

## Appendices

Appendix 1: Table to resume the initiatives and requirements

<b>Name</b>	<b>Scope of application</b>	<b>Mandatory or not</b>
<b>NFRD</b>	European Union	/
<b>CSRD</b>	European Union	Mandatory for large companies (in the future)
<b>SFRD</b>	European Union	Mandatory for financial institutions
<b>EU Green Deal</b>	European Union	Not mandatory
<b>GRI</b>	Worldwide	Not mandatory
<b>SDG</b>	Worldwide	Not mandatory
<b>ESG pillar 3</b>	Worldwide	Mandatory for banks (in the future)
<b>TCFD</b>	Worldwide	Not mandatory
<b>Paris Agreement</b>	Worldwide	Not mandatory
<b>ISSB</b>	Worldwide	Ongoing

Appendix 2: Article 19a and 29a of the NFRD

<p><i>Article 1</i></p> <p><b>Amendments to Directive 2013/34/EU</b></p> <p><i>Directive 2013/34/EU is amended as follows:</i></p> <p>( <i>The following Article is inserted:</i></p> <p>1</p> <p>) <i>'Article 19a</i></p> <p><b><i>Non-financial statement</i></b></p> <p><i>1. Large undertakings which are public-interest entities exceeding on their balance sheet dates the criterion of the average number of 500 employees during the financial year shall include in the management report a non-financial statement containing information to the extent necessary for an understanding of the undertaking's development, performance, position and impact of its activity,</i></p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

*relating to, as a minimum, environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters, including:*

*(a a brief description of the undertaking's business model;  
)*

*( a description of the policies pursued by the undertaking in relation to those matters, including due diligence processes implemented;  
)*

*(c) the outcome of those policies;*

*( the principal risks related to those matters linked to the undertaking's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the undertaking manages those risks;*

*( non-financial key performance indicators relevant to the particular business.  
e  
)*

*Where the undertaking does not pursue policies in relation to one or more of those matters, the non-financial statement shall provide a clear and reasoned explanation for not doing so.*

*The non-financial statement referred to in the first subparagraph shall also, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.*

*Member States may allow information relating to impending developments or matters in the course of negotiation to be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the undertaking, provided that such omission does not prevent a fair and balanced understanding of the undertaking's development, performance, position and impact of its activity.*

*In requiring the disclosure of the information referred to in the first subparagraph, Member States shall provide that undertakings may rely on national, Union-based or international frameworks, and if they do so, undertakings shall specify which frameworks they have relied upon.*

*2. Undertakings fulfilling the obligation set out in paragraph 1 shall be deemed to have fulfilled the obligation relating to the analysis of non-financial information set out in the third subparagraph of Article 19(1).*

*3. An undertaking which is a subsidiary undertaking shall be exempted from the obligation set out in paragraph 1 if that undertaking and its subsidiary undertakings are included in the consolidated management report or the separate report of another undertaking, drawn up in accordance with Article 29 and this Article.*

*4. Where an undertaking prepares a separate report corresponding to the same financial year whether or not relying on national, Union-based or international frameworks and covering the information required for the non-financial statement as provided for in paragraph 1, Member States may exempt that undertaking from the obligation to prepare the non-financial statement laid down in paragraph 1, provided that such separate report:*

*( is published together with the management report in accordance with Article 30; or  
a  
)*

( is made publicly available within a reasonable period of time, not exceeding six months after the  
b balance sheet date, on the undertaking's website, and is referred to in the management report.  
)

Paragraph 2 shall apply mutatis mutandis to undertakings preparing a separate report as referred to in the first subparagraph of this paragraph.

5. Member States shall ensure that the statutory auditor or audit firm checks whether the non-financial statement referred to in paragraph 1 or the separate report referred to in paragraph 4 has been provided.

6. Member States may require that the information in the non-financial statement referred to in paragraph 1 or in the separate report referred to in paragraph 4 be verified by an independent assurance services provider.'

( The following Article is inserted:

3

) 'Article 29a

**Consolidated non-financial statement**

1. Public-interest entities which are parent undertakings of a large group exceeding on its balance sheet dates, on a consolidated basis, the criterion of the average number of 500 employees during the financial year shall include in the consolidated management report a consolidated non-financial statement containing information to the extent necessary for an understanding of the group's development, performance, position and impact of its activity, relating to, as a minimum, environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters, including:

(a) a brief description of the group's business model;

( a description of the policies pursued by the group in relation to those matters, including due  
b diligence processes implemented;  
)

(c) the outcome of those policies;

( the principal risks related to those matters linked to the group's operations including, where relevant  
d and proportionate, its business relationships, products or services which are likely to cause adverse  
) impacts in those areas, and how the group manages those risks;

( non-financial key performance indicators relevant to the particular business.  
e  
)

Where the group does not pursue policies in relation to one or more of those matters, the consolidated non-financial statement shall provide a clear and reasoned explanation for not doing so.

The consolidated non-financial statement referred to in the first subparagraph shall also, where appropriate, include references to, and additional explanations of, amounts reported in the consolidated financial statements.

Member States may allow information relating to impending developments or matters in the course of negotiation to be omitted in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the group, provided that such omission

*does not prevent a fair and balanced understanding of the group's development, performance, position and impact of its activity.*

*In requiring the disclosure of the information referred to in the first subparagraph, Member States shall provide that the parent undertaking may rely on national, Union-based or international frameworks, and if it does so, the parent undertaking shall specify which frameworks it has relied upon.*

*2. A parent undertaking fulfilling the obligation set out in paragraph 1 shall be deemed to have fulfilled the obligation relating to the analysis of non-financial information set out in the third subparagraph of Article 19(1) and in Article 29.*

*3. A parent undertaking which is also a subsidiary undertaking shall be exempted from the obligation set out in paragraph 1 if that exempted parent undertaking and its subsidiaries are included in the consolidated management report or the separate report of another undertaking, drawn up in accordance with Article 29 and this Article.*

*4. Where a parent undertaking prepares a separate report corresponding to the same financial year, referring to the whole group, whether or not relying on national, Union-based or international frameworks and covering the information required for the consolidated non-financial statement as provided for in paragraph 1, Member States may exempt that parent undertaking from the obligation to prepare the consolidated non-financial statement laid down in paragraph 1, provided that such separate report:*

*( is published together with the consolidated management report in accordance with Article 30; or  
a  
)*

*( is made publicly available within a reasonable period of time, not exceeding six months after the  
b balance sheet date, on the parent undertaking's website, and is referred to in the consolidated  
) management report.*

*Paragraph 2 shall apply mutatis mutandis to parent undertakings preparing a separate report as referred to in the first subparagraph of this paragraph.*

*5. Member States shall ensure that the statutory auditor or audit firm checks whether the consolidated non-financial statement referred to in paragraph 1 or the separate report referred to in paragraph 4 has been provided.*

*6. Member States may require that the information in the consolidated non-financial statement referred to in paragraph 1 or in the separate report referred to in paragraph 4 be verified by an independent assurance services provider.'*

### Appendix 3: Survey for Startups

- 1) What is your level of knowledge about ESG criteria (Environment, Social, Governance)?
- 2) Does your startup actively incorporate ESG criteria into its activities?
- 3) To what extent are ESG criteria important to your startup?
- 4) Which are the main ESG criteria that your startup considers or plans to consider?
- 5) What are the main limitations or challenges your startup faces in integrating ESG criteria?
- 6) Have you experienced benefits from integrating ESG criteria into your startup?
- 7) How does your startup communicate its commitments and ESG performance to external stakeholders?
- 8) How does your startup measure its ESG performance?

- 9) What are your future goals regarding the integration of ESG criteria in your startup?
- 10) Do you think it is more important for banks to integrate ESG concepts than for start-ups?

#### Appendix 4: Interview with Belfius bank

- Do you have any future plans to become even more sustainable?
  - *Yes. Belfius' ESG strategy, ambitions and objectives are clearly put forward in the Belfius Sustainability Report 2022.*
- Do you agree with all the new sustainability regulations that come out every year such as the Green Deal, Pillar 3 reporting, EU taxonomy, CSRD?
  - *Yes, although some issues were not addressed properly before launching: the lack of ESG-data of companies, the incoherence in terms of the timings and deadlines of the different regulations.*
- All the measures you publish in your reports, do you think all your targets are achievable?
  - *Yes, targets were set and voluntary ESG commitments have been taken with the clear goal of meeting/fulfilling them.*
- Do you think it is a good thing for your bank to publish and disclose your ESG performance?
  - *Yes, because an evermore increasing level of transparency is expected by Belfius' main stakeholders anyway.*
- How does your bank comply with the new CSRD (Corporate Sustainability Reporting Directive) regulations regarding ESG disclosure?
  - *Belfius does not yet comply with CSRD as this enters into force not until the reporting year 2025 for the financial year 2024. However, preparations have been started already in 2022.*
- What challenges does your bank face in complying with the CSRD and how do you plan to overcome them?
  - *CSRD will be a game changer in corporate reporting. This will require a change in mindset (e.g. CSRD requires also forward looking disclosures, references to financial reporting have to be made) and considerable resources.*
  - *We are focusing now on capacity building, acquiring knowledge, combining departments in a steering committee .*
- Is it complicated to identify qualitative and quantitative data in relation to ESG concepts, such as calculating well-being at work, measuring carbon impact, etc.?
  - *No, we use the regulatory guidelines and methodologies or decide that our methodology of the legal framework is lacking. The data retrieval is more difficult*

*because the market is not yet mature, this will be better once companies have to report following the CSRD.*

- Are you wasting time “for nothing” by having to collect the data and write the report?
  - *No, we have to do that to comply with regulation. On top of that, our customers and investors become more and more interested in the ESG performance, so it is important to report on it.*
- What are the key indicators used to measure your bank’s ESG performance?
  - *Those who are requested by the regulator and the voluntary signed commitments, they are also mentioned in the exposure drafts CSRD. Examples are CO2 emissions (owned and financed), EU taxonomy alignment, ART 8&9 SFDR products, etc. The KPI is in the sustainability report.*
- How does your bank plan to collect, measure and report the data required to comply with the CSRD?
  - *We have a goodview on the requirements and have defined an approach and project plan for the different topics structured per ESRS, defining which data points qualitative and quantitative we have to disclose, which we already disclose in other regulatory reports, a gap analysis and a plan to close the gap. On top of that we are busy developing the capabilities to realise the report (including expertise building, strategy building, KPI’s, narratives, tooling etc).*

## Appendix 5: Interview with BNP bank

- Do you have any future plans to become even more sustainable?
  - *Yes, you have to check the strategy GTS 2025 of BNP.*
- Do you agree with all the new sustainability regulations that come out every year such as the Green Deal, Pillar 3 reporting, EU taxonomy, CSRD?
  - *BNP has to do the Pillar 3 and CSRD. We don’t have a choice. It will be a better view of climate risk and also on all kinds of ESG risks we have and also CSRD will cause a slight growth rate and will bring more transparency on ESG aspects in the standardised.*
- All the measures you publish in your reports, do you think all your targets are achievable?
  - *Yes, it’s the intention, we are careful of course to put ambition. We have huge ambitions. Normally we did the purpose to achieve this ambition, this target. Some of the terminology could improve over time.*
- Do you think it is a good thing for your bank to publish and disclose your ESG performance?
  - *Yes, we are a bank financing energy transition, we believe that we are a sustainable bank with a sustainability part in the strategy.*

- How does your bank comply with the new CSRD (Corporate Sustainability Reporting Directive) regulations regarding ESG disclosure?
  - *It's something to be done in 2025. We still have time, we are working on it and preparing it.*
- What challenges does your bank face in complying with the CSRD and how do you plan to overcome them?
  - *The challenges are data challenges, organisation challenges, governance, system aspects. It's new. It is also about policy and action.*
- Is it risky for the bank to disclose a comprehensive report such as Pillar 3 reporting on ESG performance and ESG risks?
  - *It brings more transparency. We could be challenged by external stakeholders.*
- What are the potential risks associated with the integration of ESG criteria into your bank's activities and how do you manage them?
  - *ESG criteria are pretty strict, we should avoid green and social washing. And we comply with these criteria.*
- What are the potential risks associated with the entry into force of the new CSRD regulation for your bank?
  - *The fact that it's not done properly or in the right way, in line with the expectations of the auditors and supervisors. This leads to greater transparency and therefore a risk that we will be challenged on this.*
- Is it complicated to identify qualitative and quantitative data in relation to ESG concepts, such as calculating well-being at work, measuring carbon impact, etc.?
  - *Yes, to a certain level. We need to communalize new calculations or different calculations of green gas emission for example. And it's not always easy to take ESG purposes in the correct way.*
- Are you wasting time "for nothing" by having to collect the data and write the report?
  - *No, there are regulatory requirements, but on the other hand there is certainly an opportunity to contribute to the energy transition and help our customers to make this transition. There are also opportunities to develop business in this context.*
- What are the key indicators used to measure your bank's ESG performance?
  - *Look at BNPP and ESG KPI (9), company engagement dans fortis ou bn p.*
- How does your bank plan to collect, measure and report the data required to comply with the CSRD?
  - *We're going to set up a structure and I'll be in charge of this CSRD project for the BNP bank. We're going to set up a project. The idea is to contact the various stakeholders, i.e. the different functions such as HR, business, facility management, etc., to gather information. The aim is to see if we already have the data, and if not, how easy it is to obtain it. If we have it, what is the quality? Then we'll put them together.*
- What steps is your bank taking to raise awareness of responsible investment and sustainable financial products among its customers?
  - *We run lots of campaigns, in the press and on TV. And all the documents about sustainability on the website.*
- Do your bank's commitments to sustainability and ESG practices need to be modified or adjusted to meet the requirements of the CSRD? If so, how?
  - *That's certainly going to change. I've already had contacts and so we already have quite a lot of data, we're already doing a lot of things. In social terms, employees*

*are already well protected in Belgium and in our bank. Their status is acceptable,  
and they work under good conditions.*