

## Sustainability Reporting - A regulatory rollercoaster

Sustainability reporting has evolved significantly, from the uptake of the reporting requirements under the **Corporate Sustainability Reporting Directive (CSRD)** to the changes introduced by the **Omnibus proposals**. While reporting obligations have been reduced, transparency and accountability in sustainability remains crucial to guarantee your company's competitive position.

## What are the VSME reporting standards?



The European Commission has cut a lot of 'red tape' but still believes that **transparency is key in achieving the green transition**, set out by packages such as the Green Deal. The **Voluntary Sustainability Reporting Standards for SMEs (VSMEs)** are designed for companies not subject to the CSRD, mainly to enhance their sustainability reporting practices. Since the recent regulatory changes, it is expected that these standards will be **widely used**. By using the VSMEs, companies can address the **increasing expectations** for sustainability transparency and **position themselves favourably** in a market that increasingly values sustainable practices.

## Why publish a sustainability report using the VSME standard?

### Manage stakeholder expectations



Stakeholders - such as suppliers, clients and financial institutions - will continue to request ESG information in the future. Having a voluntary report provides you with **comprehensive and clear communication** towards those questions. On top of this, it also builds trust with your stakeholders and enhances your organisation's reputation.



**Value chain cap:** by providing a common framework, the VSME standards seeks to reduce the multitude of uncoordinated ESG requests that SMEs often receive from business partners, banks and investors. This standardisation is expected to lower preparation costs and administrative burdens for SMEs.

### Credibility



Using a recognised framework for setting up your sustainability report increases credibility. It ensures your sustainability disclosures are **measurable, comparable and aligned with your stakeholders' expectations**.

### Adaptability



The VSME Standard's modular design allows you to choose between the Basic and Comprehensive Modules and customise your report content. It offers you the adaptability and flexibility to **tailor your reporting to your specific needs** while also generating regulatory readiness for potential future sustainability regulations.

### Manage compliance risk



With the Omnibus proposal not yet being adopted, the Belgian legislation requiring CSRD reporting from 2026 for wave 2 companies remains in place. Although the risk is very small that there will be *only* a postponement of the CSRD, you can choose to **further mitigate this risk by opting for voluntary reporting**.

## Why use our toolkit to prepare your report?

Ready-to-publish report with questions to understand entity-specific information required

**Prompt questions**

- Do you have any kind of sustainability certification or label?
  - What does it represent / who assigns it?
  - What did you have to put in place in order to get the certification / label?

**Information on sustainability related certifications or labels**

[If applicable] Our business' sustainability efforts were recognized when we received the **Name of certification/label** in **year/date** [B1 - 25]. This **certification/label**, issued by **issuers of certification/label**, not only highlights our dedication but also places us at a **Rating score** on their scale. [If applicable] **Here, we elaborate on the actions we implemented to achieve this score**, demonstrating our proactive approach to integrating sustainable practices across our operations.

## Concise and centralised project management tool

| KPI                                    | Information available?        | Responsible person?           | Datapoint references |
|----------------------------------------|-------------------------------|-------------------------------|----------------------|
| Size of balance sheet (in Euro)        | To be filled in by the client | To be filled in by the client | B1 - 24 e iii        |
| Turnover (in Euro)                     | To be filled in by the client | To be filled in by the client | B1 - 24 e iv         |
| Number of employees (headcount or FTE) | To be filled in by the client | To be filled in by the client | B1 - 24 e v          |

## Data selection and collection tool

| Disclosure Requirement (DR) Name                                                                | Datapoint Name                                          | Paragraph | Guidance | Subject to "if applicable" | DP relevant?                                                    | Conclusion on datapoint relevance (to be completed) |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------------|-----------|----------|----------------------------|-----------------------------------------------------------------|-----------------------------------------------------|
| Practices, policies and future initiatives for transitioning towards a more sustainable economy | Practices put into place for a more sustainable economy | 26 a      | 78, 79   | Yes                        | For any of the material topics identified do you have actions ? |                                                     |

## Pragmatic guidance and up-skilling through a workshop



- ▶ User-friendly structure with clear guidance
- ▶ Tailored to the specificities of your requirements and situation
- ▶ Increased efficiency and reduced resources and costs
- ▶ For our internal report it cut mandays for 1 FTE from 3 months to 25 days

## Get started today

Want to explore how this template can alleviate your reporting burden and provides increased efficiency as well as cost reductions? Contact our experts: Alessia Facchini ([alessia.facchini@bdo.be](mailto:alessia.facchini@bdo.be))