

Sustainability Reporting in the EU: Aligning with CSRD Directive and ESRS Standards

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Abstract

With an emphasis on environmental, social, and governance (ESG) or sustainability reporting, this study examines the organisation's timetable and procedures regarding impacts, risks, opportunities, and stated strategies. Both qualitative evaluations and quantitative data are included in ESG reporting. The effects, dangers, and possibilities related to climate change, the depletion of natural resources, pollution, waste, and other environmental concerns are covered in the environmental component (E). While corporate governance methods are covered by the governance component (G), the social component (S) offers insights into the organisation's values and business principles. Non-financial reporting, sometimes referred to as organisational sustainability, has become increasingly important since 2014 and has been required by the European Union (EU). According to the Corporate Sustainability Reporting Directive (CSRD), the new European Sustainability Reporting Standards (ESRS) were incorporated into national laws in 2024 and will soon be required for reporting purposes for most European organisations.

Keywords: Sustainability reporting, CSRD, ESRS standards, annual report