

# DRAFT EUROPEAN SUSTAINABILITY REPORTING STANDARDS

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## **Appendix III** - Datapoints in accordance with EU laws in the ESRS



November 2022

### Appendix III

1. The objective of this appendix is to indicate in which part of the [draft] ESRS the SFDR Principal Adverse Impacts (PAI) Indicators, as requested by Annex I of the European Commission Delegated Act supplementing Regulation (EU) 2019/2088: [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/sustainability-related-disclosure-financial-services-sector\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/sustainability-related-disclosure-financial-services-sector_en), are covered.
2. One of the objectives when compiling the [draft] ESRS one objective was to make sure that all SFDR PAI indicators would be covered by the proposed Disclosure Requirements. The approach taken was to directly embed indicators wherever possible or, when not possible, to make sure that the information needed by the financial market participants could be easily identifiable and found in the [draft] ESRS Disclosure Requirements. The rationale for the approach will be found in the [draft] ESRS Bases for Conclusions.

Table 1 – Indicators applicable to investments in investee companies		
Adverse sustainability impact	Metric	[draft] ESRS reference
<b>Climate and other environment-related indicators</b>		
1. GHG emissions	Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions Total GHG emissions	ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions, §41
2. Carbon footprint	Carbon footprint	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, §41
3. GHG intensity of investee companies	GHG intensity of investee companies	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, §50 to §52
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	ESRS 2 SBM-1 Market position, strategy, business model(s) and value chain, §38(d)i
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	ESRS E1-5 Energy consumption and mix, §35(a) and §36
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million of EUR of revenue of investee companies, per high impact climate sector	ESRS E1-5 Energy consumption & mix, §37 to §40
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites /operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	ESRS E4 DR related to IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities, §22(d)i
<b>Adverse sustainability impact</b>		
<b>Metric</b>		
<b>[draft] ESRS reference</b>		
8. Emissions to water	Tonnes of emissions to water generated by investee companies in million EUR invested, expressed as a weighted average	ESRS E2-4 Pollution of air, water and soil, §27(b)
9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR	ESRS E5-5 Resource outflows, §41
<b>Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</b>		
10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	ESRS S1-17 Incidents and complaints and severe human rights impacts and incidents, §99(a)  ESRS S2-1 Policies related to value chain workers, §19  ESRS S3-1 Policies related to affected communities, §17  ESRS S4-1 Policies related to consumers and end-users, §16

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Table 1 – Indicators applicable to investments in investee companies		
Adverse sustainability impact	Metric	[draft] ESRs reference
<b>Climate and other environment-related indicators</b>		
11. Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with UNGC principles and OECD guidelines or grievance/complaints handling mechanisms to address violations of UNGC principles and OECD Guidelines for Multinational Enterprises	ESRS S1-1, Policies related to own workforce, §22  ESRS S2-1 Policies related to value chain workers, §17  ESRS S3-1 Policies related to affected communities, §16  ESRS S4-1 Policies related to consumers and end-users, §15
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	ESRS S1-16 Compensation indicators (pay gap and total compensation), §92(a)
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies, §19(d)
14. Exposure to controversial weapons (anti-personal mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	ESRS 2 SBM-1 Market position, strategy, business model(s) and value chains, §38(d)iii
<b>Indicators applicable to investments in sovereign and supranational</b>		
Not applicable – sovereign and supranational are not in scope of CSRD. Therefore, they are not covered by ESRs		
<b>Indicators applicable to investments in real estate assets</b>		
<p>These KPIs are intended to cover specific real estate assets invested in by the financial market participant (FMP), not the real estate assets of investee companies of the FMP. The impacts of investee companies’ real estate assets should already be covered in the investee company indicators.</p> <p>Therefore, these being sector-specific KPIs will be covered by sector-specific ESRs to be developed as part of set 2 ESRs, as per CSRD article 19b(1)b(ii).</p>		

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Table 2 – Additional climate and other environment-related indicators

Adverse impact on sustainability factors (qualitative or quantitative)	Metric	[draft] ESRS reference
<b>Indicators applicable to investments in investee companies</b>		
1. Emissions of inorganic pollutants	Tonnes of inorganic pollutants equivalent per million EUR invested, expressed as weighted average	ESRS E2-4 Pollution of air, water and soil, §27(c)
2. Emissions of air pollutants	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average	ESRS E2-4 Pollution of air, water and soil, §27(a)
3. Emissions of ozone-depleting substances	Tonnes of ozone-depleting substances equivalent per million EUR invested, expressed as a weighted average	ESRS E2-4 Pollution of air, water and soil, §27(d)
4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement	ESRS E1-4, Targets related to climate change mitigation and adaptation, §32
5. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source	ESRS E1-5 Energy consumption and mix, §35(a)
6. Water usage and recycling	<ol style="list-style-type: none"> <li>1. Average amount of water consumed by the investee companies (in cubic meters) per million EUR of revenue of investee companies</li> <li>2. Weighted average percentage of water recycled and reused by investee companies</li> </ol>	<p>ESRS E3-4, Water consumption, §29</p> <p>ESRS E3-4 Water consumption, §28(a)</p>
7. Investments in companies without water management policies	Share of investments in investee companies without water management policies	ESRS E3-1 Policies related to water and marine resources, §8
8. Exposure to areas of high-water stress	Share of investments in investee companies with sites located in areas of high-water stress without a water management policy	ESRS E3-1 Policies related to water and marine resources, §12
9. Investments in companies producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006	ESRS 2 SBM-1 Market position, strategy, business model(s) and value chains, §38(d)ii
10. Land degradation, desertification, soil sealing	Share of investments in investee companies the activities of which cause land degradation, desertification or soil sealing	ESRS E4 DR related to IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities, §22(e)
11. Investments in companies without sustainable land/agriculture practices	Share of investments in investee companies without sustainable land/agriculture practices or policies	ESRS E4-2 Policies related to biodiversity and ecosystems, §27(b)
12. Investments in companies without sustainable oceans/seas practices	Share of investment in investee companies without sustainable oceans/seas practices or policies	<p>ESRS E3-1 Policies related to water and marine resources, §13</p> <p>ESRS E4-2 Policies related to biodiversity and ecosystems, §27(c)</p>
13. Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average	ESRS E5-5 Resource outflows, §39(d)
14. Natural species and protected areas	<ol style="list-style-type: none"> <li>1. Share of investments in investee companies whose operations affect threatened species</li> <li>2. Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in or adjacent to a protected area or an area of high biodiversity value outside protected areas</li> </ol>	ESRS E4 DR related to IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities, §22(f)
15. Deforestation	Share of investments in investee companies without a policy to address deforestation	ESRS E4-2 Policies related to biodiversity and ecosystems, §27(d)
16. Share of securities not issued under Union legislation on	Share of securities in investments not issued under Union legislation on environmentally sustainable bonds	Intended to cover the FMP's share of non-green bonds invested in, not intended to cover an investee company's share of issued

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environmentally sustainable bonds		securities that are non-green. Therefore, it is not required in the ESRS.
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<b>Indicators applicable to investments in sovereign and supranational</b>
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17. Not applicable – sovereign and supranational are not in scope of CSRD. Therefore, they are not covered by ESRS

<b>Indicators applicable to investments in real estate assets</b>
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18. GHG emissions	Scope 1, 2 3 and total GHG emissions generated by real estate assets	These KPIs are intended to cover specific real estate assets invested in by the FMP, not the real estate assets of investee companies of the FMP. The impacts of investee companies’ real estate assets should already be covered in the investee company indicators.  Therefore, these being sector-specific KPIs will be covered by sector-specific ESRS to be developed as part of set 2 ESRS, as per CSRD article 19b(1)b(ii).  These KPI has been assessed as sector-specific
19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square meter	
20. Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract	
21. Raw material consumption for new construction and major renovations	Share of raw building materials (excluding recovered, recycled and biosourced) compared to the total weight of building materials used in a new construction and major renovations	
22. Land artificialization	Share of non-vegetated surface area (surfaces that have not been vegetated in ground, as well as on roofs, terraces and walls) compared to the total surface area of the plots of all assets	

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Table 3 – Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters		
Adverse impact on sustainability factors (qualitative or quantitative)	Metric	[draft] ESRS reference
<b>Indicators applicable to investments in investee companies</b>		
1. Investments in companies without workplace accident prevention policies	Share of investments in investee companies without a workplace accident prevention policy	ESRS S1-1 Policies related to own workforce, §24
2. Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	ESRS S1-14 Health and safety indicators, §84(c)
3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average	ESRS S1-14 Health and safety indicators, §84(e)
4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	ESRS S2-1 Policies related to value chain workers, §18
5. Lack of grievance/complaints handling mechanism related to employee matters	Share of investments in investee companies without any grievance /complaints handling mechanism related to employee matters	ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns, §33(c)
6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	ESRS G1-1 Corporate culture and business conduct policies, §10d
7. Incidents of discrimination	<ol style="list-style-type: none"> <li>1. Number of incidents of discrimination reported in investee companies expressed as a weighted average</li> <li>2. Number of incidents of discrimination leading to sanctions in investee companies expressed as a weighted average</li> </ol>	ESRS S1-17 Incidents, complaints and severe human rights impacts and incidents, §98(a)
8. Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	ESRS S1-16 Compensation indicators (pay gap and total compensation), §92(b)
9. Lack of human rights policy	Share of investments in entities without a human rights policy	<p>ESRS S1-1 Policies related to own workforce, §22</p> <p>ESRS S2-1 Policies related to value chain workers, §17</p> <p>ESRS S3-1 Policies related to affected communities, §16</p> <p>ESRS S4-1 Policies related to consumers and end-users, §15</p>
10. Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	ESRS 2 GOV-4 Statement on sustainability due diligence, §30
11. Lack of processes and measures for preventing trafficking in human beings	Share of investments in investee companies without policies against trafficking in human beings	<p>ESRS S1-1 Policies related to own workforce, §24</p> <p>ESRS S2-1 Policies related to value chain workers, §18</p>
12. Operations and suppliers at significant risk of incidents of child labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or type of operation	<p>ESRS 2 – SBM 3 - S1 Material impacts, risks and opportunities and their interaction with strategy and business model(s), §16(g)</p> <p>ESRS 2 – SBM 3 - S2 Material impacts, risks and opportunities and their interaction of impacts and the undertaking’s strategy and business model(s), §11(b)</p>

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Table 3 – Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters		
Adverse impact on sustainability factors (qualitative or quantitative)	Metric	[draft] ESRS reference
<b>Indicators applicable to investments in investee companies</b>		
13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms of geographic areas and or type of operation	ESRS 2 – SBM 3 - S1 Material impacts, risks and opportunities and their interaction with strategy and business model(s), §16(f)  ESRS 2 – SBM 3 - S2 Material impacts, risks and opportunities and their interaction of impacts and the undertaking’s strategy and business model(s), §11(b)
14. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	ESRS S1-17 Incidents, complaints and severe human rights impacts and incidents, §99(a)  ESRS S2-4, Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions, §36  ESRS S3-4 Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions, §35  ESRS S4-4 Taking action on material impacts on consumers and end-users, and approaches to mitigating material risk and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions, §33
15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the UN convention against corruption	ESRS G1-1 Corporate culture and business conduct policies, §10(b)
16. Cases of insufficient action taken to address breaches of standards of anti-corruption and antibribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery	ESRS G1-4 Confirmed incidents of corruption or bribery, §25
17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Numbers of convictions and amount of fines for violations of anti-corruption and anti-bribery laws by investee companies	ESRS G1-4 Confirmed incidents of corruption or bribery, §23(b)
<b>Indicators applicable to investments in sovereign and supranational</b>		
Not applicable – sovereign and supranational are not in scope of CSRD. Therefore, they are not covered by ESRS		

Commission Delegated Regulation (CDR) (EU) 2020/1818 and (EU) 2020/1816	
CDR (EU) 2020/1818 reference	ESRS reference
Article 2	ESRS E1-1 Compatibility with the transition to a sustainable economy and limiting global warming to 1.5°C with no or limited overshoot, § 13
Article 5 (1)	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, and GHG emissions intensity, § 41 and 50
Article 6	ESRS E1-4 GHG emission reduction targets, § 32

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<b>Commission Delegated Regulation (CDR) (EU) 2020/1818 and (EU) 2020/1816</b>	
<b>CDR (EU) 2020/1818 reference</b>	<b>ESRS reference</b>
	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, and GHG emissions intensity, §41 and §50
Article 8 (1)	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, and GHG emissions intensity, §41 and §50
Article 12	ESRS 2 SBM-1 Involvement in activities related to controversial weapons, §38(d)iii  ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, §38(d)iv  ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, §15(f) and AR6
<b>CDR (EU) 2020/1816 reference</b>	<b>ESRS reference</b>
Annex II	ESRS 2 GOV-1 Board's gender diversity, §19(d)  ESRS 2 GOV-1 Percentage of board members who are independent, §19(e)  ESRS E1-9 Exposure to climate-related physical risks, §61(a) and §64  ESRS E1-9 Exposure to climate-related opportunities, §61(c), §67  ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, §23  ESRS S1-14 Rate of accidents and weighted average ratio of accidents, injuries, fatalities, §84(b) and §84(c)  ESRS S1-16 Unadjusted gender pay gap and weighted average gender pay gap, §92(a)  ESRS S1-17 Violations of UNGC principles and OECD, §99(a)  ESRS S2-1 Violations of UNGC principles and OECD guidelines, §19  ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, §19  ESRS S3-1 Violations of UNGC principles and OECD guidelines, §17  ESRS S4-1 Violations of UNGC principles and OECD guidelines, §16  ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, §23(b)

<b>Capital Requirements Regulation (CRR) - Article 449a (EBA Pillar 3 ITS disclosures on ESG risks)</b>	
<b>CRR Template</b>	<b>ESRS reference</b>
Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity)	ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, §15(f)
Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral (Final draft ITS, § 34)	ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, §64(c)
Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk (Final draft ITS, § 46 and 47)	ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, §63(a)  ESRS E1-9 Location of significant assets at material physical risk, §63(c)