



EU Commissioner Mairead McGuinness
Financial Services, Financial Stability and Capital Markets Union
European Commission
Rue de la Loi / Wetstraat 200, 1049 Brussels, Belgium

cc:

Executive Vice-Presidents Valdis Dombrovskis, Frans Timmermans; EU Commissioner Didier Reynders
John Berrigan Director General DG FISMA; Sven Gentner, Head of Unit DG FISMA
European Supervisory Authorities (ESMA, EBA, EIOPA)
Members of the European Parliament
Directorates-General ENV, CLIMA, GROW, DEVCO

Financial institutions, business actors and networks in support of adopting ambitious EU Sustainability Reporting Standards (ESRS)

6 February 2023

Dear Commissioner McGuinness,

We write as a group of eleven financial institutions with €570 billion in assets, nearly thirty companies with \$80 billion in revenue, and financial and business networks and associations to reinforce our support for high ambition EU sustainability reporting standards.

The EU has shown global leadership by developing comprehensive and high-quality corporate sustainability reporting standards that cover both, a company's impacts on planet and people everywhere and sustainability-related financial risks and opportunities, and which will enable the maximization of the profit for all stakeholders who can affect or be affected by the company.

The EU sustainability reporting standards developed by EFRAG and submitted to the European Commission on 23rd November 2022 show a great appreciation of the urgent need to ensure all companies measure and report comprehensively on the sustainability matters that occur in their entire value chain. These new EU disclosure rules will bring more accountability and comparability, a better understanding of risks and opportunities, and raise the international bar for corporate transparency. However, the number of disclosure requirements and data points in the final ESRS have already been reduced substantially compared to EFRAG's first draft. Also, many disclosure requirements will benefit from a phased-in implementation up to 3 years after they enter into effect.

Ambitious EU sustainability reporting standards will help ensure a level playing field, supporting the actions of companies that already contribute to a nature-positive economy, and that are reducing emissions in line with the 1.5-degree goal. They are

essential to delivering capital markets the comparable data needed to finance this transition.

To achieve this, the European Commission can support corporates and capital market actors by:

1. Adopting ambitious environmental EU sustainability reporting standards

The wide-ranging and ambitious scope of the standards, including reporting on the entire value chain, is necessary: environmental impacts and risks are interrelated and must be addressed holistically. Without biodiversity, or indeed a secure water cycle, human beings cannot eat or make medicines. Indeed, we cannot resolve the climate crisis, as at least a third of all scientifically required emission reductions are linked to forestation and the water cycle. Half of global GDP relies on nature and its services. Losing it is an existential threat. Companies and financial markets are already awake to this reality, and we must use this momentum to standardize more, not less.

2. Ensuring timely adoption of the first set of standards to be applied by 2024/2025

The goal of EU sustainability reporting standards is to improve the comparability, consistency and relevance of corporate sustainability disclosures to understand the performance, behaviour and direction of travel of companies on sustainability matters. Achieving EU environmental goals depends on swiftly adopting and implementing these standards.

Yours sincerely,

Companies	Financial institutions	Business and investor network or associations
Aktio	Anima SGR	B.A.U.M. e.V. - German Network for Sustainable Business
Allegro	ACT Commodities	BNW Bundesverband Nachhaltige Wirtschaft e.V.
AQUADAT	avesco Sustainable Finance AG	Capitals Coalition's DSD-Lab
Atlantia spa	BDL Capital Management	CDP Europe
Axel Springer SE	de Pury Pictet Turrettini & Cie	Climate & Company
Bouygues Group	EB - Sustainable Investment Management GmbH	Collège des Directeurs Développement Durable
Bureau Veritas	Ecofi	Ecopreneur.eu - The European Sustainable Business Federation
Cellnex Telecom	ESG-AM	Ethos Foundation
CEMASys Nordic	Figure 8 Investment Strategies	Ethos Engagement Pool International
Changzhou Machan Steel Furniture Co., Ltd.	KBI Global Investors	Eurosif - The European Sustainable Investment Forum

DanDong HUA Plastics Precision Technology Co.,Ltd.	SDG Invest	Exponential Roadmap Initiative
DFGE – Institute for Energy, Ecology and Economy GmbH	Sycomore AM	FIR - French SIF
Downing LLP		Global Footprint Network
EcoAct, an Atos company		Leaders for Climate Action
Enel X Advisory Services		One Ocean Foundation
FACC Operations GmbH		Responsible Business Forum in Poland
Fuji carbon (Kunshan) Co.,Ltd		Veridien RM
GO2-Markets		
GoClimate		
John Sisk and Son (Holdings) Ltd.		
KINROM INDUSTRIES CO., LTD.		
Kuehne+Nagel		
Magyar Telekom PLC		
MARK-TRANS-SPED Marek Jakubowski		
NEODECORTECH Spa		
New Sky		
Nilfisk Holding A/S		
O'Brien Fine Foods		
Orkuveita Reykjavíkur (Reykjavik Energy)		
Positon Green		
Removement		
RESA Systems GmbH		
Resalta		
sustainable AG		
VAUDE Sport GmbH & CO. KG		
Version 1 Group		



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