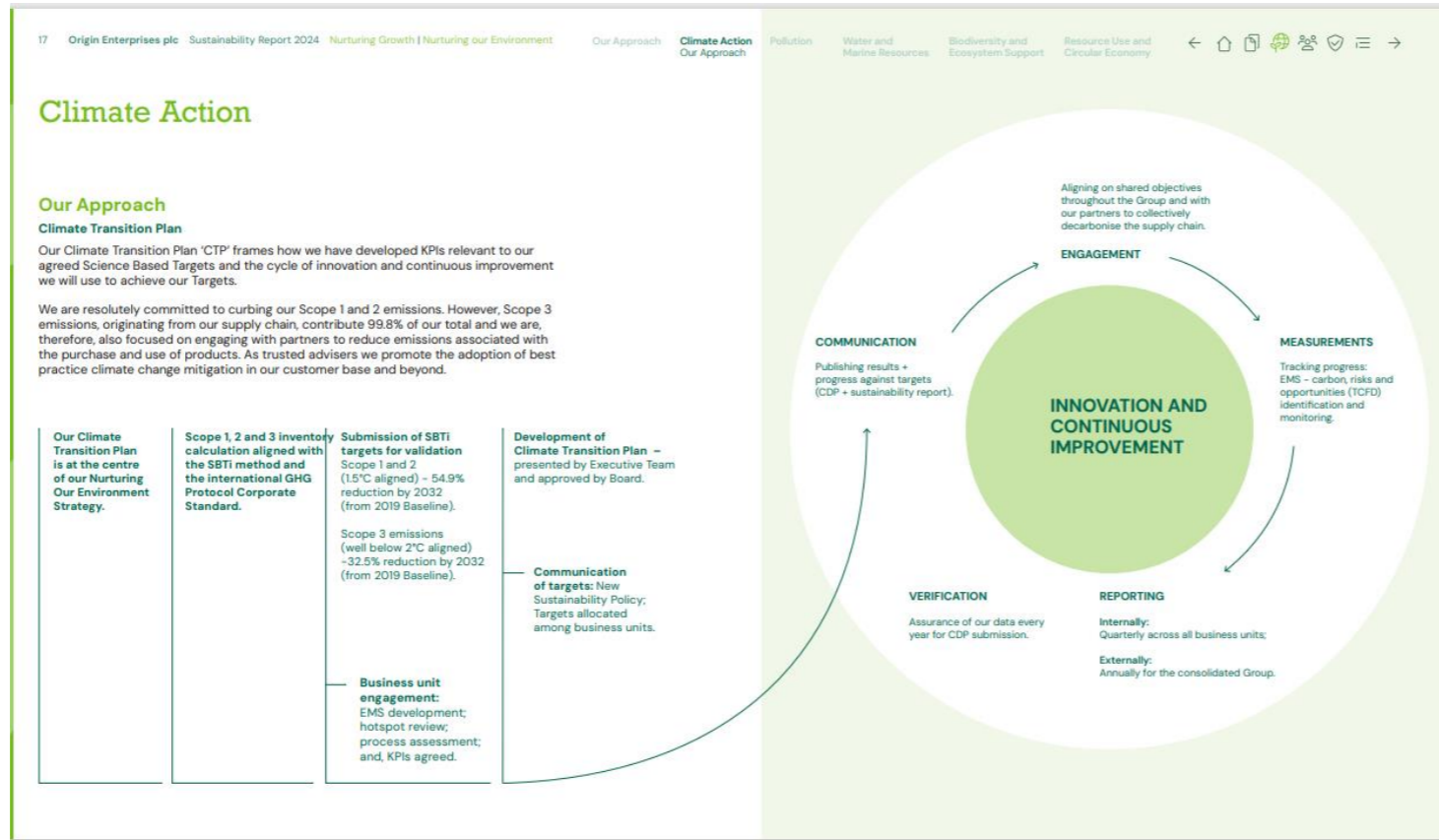


Table 1. GHG Scopes 1, 2 and 3

GHG Scopes	Location Based Method - Emissions [tCO ₂ e]	Market Based Method - Emissions [tCO ₂ e]
Scope 1	15,096	15,096
Scope 2	2,886	1,460
Scope 3	10,980,254	10,980,254
Total emissions	10,998,236	10,996,810

Table 2. GHG Scope 3 emissions by categories

GHG Scope 3 categories*	Emissions [tCO ₂ e]
Scope 3.1	5,100,098
Scope 3.2	39,819
Scope 3.3	5,654
Scope 3.4	322,386
Scope 3.5	2,403
Scope 3.6	5,110
Scope 3.7	2,169
Scope 3.8	44,564
Scope 3.9	165,901
Scope 3.10	-
Scope 3.11	4,451,073
Scope 3.12	832,994
Scope 3.13	-
Scope 3.14	-
Scope 3.15	8,082
Total emissions	10,980,254

*Excluded Scope 3 categories as not relevant to the business include 3.10, 3.13 and 3.14.

4 CSRD Supports

Resources

Grants and Financial Support

A variety of grants and financial supports are accessible for businesses committed to embracing sustainable practices. These are available from:

- **Enterprise Ireland and Industrial Development Authority (IDA)**
- **Local Enterprise Office (LEO)**
- **Sustainable Energy Authority of Ireland (SEAI)**
- **National Transport Authority (NTA)**

Further Resources

For businesses seeking additional supports on their sustainability journey, helpful guidance is ample.

Resources include:

- **Government of Ireland**
 - ✓ Department of Enterprise, Trade and Employment, [Responsible Business Portal & Supports](#)
 - ✓ Corporate Sustainability Reporting Regulations [CSRD Regulations](#)
 - ✓ Climate toolkit 4 Business [Website & Carbon Calculator](#)
- **European Financial Reporting Advisory Group (EFRAG)**
 - ✓ EFRAG IG 1: [Materiality Assessment](#)
 - ✓ EFRAG IG 2: [Value Chain](#)
 - ✓ EFRAG IG 3: [Detailed ESRS Datapoints](#) and Accompanying [Explanatory Note](#)
 - ✓ Sustainability Reporting [XBRL Taxonomies](#)
 - ✓ FAQ on implementation questions [ESRS Q&A Platform](#)
 - ✓ [Sector-specific ESRS](#)

Bank of Ireland Sustainable Finance Products

- **Sustainability Linked Loan:** 5-7 year loans for Corporate customers for general business use with Margin Discounts for meeting predefined Sustainability-themed KPIs.
- **Green CapEx Loan:** 3-5 year RCF for Corporate customers to borrow for green use of proceeds, with discounted rates relative to existing debt facilities and no arrangement fee



[EXPLORE - National Enterprise Hub](#)



An Roinn Fiontar,
Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

5 Q&A/Discussion





DAVY

Thank you

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