

[econsense](#) – Forum for Sustainable Development of German Business e.V. – is a network of 48 internationally operating companies, the majority of which are listed and are therefore already subject to the reporting requirements of the NFRD (in future, CSRD). econsense acts as a sustainability network. Therefore, we do not speak for the German economy as such but contribute to this consultation based on the experience and knowledge of our members. Our goal is to actively shape the transformation to a more sustainable economy and society with our members. In general, we highly appreciate EFRAG's efforts to address the various concerns and implementation issues related to the materiality analysis and to provide guidance on implementation. In many respects this has already been achieved, but in our view there is still a need for revision or clarification in some points, which we hereby address.

Additional Comments	<p>Timing/Timeline:</p> <ul style="list-style-type: none"> Once again, the consultation phase started at an inopportune time, right before Christmas and the associated vacation phase of many reporting experts, who are also still in the peak phase of their projects. A more suitable start time and/or longer consultation period would be desirable in the future. <p>Liability:</p> <ul style="list-style-type: none"> Possible liability issues are not sufficiently addressed. Disclosing actual impacts, especially in a gross assessment, may lead to liability claims against companies (especially in the USA). Example: actual air emissions such as PM are known to cause health effects. A company stating that they actually cause these health effects because they emit PM may raise questions. This contributes to the urgent need to clarify gross assessments. Here it would mean, that actually PM is emitted but within the legal permits. <p>Repetition & extent:</p> <ul style="list-style-type: none"> The guidance document is very comprehensive. Some aspects that are very clear and would not require additional information are repetitively addressed: e.g. Materiality comprises impact and financial materiality, this fact has been mentioned several times without any value add. -> could be shortened. At various points, the Guideline repeats the information already described in the regulation, but their meaning and further explanation of a clear procedure should be at the center of the guideline. <p>Examples and readability:</p> <ul style="list-style-type: none"> The included examples are helpful to better understand the context, even though they are often very generic/simple/obvious. Corporate reality and practice are way more complex. There is improvement potential regarding the readability of the MAIG (partly, the MAIG seems more difficult to grasp/more complex than original ESRS Set 1). Also, more concrete examples with practical focus would be great: How to present the IRO statements within the Sustainability Statement (scope, details). How exactly could the transfer from an IRO assessment into the IRO statement look?
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