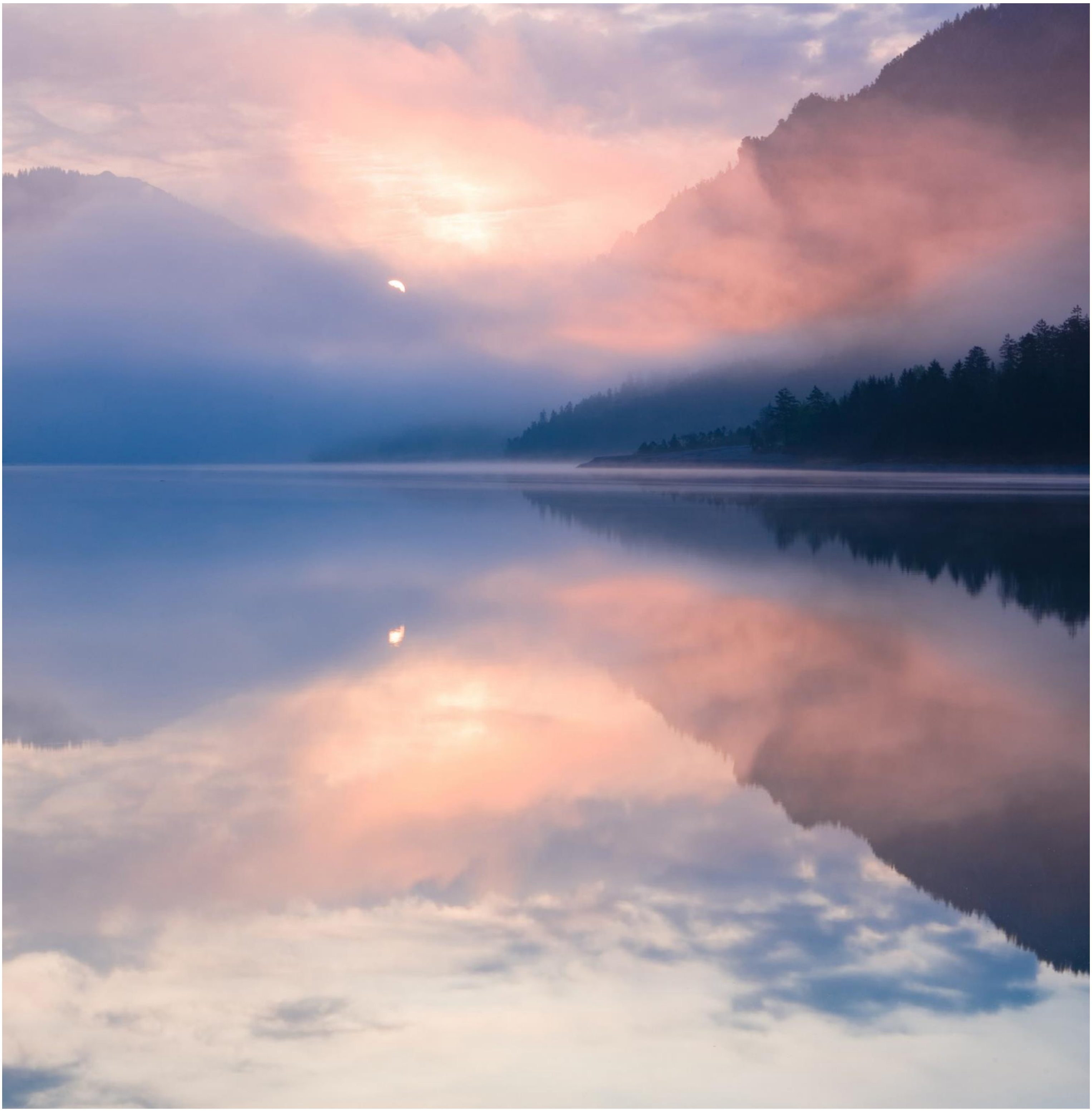

Navigating the revised CSRD

How EU sustainability reporting requirements have been simplified

Contents

Introduction

The European Union took a turn in its approach of the sustainability reporting framework. Following months of political negotiation, EU institutions reached an agreement in December 2025 on the “Content” Directive whose final text was published in the Official Journal of the EU (OJEU) on 26 February 2026. This is exactly one year after the launch by the European Commission of the revision process to simplify the CSRD (Corporate Sustainability Reporting Directive) and the CSDDD (Corporate Sustainability Due Diligence Directive) as part of the “Omnibus I” package.

This package of simplification measures aims to strengthen EU competitiveness by streamlining regulatory requirements and reducing administrative burden.

Under the revised CSRD, reporting obligations will apply only to the largest companies in the Union – those which, on their balance sheet dates, exceed a net turnover of €450 million and an average number of 1,000 employees during the financial year.

As a result, a significant proportion of companies originally expected to fall under the Directive (as initially published in December 2022) will no longer be subject to mandatory reporting. This upward revision of the thresholds is one of the main changes of the CSRD introduced by the “Content” Directive.

This guide offers an in-depth analysis of the CSRD as revised by the “Content” Directive – the context that gave rise to it, the major changes introduced, and their implications – while offering practical guidance for organisations preparing for the next era of EU sustainability reporting.

It is supplemented by another Forvis Mazars’ guide covering the specific considerations for non-EU groups and their EU subsidiaries.

1. Understanding the context behind the revision of the CSRD

Before examining the changes of the CSRD introduced by the "Content" Directive, this section outlines the main reasons behind such revision by the Commission, the implementation challenges encountered under the original reporting framework, and the institutional process through which this revision was carried out.

Enhancing competitiveness in the EU

> "***Simplification promised, simplification delivered! We are presenting our first proposal for far-reaching simplification. EU companies will benefit from streamlined rules on sustainable finance reporting, sustainability due diligence and taxonomy. This will make life easier for our businesses while ensuring we stay firmly on course toward our decarbonisation goals. And more simplification is on the way.***"
>
> Speech of Ursula von der Leyen, President of the European Commission, during the press conference held on 26 February 2025, with respect to the "Omnibus I" package

The Commission's "Omnibus I" package marks a substantial simplification of EU sustainability rules, launching a broad drive aimed at reducing regulatory pressure while reinforcing the EU's competitiveness and resilience agenda[1].

Inspired by the 2024 Draghi's report on "*The Future of European Competitiveness*", which highlighted the compliance load created by EU reporting obligations, this package was framed as part of a broader competitiveness agenda (the EU "Competitiveness compass") to deliver an unprecedented reduction in administrative burden (25% overall and 35% for SMEs), and to refocus detailed reporting on the largest companies, thereby limiting trickle down requests on smaller entities[2].

Concretely, the Commission's package concerned amendments across targeted sustainability legislations – notably CSRD and CSDDD, as well as the EU Taxonomy framework[3] – into a single, coordinated legislative initiative designed to streamline requirements while preserving the EU Green Deal[4]'s core objectives, namely reducing CO_2 emissions by 55% by 2030 and achieving climate neutrality by 2050.

Challenges from the uneven transposition of the original CSRD across the EU

It is also worth recalling that the implementation of the initial CSRD of December 2022 has not been consistent in the Union due to uneven transposition across Member States. Although this directive was required to be transposed into national law by 6 July 2024, 17 Member States[5] missed the deadline and failed to notify complete transposition measures, prompting the European Commission to initiate infringement procedures[6]. This fragmented transposition landscape has created regulatory imbalances within the Single Market and led, in practice, many European issuers based in countries in which the CSRD has not been transposed to report voluntarily for the financial year 2024, in some cases in accordance with the European Sustainability Reporting Standards (ESRS). As of February 2026, five Member States have not yet transposed the initial directive into national law[7].

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[1] European Commission, *Commission proposes to cut red tape and simplify business environment*, available **here**.

[2] European Commission, *Better Regulation: Simplification and Implementation*, available **here**.

[3] The "Content" Directive does not amend provisions relating to the disclosures to be provided under Article 8 of Regulation 2020/852 regarding the EU Taxonomy for sustainable activities (hereafter "EU Taxonomy-related disclosures"). A separate Delegated Act was however adopted to simplify the EU Taxonomy-related disclosures, as well as the Climate and Environmental Delegated Acts (see Forvis Mazars' digest available **here**).

[4] European Commission, Communication of 11 December 2019 available **here**.

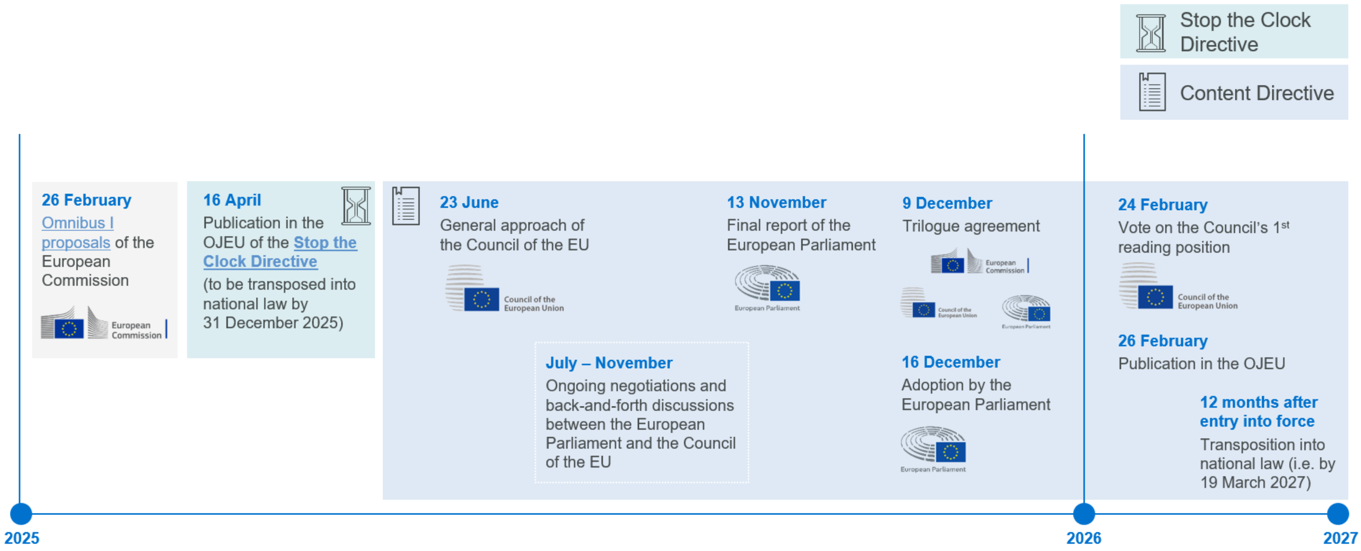
[5] These countries are: Austria, Belgium, the Czech Republic, Cyprus, Estonia, Finland, Germany, Greece, Latvia, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovenia and Spain.

[6] European Commission, *Commission takes action to ensure complete and timely transposition of EU directives*, available **here**.

[7] This concerns Germany, Luxembourg, the Netherlands, Portugal and Spain. This information is based on the official website (EUR-lex) of the European Union which informs national transposition status of the CSRD, available **here**.

The EU legislative process behind the revision of the CSRD

The revision of the CSRD was conducted through the “Omnibus I” package via two distinct legislative vehicles: the so-called “Stop the Clock” and “Content” Directives. While the former adjusts the implementation timeline of the reporting requirements, the latter introduces substantive amendments to the original CSRD and significantly revises the scope of application.



“Stop the Clock” Directive

The first component of the “Omnibus I” package, the “Stop the Clock” Directive[8], was published in the OJEU on 16 April 2025, for an entry into force the day after. EU Member States had to transpose it into their national law by 31 December 2025.

It aimed at introducing a two-year postponement of the original CSRD application dates for the so-called “wave 2”[9] and “wave 3”[10] companies, thereby providing them with legal certainty while more comprehensive reforms were still being negotiated.

However, this postponement was only a first step, pending the subsequent adoption of the “Content” Directive, by which the original scope was to be revised.

“Content” Directive

The second component of the “Omnibus I” package, the “Content” Directive, introduces the substantive reforms to the CSRD. As highlighted in the timeline above, its negotiation proved complex, requiring several months of interinstitutional discussions between the co-legislators, until ultimately reaching a political agreement through the adoption of the final text by the European Parliament on 16 December 2025.

This led to the publication of the “Content” Directive[11] in the OJEU on 26 February 2026 for an entry into force 20 days later. EU Member States will then have 12 months to transpose it into their national law (i.e. by 19 March 2027). It will then apply to financial years starting on or after 1 January 2027 even if some specific measures may enter into force earlier (see **section 2 Part 2** of this guide on the implementation timeline of the revised CSRD).

[8] See Directive (EU) 2025/794, available **here**.

[9] I.e. large companies which are not part of the “wave 1” i.e. public-interest entities (PIEs) not exceeding 500 employees and non-PIEs (see detailed size criteria in next page of this guide).

[10] I.e. listed SMEs (excluding micro-companies) whose transferable securities are admitted to trading on an EU regulated market (see detailed size criteria in next page of this guide).

[11] See Directive (EU) 2026/470, available **here**.

2. What are the key takeaways of the “Content” Directive?

How has the original scope of the CSRD been redefined?

The “Content” Directive fundamentally reshapes the original scope of the CSRD[12] by reducing the number of reporting companies by roughly 90%[13] and by reinforcing the mechanisms by which an in-scope company may be exempted from its reporting obligations[14]. The changes in the CSRD scope can be summarized as follows:

Original scope of the CSRD	Revised scope of the CSRD
Large companies (or parents of a large group)	
Wave 1: Large[15] companies (or parents of a large group)[16] which are PIEs exceeding 500 employees. **Wave 2:** Other large companies (or parents of a large group)[16], i.e. large PIEs not exceeding 500 employees and large non-PIEs. Thresholds are to be assessed on an individual or consolidated basis, where relevant.	Companies (or parents of a group)[16] which, on their balance sheet dates, exceed the following two cumulative criteria: • **€450m net turnover** **AND** • **1,000 for the average number of employees** during the financial year Thresholds are to be assessed on an individual or consolidated basis, where relevant. No distinction is to be made depending on whether the company (or parent of a group) has transferable securities admitted to trading on an EU regulated market. *How to assess whether a company (or parent of a group) is in the scope of the revised CSRD needs to be closely monitored in the course of the transposition of the “Content” Directive into national law of each EU Member State.*
Listed SMEs	
Wave 3: Listed SMEs[17] (excluding micro-companies)[16]. Thresholds are to be assessed on an individual basis only.	Withdrawn from scope.
Non-EU companies (or groups)	
Wave 4: Third-country companies (or groups) with more than €150m[18] net turnover in the EU and: • An EU subsidiary (large company or listed SME) or • An EU branch with a net turnover of more than €40m[19]. Hereafter designated as “non-EU companies/groups with significant activity in the EU”.	Third-country companies (or groups) with more than €450m[18] net turnover in the EU and: • An EU subsidiary with a net turnover of more than €200m[19] or • An EU branch with a net turnover of more than €200m[19]. *The “Content” Directive does not specify how the “€450m net turnover in the EU” threshold must be assessed (i.e., by destination or by origin). Besides, it is unclear whether the €200m net turnover threshold must be assessed at the level of the individual EU subsidiary in all cases, even if it is itself a parent company of a sub-group.*

[12] Companies in the scope of the (revised) CSRD must also provide EU-Taxonomy related disclosures (except for “wave 4” companies where the reporting requirement only applies to the EU subsidiaries in the scope of the (revised) CSRD).

[13] Assuming all in-scope subsidiaries report. Calculation source: “*Scenarios for CSRD Scope Amendments – Advancing Reporting Scope while Reducing Further Burden*” working paper from Copenhagen Business School & University College Dublin, available here.

[14] See section 3 Part 2 of this guide that describes these mechanisms.

[15] I.e. companies that exceed at least two of the three following criteria at the balance sheet date: (i) 250 for the average number of employees, (ii) €50m net turnover and (iii) €25m balance sheet total.

[16] Including non-EU issuers having transferable securities admitted to trading on an EU regulated market.

[17] I.e. companies that meet at least two of the three following criteria at the balance sheet date: (i) average number of employees between 10 and 250, (ii) net turnover between €900k and €50m, and (iii) balance sheet total between €450k and €25m.

[18] This threshold must be assessed for each of the last two consecutive financial years.

[19] This threshold must be assessed in the preceding financial year.

It should be noted that the “Content” Directive introduces a mandatory review clause requiring the European Commission (i) to assess whether and how the scope of the provisions amended by this directive should be extended and (ii) to report on such assessment by 30 April 2031, and every three years thereafter.

What is the implementation timeline of the revised CSRD?

The “Omnibus I” package has significantly modified the original CSRD implementation timeline by:

- postponing by two years the first-time application for “wave 2” and “wave 3” companies, *via* the “Stop the Clock” Directive;
- maintaining or reintroducing reporting obligations for companies in the scope of the revised CSRD for financial years starting on or after 1 January, 2027, *via* the “Content” Directive.

In addition, the “Content” Directive grants EU Member States the possibility to exempt “wave 1” companies which fall outside the revised CSRD scope from their reporting obligations for financial years beginning between 1 January 2025 and 31 December 2026. The practical implementation of such exemption should be closely monitored in the course of the transposition of the revised CSRD into national law.

The first-time application timeline of the (revised) CSRD by category of companies can be summarized as follows:

Current legal framework *(for EU Member States which have transposed the CSRD as amended by the “Stop the clock” directive)*		**CSRD as amended by the “Content” Directive**	
		Companies not exceeding the new thresholds	**Companies exceeding the new thresholds**
Wave 1 – Large companies (or parents of a large group) which are PIEs > 500 employees	Starting from financial year 2024	**For financial years 2025 & 2026:** Member States’ option to exempt wave 1 companies. ⇒ To be monitored at national level since “wave 1” companies which fall outside the revised CSRD scope remain subject to reporting obligations as long as the national law is not amended.	Reporting obligation maintained.
Wave 2 – Other large companies (or parents of a large group)	Starting from financial year 2027	No reporting obligation.	Reporting obligation starting from financial year 2027 (publication in 2028).
Wave 3 – Listed SMEs (excl. micro)	Starting from financial year 2028	No reporting obligation.	No reporting obligation.
Wave 4 – Non-EU companies/groups with significant activity in the EU	Starting from financial year 2028	No reporting obligation.	Reporting obligation starting from financial year 2028 (publication in 2029).

Companies below the specified new thresholds may, if they wish, carry out voluntary sustainability reporting, possibly by applying the European voluntary sustainability reporting standard (see section 3 Part 3 of this guide).

What are the other main changes in the CSRD introduced by the “Content” Directive?

Beyond the revised thresholds, the “Content” Directive introduces several other substantive changes in the CSRD. These notably include an expanded set of situations in which a company may be exempted from its reporting obligations or may be allowed to omit certain pieces of information, the reinforcement of the so-called “value-chain cap”, the removal of sector-specific standards, the removal of the move to reasonable assurance and the postponement of the digital tagging requirement. These key changes can be summarized as follows:

Topic		Original CSRD	CSRD as amended by the “Content” Directive
Expansion of exemption cases	Option for financial holdings	**Not available**.	**Financial holding parent companies** whose subsidiaries have independent business models and operations may choose not to publish sustainability information[20], noting that the “Content” Directive does not provide for a detailed definition of “financial holding undertaking”[21] nor specifies the conditions for applying such exemption. This option is applicable to both EU and non-EU financial holdings that are parent companies in scope of the revised CSRD.
	Exemption for large listed subsidiaries	Subsidiary exemption **not applicable** to large listed subsidiaries.	**Exemption** from reporting obligations **applicable to all subsidiaries, including those whose transferable securities are admitted to trading on an EU regulated market,** if such subsidiaries are consolidated in a group which publishes a “CSRD compliant”[22] consolidated sustainability statement.
Expansion of cases allowing the omission of information		Possibility to omit, in exceptional cases and under specific conditions, information relating to **impending developments or matters in the course of negotiation** where the disclosure of such information would be seriously prejudicial to the commercial position of the company (option left at the discretion of each EU Member State).	Possibility to omit, in exceptional cases and under conditions[23], information the disclosure of which **would be seriously prejudicial to the commercial position of the company**. Possibility to also omit other information **that is to be protected from unauthorised access or disclosure** due to obligations laid down in other EU legislation or in national law, or in order to **safeguard the privacy or security of a natural person** or the **security of a legal person**, under conditions. Some situations listed in the “Content” Directive also aim to reinstate, within the Level 1-text, the provisions that were previously introduced in the first set of ESRS and which **already allow omission of classified and sensitive information** as per the Union’s law, and **information relating to intellectual property, know how, or results of innovation**, still under conditions.

[20] In-scope subsidiaries remain borne to publish sustainability information at their own level.

[21] Recital (17) of the “Content” Directive indicates that this option “*should only apply where the parent undertaking meets the definition of a financial holding undertaking, including the requirement not to involve itself directly or indirectly in the management of the subsidiary undertakings, without prejudice to its rights as a shareholder. (…)*”. The “Content” Directive therefore implicitly refers to the preexisting definition of a financial holding undertaking given by article 2, point 15. of the Accounting Directive (2013/34/UE). This concept may be clarified at Member State level in the course of the transposition of the “Content” Directive into national law as it already raises many questions in practice.

[22] I.e. if they are included in a consolidated sustainability statement prepared (i) under the ESRS (i.e. the 12 sector-agnostic standards) which are mandatory for in-scope EU companies, or (ii) in a manner equivalent to those standards for a non-EU group, as determined by a European Commission’s decision on equivalence. As of the date of publication of this guide, such decision is still pending.

[23] These conditions are as follows: (i) such omission does not prevent a fair and balanced understanding of the company’s development, performance and position, or of its principal risks or principal impacts; (ii) the company has determined that it is impossible to disclose the information in a manner that would enable it to meet the objectives of the disclosure requirement without seriously prejudicing its commercial position, for example on an aggregated basis; (iii) the company discloses the fact that it has used this exemption and (iv) the company reassesses at each reporting date whether the information may still be omitted.

Topic	Original CSRD	CSRD as amended by the "Content" Directive
Extension and reinforcement of the "value chain cap"	Introduction of a "value chain cap" principle according to which **the sustainability reporting standards for SMEs**[24] **in the scope of the original CSRD constitute a reference** for in-scope companies regarding the level of sustainability information **that they can reasonably request from SMEs that are suppliers or clients in their value chains**.	Extension and reinforcement of the "value chain cap" principle *via* the introduction of the concept of **"protected undertakings"**[25] (i.e. companies which do not exceed, on their balance sheet dates, an average number of 1,000 employees during the preceding financial year and which are in the value chain of a CSRD-reporting company). Protected companies have the **right to decline to provide information exceeding the information specified in the European voluntary sustainability reporting standard** (see section 3 Part 3 of this guide) in response to a request made for the purpose of sustainability reporting as required by the CSRD. CSRD-reporting companies are **deemed to have complied with the obligation to report value chain information** if they report the necessary value chain information without having obtained from protected companies any information that exceeds the information specified in the voluntary standards.
Sector-specific standards	Adoption by the European Commission of **sector-specific sustainability reporting standards** *via* delegated acts (with a first set expected by 30 June 2026).	**Removal of sector-specific standards.** Depending on the demand from in-scope companies, support that could be provided by the Commission with **sector-specific guidance**[26] to illustrate and facilitate the application of the ESRS within a given sector, including guidance on the conduct of the double materiality assessment.
Assurance	**Expected move towards reasonable assurance** (from 2028 after an assessment to determine if reasonable assurance is feasible for auditors and companies). Deadline for the adoption of **EU limited assurance standards by 1 October 2026** (1 October 2028, for reasonable assurance).	**Removal of the move to reasonable assurance** (thereby, removal of the requirement to adopt EU reasonable assurance standards by 1 October 2028). Postponement of the deadline for **EU limited assurance standards**[27] **by 1 July 2027, at the latest,** to allow adequate time for such development.
Digital tagging	Requirement for in-scope companies to prepare their management report in an **electronic reporting format, with the marking-up of the sustainability reporting therein**, as per Delegated Regulation (EU) 2019/815 on the single electronic reporting format.	**Postponement of the digital tagging requirement** until the adoption by the European Commission of the rules on the marking-up by way of a delegated regulation as already clarified in a Commission Notice published on 13 November 2024 on the interpretation of certain legal provisions in the original CSRD.

[24] It was planned that listed SMEs originally in the scope of the CSRD would be able to apply specific and proportionate standards to be adopted by the European Commission *via* a delegated act, based on EFRAG's technical advice related to the "LSME" draft standard.

[25] To determine whether a value chain partner qualifies as a "protected undertaking" as per the "Content" Directive, CSRD-reporting companies may rely on a simple self-declaration (i.e. they are not required to verify the accuracy of this declaration, unless they know – or can reasonably be expected to know – that it is clearly incorrect).

[26] Any guidance should be developed in consultation with relevant stakeholders and may draw on international standards where appropriate.

[27] These standards should set out the procedures auditors must perform, including engagement planning, risk consideration and response to risks, and type of conclusions to be included in the assurance report on sustainability reporting, or, where relevant, in the audit report.

3. Under which framework a company must or may report sustainability information depending on whether it is in scope or not?

Overview of the applicable sustainability reporting framework

Category of companies	Status of reporting	Applicable sustainability reporting framework from 2027 financial year
Companies (or parents of a group) exceeding the new thresholds of the revised CSRD: • Former "wave 1" companies (or parents of a group) but only those with more than €450m net turnover and 1,000 employees on average • Some former "wave 2" companies (or parents of a group) i.e. large non-PIEs with more than €450m net turnover and 1,000 employees on average	Mandatory	**Revised ESRS** (see focus below).
Other companies (or parents of a group): • Large companies (or parents of a group) with less than €450m net turnover and/or less than 1,000 employees on average (PIEs or not), therefore some former "wave 1" and some former "wave 2" companies • SMEs (incl. former "wave 3" companies) and micro-companies	Voluntary	**Voluntary reporting standard to be adopted by the European Commission** no later than 19 July 2026 (see focus below) or **other sustainability reporting framework** (left at the discretion of the reporting company).
Non-EU companies/groups with significant activity in the EU	Mandatory	**Specific sustainability reporting standards for non-EU companies/groups to be adopted by the European Commission** in the course of 2027 (*option: reporting under the revised ESRS or in a manner equivalent to those standards*).

Focus on the revision of the ESRS

In parallel to the in-depth review of the CSRD, the European Commission tasked EFRAG with achieving a **substantial simplification of the first set of ESRS**, adopted in July 2023, in light with the objective of reducing the reporting burden on companies. This mandate led **EFRAG to submit its technical advice on the draft revised ESRS on 3 December 2025**[28]. This was the culmination of several months of intense work, largely influenced by highly engaged stakeholders. However, this technical advice was only **the starting point of the Commission's own legislative due process**, marked by consultations with Member States as well as with European supervisory authorities and agencies on the basis of these draft revised ESRS.

A **new delegated act on the ESRS**, replacing that of July 2023, **is therefore expected to be adopted in June 2026**, following a four-week public consultation to be launched in Spring. This adoption will be followed by a scrutiny period by the Parliament and the Council of two months, possibly extended by two additional months. The new set of standards will become **mandatory for the 2027 sustainability statements** to be published in 2028, consistently with the implementation timeline of the revised CSRD (see section 2 Part 2 of this guide above). **Early application for the 2026 financial year should be possible but remains to be confirmed**.

For further information on EFRAG's technical advice, please refer to Forvis Mazars' guide available ***here***.

[28] See EFRAG's related press release and materials available here.

Focus on the European regulatory landscape for voluntary sustainability reporting

The increase in the mandatory reporting thresholds introduced by the "Content" Directive will significantly reshape the landscape of voluntary sustainability reporting in the European Union.

By raising the thresholds to more than €450 million in net turnover and more than 1,000 employees on average, the **"Content" Directive removes a substantial number of companies** – including many large companies – from the scope of mandatory sustainability reporting. While these companies will no longer be legally required to publish a sustainability statement under the revised CSRD, **market expectations from their value chain partners, lenders, investors, and public sector clients will continue to drive demand for structured and reliable sustainability information**. Voluntary reporting will therefore become an increasingly important tool for maintaining competitiveness and meeting stakeholders' needs.

In this new environment, voluntary sustainability reporting is therefore expected to move from a tool primarily aimed at SMEs to a strategic instrument used by a much wider range of companies. **Companies outside the scope of the revised CSRD are expected to increasingly rely on voluntary reporting** to respond coherently to value chain questionnaires, facilitate their access to finance, support their participation in procurement processes and maintain transparency on their ESG issues.

This shift is unfolding in a context where a voluntary reporting framework already exists. Prior to the adoption of the "Content" Directive and in line with the mandate from the European Commission, EFRAG had indeed developed a voluntary sustainability reporting standard specifically designed for SMEs and micro-companies that fell outside the scope of the original CSRD (hereafter "**VSME standard**"). This VSME standard, published by EFRAG on 17 December 2024, was subsequently included in the European Commission's Recommendation of 30 July 2025[29].

This Recommendation serves however only as an **intermediary solution pending the formal adoption of the voluntary reporting standard through a delegated act no later than 19 July 2026,** following another four-week public consultation to be launched by the European Commission in Spring.

This future standard will be based on the Recommendation on VSME, as provided for in the "Omnibus I" package, but **it may slightly differ** following the outcome of the review of the first set of the ESRS (see the focus above). The new voluntary standard will indeed need to be aligned with the revised ESRS applicable to companies in the scope of the revised CSRD.

Besides, even though such voluntary reporting does not have to be audited on a mandatory basis, **having sustainability information audited will help to strengthen stakeholders' confidence in such information.**

*For further information on EFRAG's VSME standard, please refer to Forvis Mazars' guide, available **here**.*

[29] European Commission, *Recommendation on a voluntary sustainability reporting standard for small and medium-sized undertakings (VSME)*, available **here**.

4. How can companies prepare for the revised CSRD?

Practical considerations based on how the company was originally concerned

For "wave 2" companies remaining in the scope of the revised CSRD

"Wave 2" companies that remain in the scope of the revised CSRD must now **get themselves in order to comply with the revised ESRS** from 2027 financial year (or from 2026 financial year on a voluntary basis).

In practice, the following steps may be considered until the publication of their first sustainability statements[30]:

- **Start appropriation of the revised ESRS** based on EFRAG's technical advice from now on, pending the adoption by the European Commission of the related delegated act expected in June 2026 (whose final content might change and therefore which should be carefully followed).
- **Perform or update a double materiality assessment**, based on principles and practical considerations set by the revised ESRS 1, in order to identify material sustainability matters and their related impacts, risks and opportunities.
- **Carry out or finalise a diagnosis of your organisation** to measure the effort required and assess the changes to be implemented.
- Identify the **material information to be disclosed** with regard to the requirements of the revised ESRS and **perform a "gap analysis"** compared to previously available sustainability information.
- **Define** and **execute the resulting action plans** that may require the **implementation of new processes** and **reporting systems**.
- **Collect the missing information** needed for the first sustainability statement.
- **Structure** and **write** the first sustainability statement.
- **Manage early involvement with the selected assurance provider** through audit readiness checks for selected metrics and/or narratives.

[30] No comparative information is required for first-time adopters under the ESRS.

For “wave 2” and “wave 3” companies falling outside the scope of the revised CSRD

The situation is somewhat different for “wave 2” and “wave 3” companies that **may have already begun preparing their first ESRS-compliant sustainability statements** according to the scope of the original CSRD, though they are no longer required to publish it.

Depending on their stakeholders’ expectations and/or their own strategic ambitions, and considering the progress they have made in developing these disclosures, they may adopt one of the four following approaches should they decide to present sustainability information on a voluntary basis:

- Pursue their existing efforts and publish a **voluntary sustainability statement fully aligned with the revised ESRS** possibly as soon as of the 2026 financial year (see section 2 Part 3 of this guide).
- Adjust their efforts to voluntarily disclose only a **selection of ESRS information** while ensuring that a balanced view of the entity’s material ESG issues is presented.
- Build on **other recognized sustainability reporting frameworks** such as GRI Standards, IFRS Sustainability Disclosure Standards as issued by the ISSB (which refer to SASB Standards), etc. to select the most appropriate framework.
- Report under the **voluntary reporting standard to be adopted by the European Commission** no later than 19 July 2026, which will be based on EFRAG’s VSME standard (see section 3 Part 3 of this guide).

Regardless of the path chosen, continuing to advance transparency, assessing what their material ESG issues are, strengthening data management, and building a coherent ESG strategy remain relevant for these entities.

How Forvis Mazars can help?

In a **rapidly evolving regulatory context**, marked by the CSRD revision as part of the "Omnibus I" simplification package, we help organisations **clarify their reporting obligations**, **assess the impacts of the amendments** brought by the "Content" Directive, and determine the **most appropriate reporting path going forward**. Our objective is to provide clear guidance to inform decision-making and maintain the strategic value of sustainability reporting, regardless of the company's status under the revised CSRD.

Beyond auditing the sustainability statements of our clients and drawing on our **extensive experience in applying the ESRS and the VSME standard**, we are supporting companies across the key stages that ensure a robust and future-proof sustainability reporting approach:

Decoding of regulatory changes

We provide **active monitoring** of the sustainability reporting framework, in particular with respect to the developments related to the revised CSRD and revised ESRS. We **translate these developments into operational guidance** to support their application over the short, medium and long terms.

Scope assessment and reporting implications

We support organisations in determining whether they fall (or remain) in the scope of the revised CSRD and in understanding the resulting implications for reporting sustainability information. Our approach is **tailored to each company's specific context**, including legal and organizational structure, ESG maturity, and stakeholders' expectations. We also provide guidance on the **most appropriate sustainability reporting pathway**, including voluntary reporting.

Materiality assessment

Whether updating an existing materiality assessment or performing a first-time analysis, we assist companies in defining and conducting a **robust decision-useful process** aligned with the applicable regulatory framework and strategic needs.

Gap analysis and roadmaps

We **update or build your gap analysis** according to the chosen reporting framework and develop **pragmatic roadmaps**.

Data collection processes and internal controls

We help design or reinforce data collection processes, governance, controls, and audit-ready documentation, **ensuring consistency and reliability** across the sustainability reporting cycle.

Transition plans

Starting from the organisation's footprint, we support the **development** or **enhancement of credible transition plans** aligned with applicable requirements and internal strategy.

Sustainability information preparation

We assist in **drafting** or **improving the sustainability reporting** – mandatory or voluntary – ensuring clarity, coherence, and alignment with the applicable framework, while anticipating upcoming changes.

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