

A close-up photograph of a silver stethoscope resting on a blue fabric with yellow stars, resembling the European Union flag. The stethoscope is the central focus, with its chest piece and tubing visible. The background is slightly blurred, emphasizing the stethoscope.

EU ESG DIAGNOSTIC TOOL

Assessing your readiness for CSRD compliance

EU ESG DIAGNOSTIC TOOL – HELPING YOU TO PREPARE FOR CSRD COMPLIANCE

Ricardo’s EU ESG diagnostic tool assesses your company’s current compliance and maturity against the European Sustainability Reporting Standards as required by the CSRD. It provides invaluable information to set the scale and direction of your CSRD compliance journey. It can save you time and money by informing your strategy and helping to mitigate the risks and costs of non-compliance.

WHAT IS THE CSRD?

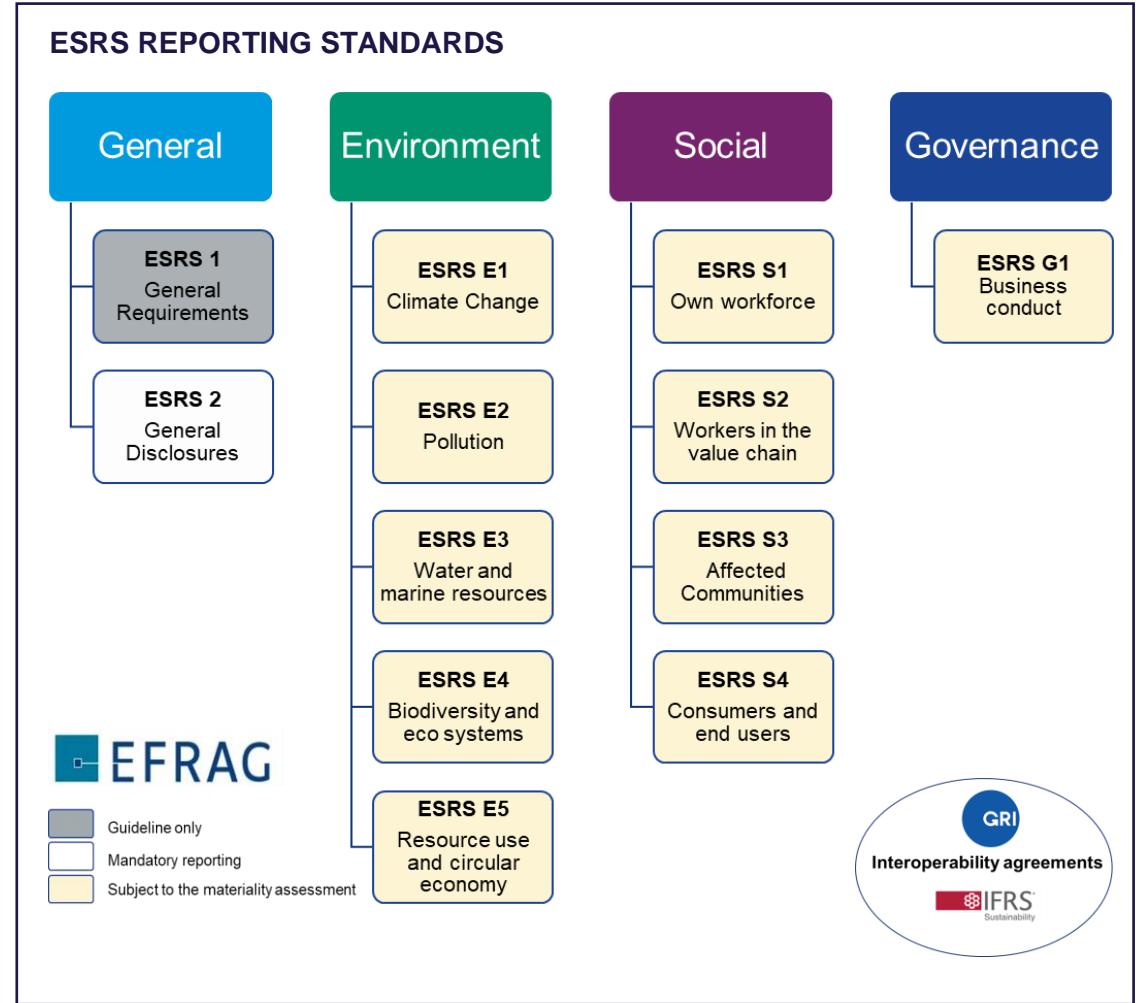
The Corporate Sustainability Reporting Directive (CSRD) is a recently adopted EU regulation that requires companies doing business in the EU to report on the environmental and social impact of their activities. Companies must conduct a double materiality assessment to determine which of the European Sustainability Reporting Standards (ESRS) that underpin the CSRD they must report against. Companies must report the required information (more than 100 KPIs) in their management reports and annual filings, with this reporting being subject to external audit.

WHO IS IMPACTED BY CSRD?

The CSRD is mandatory for all large European companies and companies listed on EU regulated markets, including EU subsidiaries of non-EU parent companies or “third countries”. With some companies required to report from 2024 and tens of thousands more coming into scope over the next few years it’s crucial that organisations understand their current situation and strategically plan their journey to compliance.

ASSESSING YOUR PREPAREDNESS FOR CSRD REPORTING

Most companies are already monitoring and reporting some sustainability data. Interoperability agreements exist between EFRAG (who set the ESRS) and other standards organisations such as GRI and IFRS which means you are likely already collating and reporting some of the data required for CSRD compliance. However, it’s important to understand your current maturity level to understand how much work is required to meet your CSRD obligations.



ABOUT THE RICARDO DIAGNOSTIC TOOL

BENEFITS OF THE DIAGNOSTIC TOOL

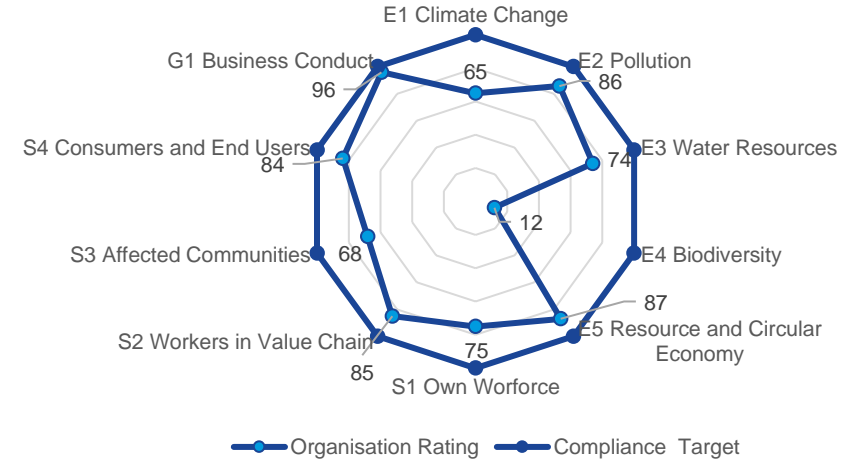
- ✓ Provides a snapshot and hotspot analysis of your current reporting practices compared against the ESRs showing your current compliance maturity.
- ✓ Highlights priority areas for action.
- ✓ Clear visual outputs to help engage wider internal stakeholders.
- ✓ Can be tailored to your organisation’s sector for deeper insights
- ✓ Sets the direction for your CSRD compliance journey.

THE DIAGNOSTIC PROCESS

- The Ricardo team will facilitate a virtual or in-person EU ESG working session to identify practices you already have in place to address ESG topics.
- Following the working session, the first outcome from your ESG Maturity Diagnostic Session will be a high-level snapshot spider diagram that highlights your organisation’s ESG disclosure performance in key areas relevant to your business.
- The full results will be delivered to you as a PowerPoint slide deck and presented to you in a one-hour session explaining the high-level findings and results.
- The analysis provides an immediate output that can be used to inform your organisation’s internal senior management discussions before conducting a double materiality assessment as required by the CSRD (Ricardo can support with this and all subsequent steps on your CSRD journey).

Please note, the diagnostic is not a fully exhaustive measure of compliance at local, national, international regulations or sector level. Ricardo can provide your in-depth gap analysis against the ESRs following your double materiality assessment.

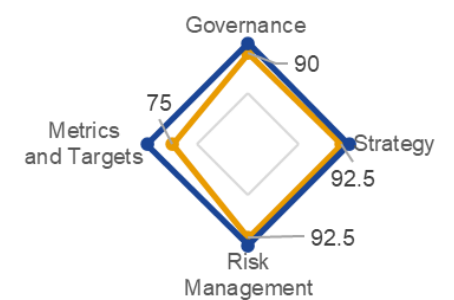
Example: High-Level Snapshot of ESRs Compliance



Example: ESRs E1 Climate Change

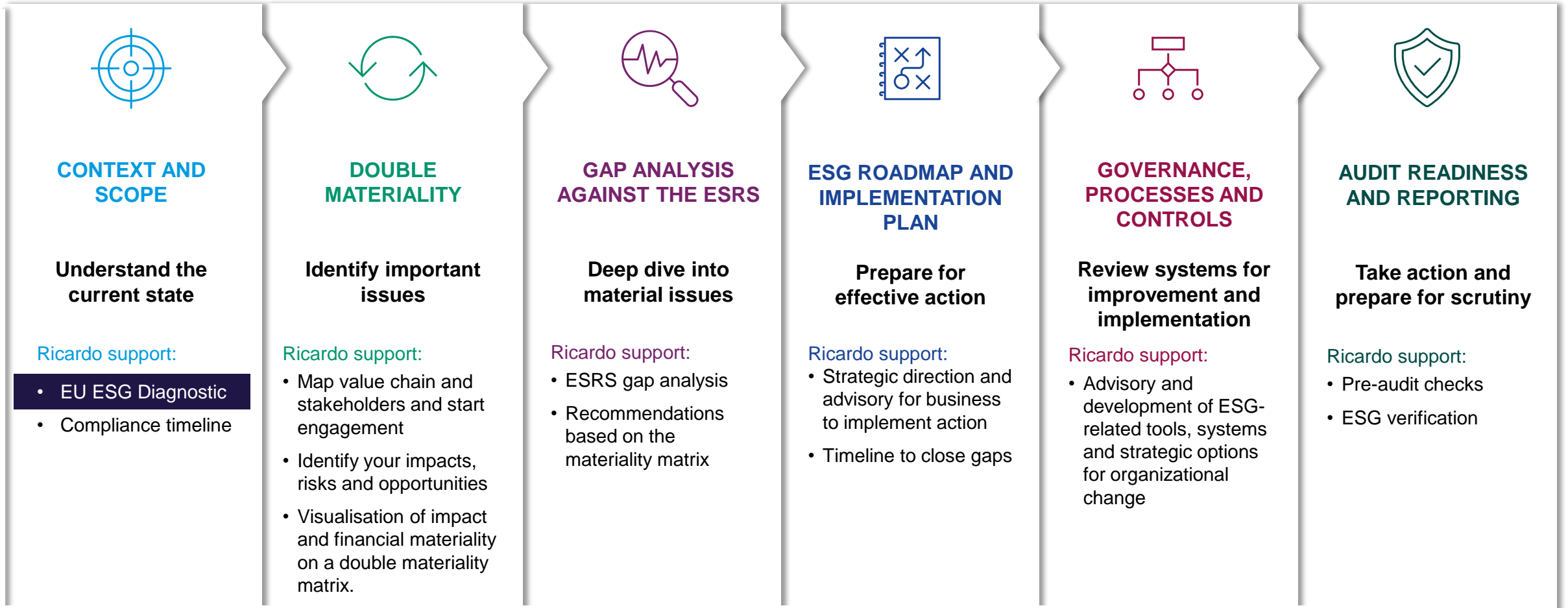


Example: ESRs S1 Own Workforce



NEXT STEPS FOR CSRD COMPLIANCE

Your EU ESG diagnostic is the first step in your CSRD journey. Ricardo's experts can support you through your whole CSRD compliance journey, maximising opportunities and avoiding risks along the way.



GET IN TOUCH TO FIND OUT MORE ABOUT THE EU
ESG DIAGNOSTIC TOOL AND HOW TO ACCELERATE
AND OPTIMISE YOUR CSRD JOURNEY



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