



Corporate Sustainability Reporting Directive **(CSRD)**

25 March 2025

This document is intended for present and prospective users of the Global Sustainable Enterprise System. The goal of this document is to briefly describe CSRD and to explain the alignment between CSRD and GSES.

www.gses-system.com



About GSES

Who We Are

GSES is a holistic sustainability rating system, helping organizations make sustainable choices. It measures, benchmarks and externally verifies the sustainability performance of organisations, physical products and assets worldwide.

What We Do

The GSES platform uses the Global Sustainable Enterprise Standard as a universal language to measure sustainability. This standard is an overarching meta-standard, translating more than 500 widely accepted standards and certificates into KPI's making them measurable and comparable.

Our Mission

With the goal of simplifying the sustainability certification landscape and working against greenwashing, GSES works from the ground up – verifying and rewarding existing efforts and showing room for improvement.

Our Vision

Our vision is a world where sustainability is not just a goal, but a well-defined path that guides every organization towards responsible and ethical practices. We envision a future where companies, governments, and individuals have access to clear, transparent, and actionable guidelines for achieving sustainability, without the burden of complexity and ambiguity.



What is CSRD?

The Corporate Sustainability Reporting Directive (CSRD) is a legislative framework introduced by the European Union to enhance sustainability reporting practices. It mandates that companies disclose both impact materiality and financial materiality, a concept known as double materiality.

The CSRD builds on the Non-Financial Reporting Directive (NFRD), requiring companies to comply with the European Sustainability Reporting Standards (ESRS). These standards ensure consistency and comparability of Environmental, Social, and Governance (ESG) data across the EU. The reporting framework encompasses a wide range of ESG topics, including climate change, environmental protection, circular economy, social responsibility, governance, and human rights.

Understanding Double Materiality

Double materiality serves as the foundation for assessing a company's impact and compliance with CSRD. It integrates two key dimensions:

- **Impact Materiality:** Evaluates a company's non-financial impact across environmental, social, and governance factors throughout its value chain.
- **Financial Materiality:** Focuses on the financial implications of ESG-related risks and opportunities, providing a comprehensive analysis of their effects on the company's financial health and long-term strategy.

By addressing both dimensions, double materiality offers a holistic view of sustainability priorities and gap assessment, ensuring that organizations align their reporting with regulatory requirements while fostering responsible business practices.



Why?

CSRD is critical in addressing sustainability scope and reporting, and in advancing the EU's sustainability goals of a greener and more socially responsible economy. By requiring companies to disclose detailed information about their ESG impact and how they contribute to societal goals, the CSRD:

- **Enhances transparency and accountability:** By providing detailed sustainability disclosures, the CSRD enables key stakeholders—including investors, consumers, and policymakers—to assess corporate sustainability performance and commitments more effectively.
- **Standardizes reporting:** ESRS ensures consistency of sustainability reporting and data points across companies. The approach improves decision-making and risk management internally, as well as for external stakeholders.
- **Supports the European Green Deal:** By ensuring companies align their activities with the EU's environmental and social goals, it contributes to the EU's ambitions to achieve climate neutrality by 2050.
- **Promotes sustainable finance:** The regulation strengthens the link between sustainability performance and access to capital, as companies with competitive ESG profiles are increasingly favoured by investors.



For whom and when?

CSRD mandates that companies with certain criteria must comply with the regulation. As of March 2025, the European Commission released an 'Omnibus Package', outlining a new timeline and criteria for CSRD reporting.

Before the Omnibus Package was released, the criteria were:

- Large companies in the EU, whether listed or non-listed, with more than 250 employees and turnover greater than €40 million, or total assets greater than €20 million.
- Reporting target as of 1 January 2026: Large companies that are not currently subject to the NFRD will need to report for the financial year 2025, with reports due in 2026.

After the Omnibus Package, as of **March 2025**:

- Large companies in the EU, whether listed or non-listed, with **more than 1000 employees** and turnover more than **€50 million** or balance sheets over **€25 million**.
- Reporting will change as of 1 January 2028: Large companies that are not currently subject to the NFRD will need to report for the financial year 2027, with **reports due in 2028**.

Due to the changes, the reporting deadlines will be postponed by two years. Besides that, CSRD simplifies environmental protection indicators such as simplification of "Do No Significant Harm" (DNSH) criteria for pollution prevention and carbon mechanisms.



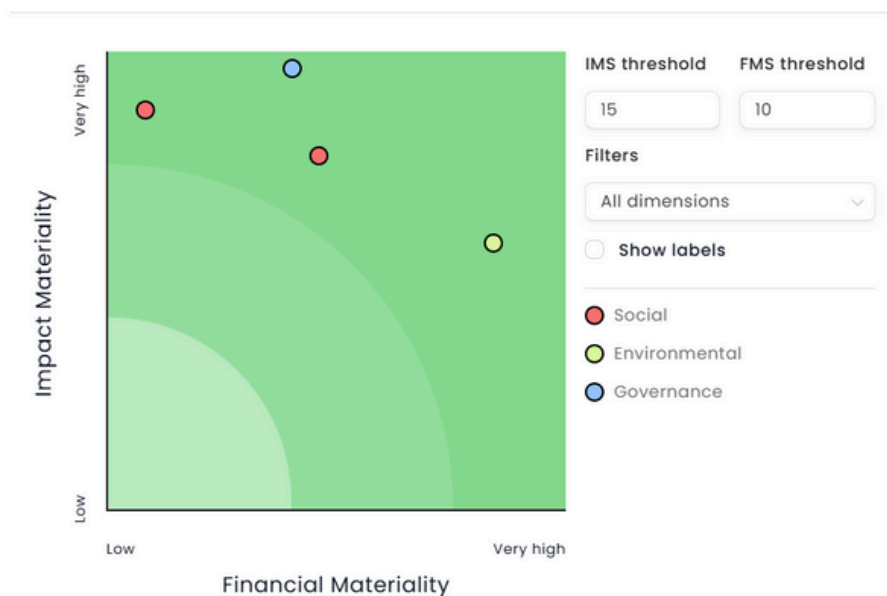
How can GSES help?

The new CSRD deadlines will offer the opportunity for companies to streamline, develop, and manage data infrastructure to comply with CSRD. GSES offers a comprehensive suite of tools designed to streamline CSRD data points. Our Double Materiality Tool, CSRD Digital Questionnaire, and CSRD Dashboard are specifically tailored to facilitate smoother and more efficient CSRD reporting. Additionally, other GSES tools can support various CSRD requirements, such as climate change, environmental protection, and circular economy.

CSRD Double Materiality Assessment Tool

Our materiality assessment tool enables stakeholders to collaboratively discuss and evaluate the significance of specific matters at a sub-topic level. Set your own thresholds and contextualize material topics based on your organization's unique needs.


Designed for ease of use during online meetings, the tool offers the flexibility to export assessments and share findings. Clear visuals provide an intuitive display of results, ensuring that the evaluation process is both transparent and actionable.





GSES x CSRD Digital Questionnaire

Use GSES' Digital Questionnaire to collaborate with your wider team and suppliers in addressing material topics related to the CSRD. Assign responsibilities and deadlines, track progress, save responses, and upload supporting evidence—all within the platform. Non-material questions can be easily skipped by providing justifications, ensuring an efficient workflow. The GSES Digital Questionnaire serves as a collaborative repository, offering actionable insights that are seamlessly displayed on your CSRD Dashboard for real-time monitoring and reporting.

**CSRD**
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Questionnaires Export to XLSX

General

ESRS 2
General Disclosures

Non Material

1 / 12

View

Environmental

ESRS E1
Climate change

Material

0 / 12

View

ESRS E2
Pollution

Material

0 / 7

View

Questions Overview

Question 1 / 3

Disclosure of whether and how assets and activities have been screened in order to identify actual and potential impacts, risks and opportunities, in particular regarding resource inflows , resource outflows and waste in own operations and upstream and downstream value chain and methodologies, and the assumptions and tools used in screening
(IRO-1 - Ila)

Status

Not Answered

Deadline

mm/dd/yyyy

Self Reported Gap Assessment

Not Answered

Team member

Select a team member

Answer max. 2000 words

Context

Evidence

Add evidence

Save

Next

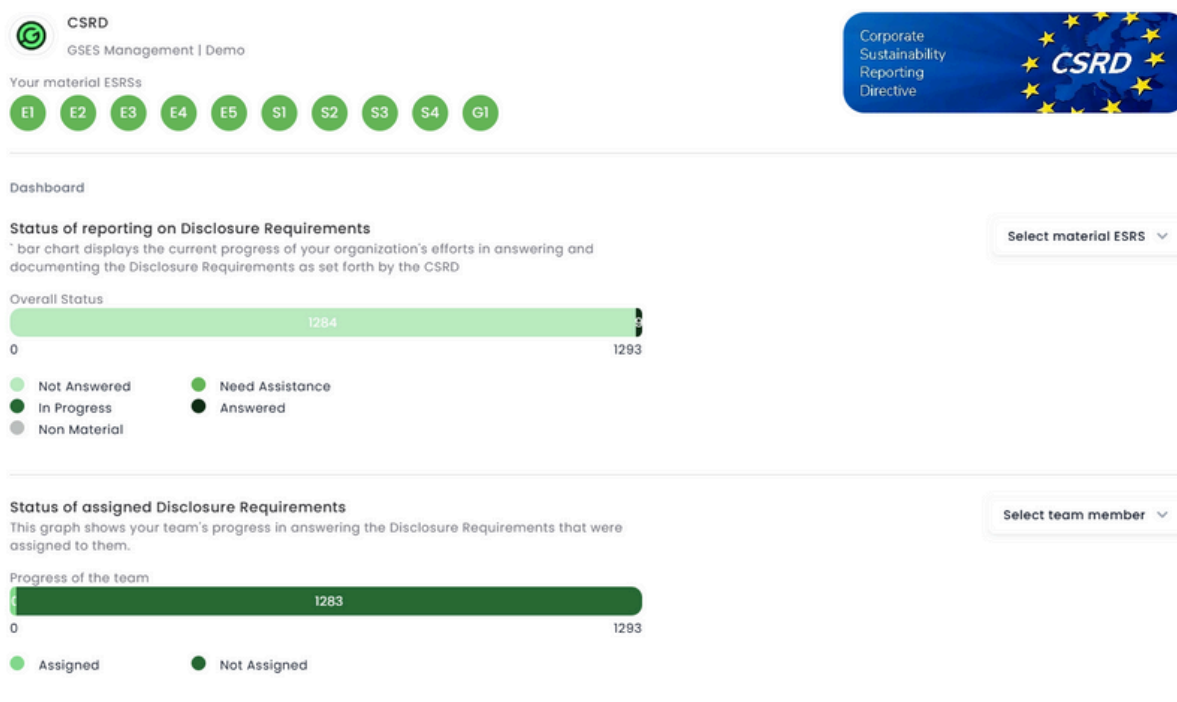
GSES x CSRD Dashboard



Easily monitor your overall progress with the CSRD Dashboard, a powerful tool for keeping your reporting on track.

Assign specific disclosure requirements to team members, suppliers, or other key stakeholders within your value chain, and track their progress individually, based on the deadlines you establish.

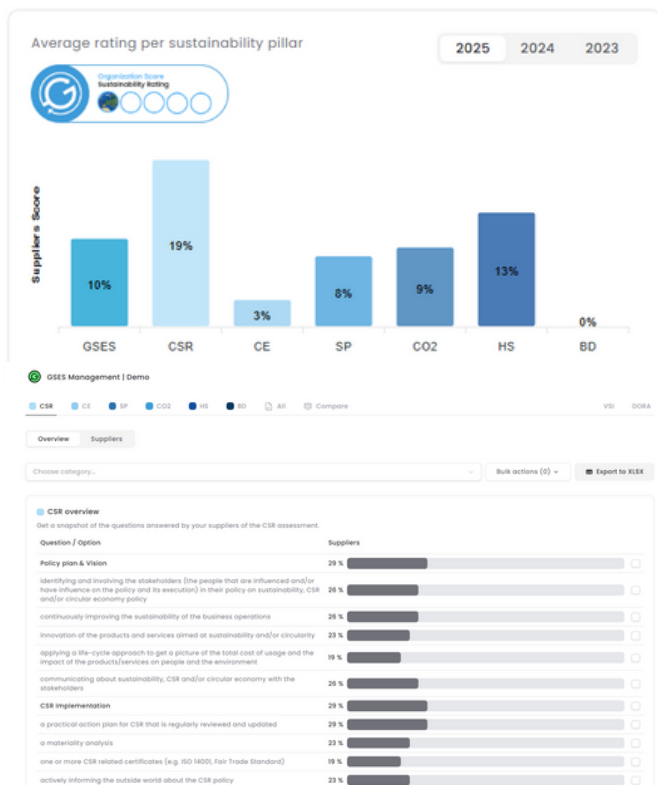
The dashboard provides a comprehensive, centralized view of your entire reporting process, enabling you to efficiently manage the extensive data requirements mandated under the CSRD. This streamlined approach ensures you stay organised and up to date throughout your reporting cycle.





How can GSES support your CSRD requirements?

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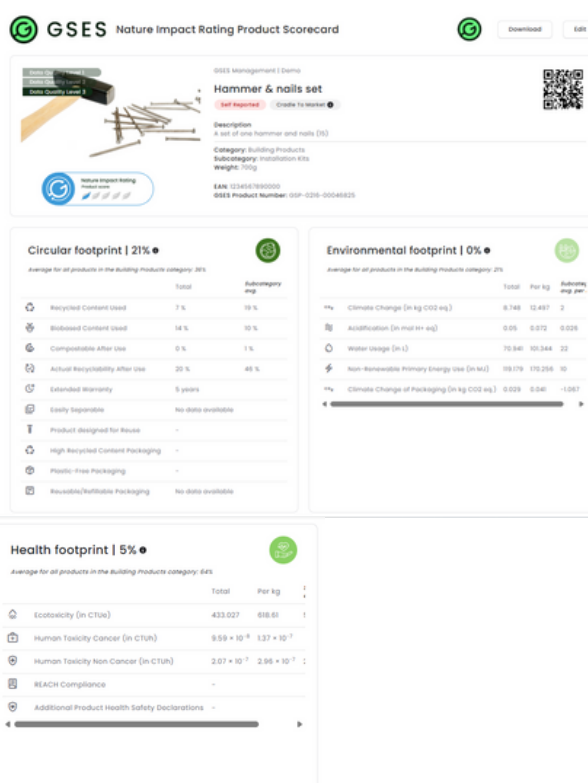
Supply Chain module

On your journey to being CSRD compliant, engage proactively with your suppliers on sustainability by inviting them to complete GSES assessments or developing a custom assessment tailored to your supply chain.

This tool strengthens collaboration and ensures alignment on sustainability goals across all partners, helping you achieve greater transparency and accountability.

Product module

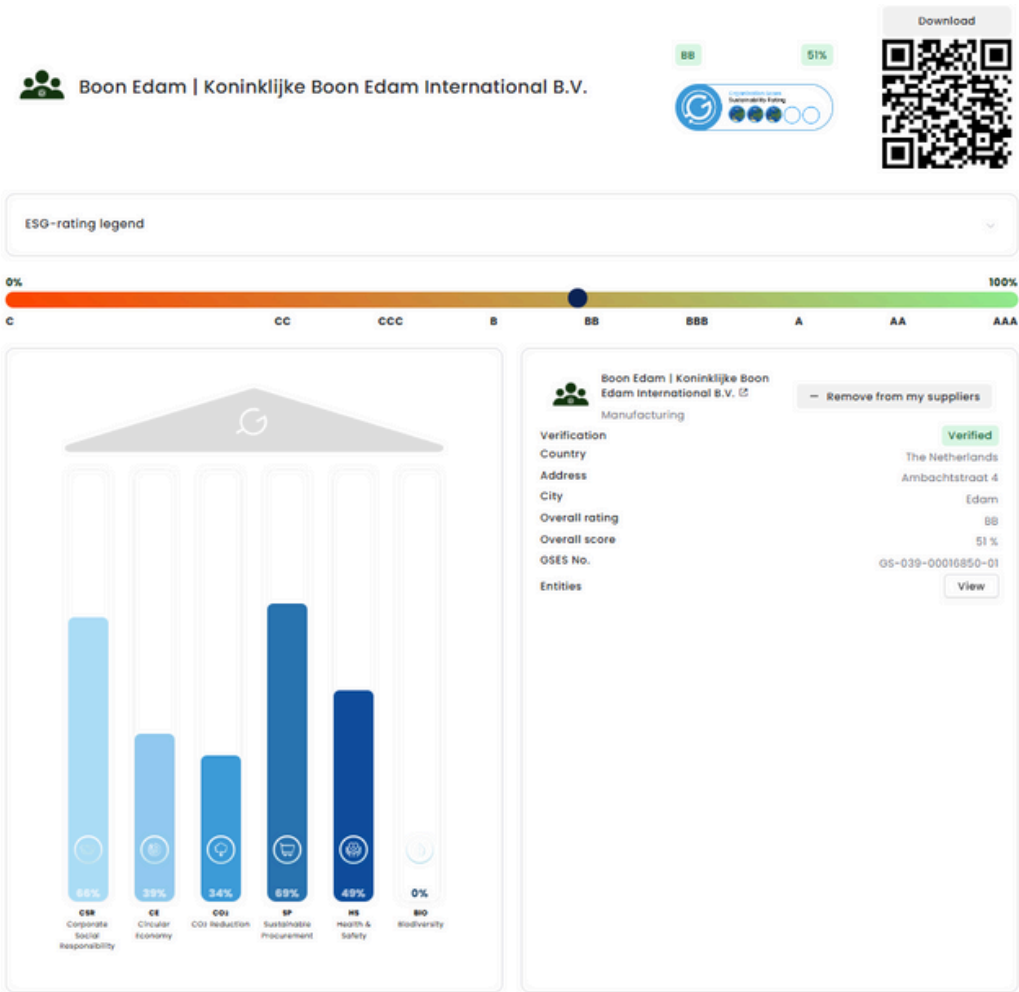
Streamline the collection of your products' bill of materials through the GSES Product Module. Additionally, invite your suppliers to fill in product forms and provide product-related certificates, ensuring full transparency and traceability across your supply chain.



Organization module



Achieve compliance with the CSRD by assessing your organization's sustainability performance across six critical areas: Corporate Social Responsibility, Circular Economy, CO2 Reduction, Sustainable Procurement, Health & Safety, and Biodiversity. Enhancing your performance in these areas not only strengthens your sustainability strategy but also ensures alignment with CSRD reporting obligations.





Sources

https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_615

https://commission.europa.eu/news/commission-proposes-cut-red-tape-and-simplify-business-environment-2025-02-26_en

<https://ec.europa.eu/newsroom/fisma/items/754701/en>

Get in **touch!**

Do you have any questions or would you like to learn more?
Please contact **support@gses-system.com**