

# Your ESRS revisions cheat-sheet

The European Commission's Draft ESRS (2025) introduces targeted clarifications and simplifications intended to improve consistency, auditability and proportionality in sustainability reporting. This summary outlines the most relevant changes and highlights their practical implications for reporting teams preparing future sustainability statements.

## What has fundamentally shifted?

2023 ESRS

Rule-oriented, disclosure-heavy

Materiality principles broad

Ambiguous value-chain data expectations

Limited reliefs

2025 DRAFT

Fair presentation requirement centres judgement and coherence

Defined top-down & bottom-up pathways

Use of proxies/estimates formally permitted

Expanded proportionality toolbox

### Implications for reporters

Must document decisions, omissions, and rationale.

Materiality process becomes repeatable and auditable.

Less data hunting, more methodological transparency.

Apply reliefs deliberately and disclose usage.

### Materiality as an operational process, not an output

Materiality now structures the entire sustainability statement. Reporters will need clearer internal thresholds, documentation of decisions, and annual refresh cycles.

### Value chain reframed for feasibility

Instead of requiring exhaustive external data, the drafts permit reasonable estimation when direct information is unavailable. What matters is transparency of method, not perfection of measurement.

### Proportionality embedded throughout the standards

Reliefs for partial boundaries, non-significant activities and acquisitions introduce flexibility, but also require explicit disclosure. The objective is controlled simplification, not omission by default.

### Financial effects brought to the forefront

Current and expected financial impacts must be connected to material IROs. This integrates sustainability and financial planning and increases the need for shared methodologies across teams.

# Spotlight on governance and structures

The drafts expand governance disclosures to include oversight competence, independence, and internal controls supporting reporting processes.

At the same time, the sustainability statement must adopt a standard four-part structure.

## In effect?

Reporting becomes easier to navigate and easier to assure, but requires more specificity from reporters on how sustainability information is governed, produced and verified.

Overall, the draft shifts the reporting challenge away from volume and toward judgement, justification and methodological clarity, reshaping how reporting teams plan and execute their work.

## Stay ahead of your ESRS reporting, so you can focus on impact.

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