VSME ESRS ED

VOLUNTARY (**DRAFT**) ESRS STANDARD FOR SME'S

OBJECTIVE

This standard aims to support micro, small, and medium-sized enterprises with thier ESG reporting, thus:

- Contributing to a more sustainable and inclusive economy
- Improving the management of environmental and social issues for competitive growth and long-term resilience
- Providing information to meet the data demand from credit providers and investors
- Meeting the data needs of large companies seeking sustainability information from their suppliers

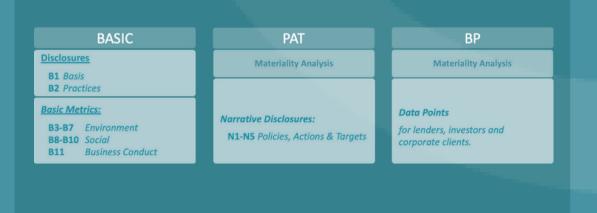
APPLICABILITY

Voluntarily for Micro, Small and Medium companies, based on **Balance sheet, Turnover, Employees**

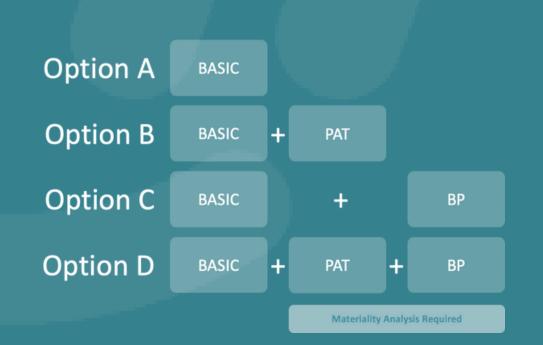


3 MODULES

3x modules that the undertaking can choose a/o combine for preparation of its sustainability report



4 REPORTING OPTIONS



DISCLOSURES & METRICS

BASIC MODULE

Disclosure B 1 – Basis for Preparation Disclosure B 2 – Practices for transitioning towards a more sustainable economy

BASIC METRICS ENVIRONMENT

- B 3 Energy and greenhouse gas emissions
- B 4 Pollution of air, water and soil
- B 5 Biodiversity
- B6-Water
- B 7 Resource use, circular economy & waste management

BASIC METRICS SOCIAL MATTERS

B 8 – Workforce – General characteristics B 9 – Workforce - Health and Safety B 10 – Workforce - Remuneration, collective bargaining, and training

BASIC METRICS BUSINESS CONDUCT

DB 11 – Convictions and fines for corruption and bribery

MATERIALITY ASSESSMENT PRINCIPLES

Impact materiality Financial materiality Stakeholders & materiality analysis process

(PAT) NARRATIVE DISCLOSURES POLICIES ACTIONS PLANS

N 1 – Strategy: business model and sustainability related initiatives

- N 2 Material sustainability matters
- N 3 Management of material sustainability matters
- N 4 Key stakeholders

N 5 – Governance: responsibilities in relation to sustainability matters



(BP) DISCLOSURES BUSINESS PARTNERS

- BP1 Revenues from certain sectors
- BP 2 Gender diversity ratio in governance body
- BP 3 GHG emissions reduction target
- BP 4 Transition plan for climate change mitigation
- BP 5 Physical Risks from climate change
- BP 6 Hazardous waste and/or radioactive waste ratio
- BP 7 Alignment with internationally recognized instruments

BP 8 – Processes to monitor compliance and mechanisms to address violations

BP 9 – Violations of OECD Guidelines for Multinational Enterprises or the UN

- Guiding Principles
- BP 10 Work-life balance
- BP 11 Number of apprentices

Based on EFRAG's VSME ESRS ED draft paper from 29 Nov 2023 information subject to change. For more information contact: **info@innciso.com**

G

C INNCISO 2024