

European Commission

Rue de la Loi 200
1049 Brussels

DASB secretariat:
Mercuriusplein 3, 2132 HA Hoofddorp
Postbus 242, 2130 AE Hoofddorp

Tel: +31 (0)88 4960 391
secretariaat@rjnet.nl
www.rjnet.nl

Our ref: RJ-CSR 27 C
Direct dial: +31(0)88 4960 391
Date: Hoofddorp, June 3rd, 2026
Re: EC consultation Simplified ESRS

Dear Sir, dear Madam,

The Dutch Accounting Standards Board (DASB) appreciates the opportunity to respond to the revised and simplified European Sustainability Reporting Standards (ESRS) released for public consultation by the European Commission on 6 May 2026. In this letter, we limit ourselves to discussing the amendments that, in our view, are the most significant and warrant particular attention. We included further detailed observations in the appendix.

In the first instance, the DASB welcomes most of the revisions introduced by the European Commission. We acknowledge the efforts to streamline the ESRS, enhance their accessibility and improve internal coherence. We believe these revisions contribute to a more concise and accessible ESRS framework.

At the same time, the DASB identifies a number of areas where further clarification or refinement would strengthen the revised ESRS. Certain modifications raise questions regarding interpretability, operational feasibility or alignment with established reporting principles. We outline these concerns and offer suggestions aimed at improving the clarity, usability and effectiveness of the standards.

Finally, the DASB wishes to highlight several broader issues that, while affecting the functioning of the ESRS, originate from the (Omnibus adjustments to the) Corporate Sustainability Reporting Directive (CSRD). Although these matters may not be able to be fully resolved within the ESRS themselves, we highlight them because addressing this at the appropriate legislative level would, in our view, significantly improve the overall quality and coherence of sustainability reporting.

1. Key positive points with minor recommendations

1.1 Textual adjustments and strengthened coherence with CSDDD

The DASB welcomes the improvements made in the revised ESRS, which collectively contribute to a clearer and more accessible reporting framework. The readability of ESRS has increased, formulations are more precise and the structure of the disclosure requirements is more coherent. The strengthened coherence with the CSDDD is an excellent example hereof. The DASB anticipates a smoother and more efficient process between preparers and auditors, resulting in sustainability information that is more decision-useful for users.

1.2 Fair presentation

The DASB welcomes the clarifications to the fair presentation principle in the revised ESRS. In the Netherlands, fair presentation on financial reporting has long been well understood and consistently applied, and it has not posed practical challenges for preparers or auditors. Similar experiences have been observed by a number of wave one Dutch companies under their previous (voluntary) sustainability reporting. We therefore appreciate that this principle is confirmed as the foundation of the sustainability reporting framework under the CSRD/ESRS. Nevertheless, the DASB considers it important that the European Commission closely monitors and assesses developments in order to respond appropriately and in a timely manner when unintended consequences arise.

1.3 Materiality and materiality assessment

The DASB welcomes the amendments to the double materiality assessment (DMA), especially the clarification that the aim is not to meet all individual user needs but to provide decision-useful information (AR 1) and the strengthened provision of the top-down approach aimed at avoiding unnecessary work (AR 9).

At the same time, the DASB notices that the proposed addition in AR 9 stating: “in some cases, a more granular level of assessment may be necessary if it could reasonably be expected to lead to a different conclusion” raises questions for example on the alignment with ESRS 1.27 or the necessity of a (full) bottom-up approach. We suggest to clarify the AR, for example by deleting the addition, to avoid unnecessary work when conducting the top-down approach.

1.4 Integrated approach for financial and impact materiality information

We support the decision to continue with the integrated approach in respect of financial and impact materiality information, in line with the cornerstone principle of the CSRD. We would not support a requirement to present separately the information that is material from a financial materiality perspective vs impact materiality perspective. We do believe that if such split would be necessary – for example to achieve interoperability with ISSB – the ESRS is flexible enough to facilitate this, for example by specifically indicating which information elements are material from a financial materiality perspective.

2. Concerns and suggestions for improvement

2.1 Phase-in regime

The DASB notes that the transitional provision in ESRS 1.123 raises several questions. It is unclear how the three-year transitional relief relates to the partial reporting relief in ESRS 1.91, which is not time-bound and therefore appears to operate under a different logic. In addition, to the DASB it remains uncertain whether Scope 3 emissions fall within the scope of the transitional relief, given that they are explicitly excluded from the partial reporting relief. The DASB also observes that ESRS 1.124, concerning comparative information, would benefit from further specificity. While the relief to omit comparative metrics and amounts where the revised ESRS deviate from the first set is helpful, it would be clearer to specify which metrics and amounts the provision applies to, to provide criteria for applying the relief (e.g., changes in calculation methods, definitions, or scope), or to align the approach with ISSB requirements. While the DASB understands that these paragraphs originate from the Omnibus-directive, we believe that further clarification within the ESRS themselves may be appropriate, given the boundaries of the Omnibus legislation. In particular, such clarification should support the practical application of these transitional provisions.

2.2 Voluntary standard: value chain cap

The DASB observes that several elements of the Voluntary Standard require clarification to ensure consistent application of the value chain cap. It is for example unclear whether the value chain cap should be assessed on consolidated or standalone data. Also, apparent inconsistencies between ESRS terminology and the Voluntary Standard may undermine comparability and the practical functioning of the value chain cap. We refer to our separate response to the consultation on the Voluntary Standard for a more detailed explanation of these issues. The DASB recommends to also include the category “necessary if applicable” within the scope of the value chain cap, as the rationale for its exclusion is not evident. Finally, the DASB highlights that undertakings may continue to receive request for sustainability information related to or from financing, procurement, ESG platforms, contractual obligations or due diligence processes. We therefore call for further guidance on how the value chain cap interacts with such other channels to ensure that the intended relief for entities outside the CSRD scope is effectively achieved.

2.3 Non-material information

The adjustments of ESRS 1 resulted in ESRS becoming more strict in respect of non-material information (par. 24). The unintended consequence hereof could be that reporting entities need to assess for each information element whether this is indeed (non)material. Generally, including additional non-material information would only be a realistic practical concern if this information would obscure the material information. As a result we believe that ESRS should focus on the principle that additional (non-material) information should not obscure any material information, therefore this principle should not be formulated as some kind of rule-based approach.

3 Broader issues: Omnibus provisions, CSRD reporting scope and practical consequences

3.1 Further phase-in provisions for first year-reporting due to lack of two consecutive financial years requirement in CSRD

The DASB is of the opinion that a significant omission in the CSRD is the absence of the customary requirements in annual financial reporting that an undertaking must meet the relevant scope (size) criteria for two consecutive financial years before becoming subject to the sustainability reporting obligation. Without this safeguard, an undertaking may become obliged to prepare a sustainability statement during the financial year—for example following an acquisition—without having been able to anticipate this obligation or develop adequate systems in place. This creates a material risk of incomplete or low-quality sustainability reporting. A transitional (i.e. phase-in) year would allow undertakings and their assurance providers to prepare appropriately for the still extensive requirements under the CSRD and the ESRS. A transitional year could also be incorporated in the ESRS by including a relief for undertakings that reach the threshold for the first year.

3.2 Value chain cap for all entities not in scope of CSRD-thresholds

It is likewise notable that the value chain cap applies only to undertakings with less than 1,000 employees, while the CSRD turnover threshold of EUR 450 million is not reflected. Consequently, entities with more than 1,000 employees but less than EUR 450 million in turnover are not in scope of the CSRD, and at the same time do not benefit from the protection of the value chain cap. A rationale for this deviation seems to be lacking and this deviation conflicts with the general principle of internal consistency, and hence complicates the reporting requirements. The DASB suggests to further clarify the scope of the value chain cap by explaining, if and why entities with more than 1,000 employees and less than EUR 450 million are not in scope of the value chain cap and the consequences thereof.

3.3 Decision usefulness for local-level stakeholders

The DASB also notes that, due to the mandatory preparation of consolidated (group) reports, local-level stakeholders such as local-level supervisory boards or works councils may be unable to access sustainability information at the local (company) level. Whether the consolidated sustainability report is sufficiently decision-useful at that (company) level may merit attention in a future evaluation of how the reporting requirements operate in practice.

3.4 Interoperability and international (group) exemptions

The DASB is positive about the increased alignment of ESRS with international developments, especially the IFRS Sustainability Disclosure Standards (IFRS-SDS). The DASB is of the opinion that securing interoperability is a major point of attention, especially for undertakings also active outside the EU. According to the DASB interoperability indicates that the ESRS facilitate the possibility to simultaneously apply IFRS-SDS as much as possible. Consequently, standards and concepts must be clearly defined. According to the DASB, ESRS and IFRS-SDS should keep on striving for consensus wherever possible, and where any difference exists, it must be clarified what the difference is and what is additionally required to meet the requirements of both frameworks.

Additionally, we note in practice that in many local jurisdictions sustainability reporting requirements are being introduced at a local level, while there is no exemption when a consolidated sustainability report is prepared by the ultimate parent entity. This creates a significant additional reporting burden, with limited benefits. We would ask the European Commission to liaise with other jurisdictions how these requirements can be better streamlined.

4. Conclusion

The DASB highly appreciates the revisions of the ESRS. We stress the importance to progress swiftly, so as to ensure the simplified ESRS can indeed be applied for the 2026 sustainability reports. This may require additional communication before the simplified ESRS are substantially enacted, although not all formal legislative processes (such as final translations) have been completed.

Please feel free to contact us if you wish to discuss the contents of this cover letter or our appendix. On behalf of the DASB as well as Olga Smirnova and Simon Braaksma as co-chairs of the DASB Working Group Sustainability Reporting,

Yours sincerely,

Gerard van Santen
Chairman Dutch Accounting Standards Board

Appendix – observations and suggestions for improvement

ESRS 1 and ESRS 2	
ESRS 1 AR 17 par. 37	<p>Investments subject to fiduciary duty The term ‘fiduciary duty’ isn’t legally defined. To increase clarity and simplicity the DASB suggests to remove the phrase “subject to fiduciary duty”.</p>
ESRS 1 par. 59	<p>Inclusion of non-reporting information in reporting standard The sentence “Where the undertaking cannot address all impacts at once, the due diligence process allows for <i>action</i> to be prioritised based on the severity and likelihood of impacts.”</p> <p>DASB suggests to delete this explanatory sentence since it might (wrongly) suggest that the materiality assessment should be influenced by the priority setting of action within the due diligence process, and the sentence is not a reporting requirement.</p>
ESRS 1 par. 100	<p>Unclear requirements on omission of information The DASB notes that the requirements on omission of information result in different expectations of the implications of the requirements in practice, more specifically the perceived risk of (too) much omissions varies across stakeholders.</p> <p>Given these expectations in practice, the DASB suggests considering the requirements on omission of information in a future evaluation study. This evaluation should incorporate an assessment of how the provisions operate in practice, to ensure that it does not give rise to unintended or abusive application.</p>
ESRS 1 par. 121 and 122	<p>Transitional provisions It is unclear what the starting date is of the phase-in provision and request to have this further clarified.</p>
ESRS 1 par. 125	<p>Inconsistent reference The cross-reference to "E1-38 (a) and (b)" appears inconsistent, as ESRS E1 contains only a single paragraph 38 without sub-points (a) and (b).</p>
ESRS E	
E1-6	<p>Target-setting E1-6 includes application requirements (AR 16) on the method and boundary used for target setting. The current wording appears to address cases where Scope 1 and 2 emissions are calculated using an operational control boundary, but it may not clearly cover targets set using another boundary, such as an equity share approach. The DASB suggest to include a more general clarification that could improve consistency between target-setting disclosures and GHG</p>

	emissions reporting, and if there are any differences between the two that this is clearly disclosed.
E1-11	<p>Unclear exception transitional provision anticipated financial effects</p> <p>The transitional provisions for anticipated financial effects include an exception for certain E1-11 climate-related financial risk disclosures. However, the scope of this exception is unclear because the cross-reference appears to refer to paragraph 38(a) and (b), while paragraph 38 does not seem to contain subparagraphs.</p> <p>Depending on the intended reference, undertakings may need to disclose certain E1-11 information on financial exposure to material physical and/or transition risks without the benefit of the general phase-in relief. This could be challenging given the judgement involved, developing methodologies and potential auditor discussions. We suggest to clarify this transitional provision, including that this transitional provision can be applied if and to the extent a certain information element can not yet be provided.</p> <p>We also note that for these references there is no relief for years before 2027, while under ESRS Set 1 (original) in combination with the quick-fix there is a full exemption for the years until 2026. This would mean that an early adopter of the simplified ESRS in 2026 would need to report in this respect, which seems to contradict the original intention of providing further relief.</p>
E2-4	<p>Managerial assessment</p> <p>E2-4 AR 2 introduces a managerial assessment to identify material emissions of pollutants, considering the undertaking's activities and sector of operation. The DASB suggests to further clarify the concept of managerial assessment, as it could be interpreted differently in practice and lead to inconsistent application.</p>
ESRS S	
S1-9, AR 20	<p>Comparability EU and non-EU benchmarks</p> <p>AR 20 defines the adequate wage benchmark differently for the EU and outside the EU. This may reduce the comparability of the respective benchmarks and as a result the reported information. The DASB requests to further align these benchmarks for the EU and outside of the EU.</p>
S1-16 and AR 36/37	<p>Substantiated instances</p> <p>The DASB questions if the proposed adjustment with referencing to substantiated instances results in the expected decrease of workload and simplification.</p>
S2 - S4	<p>Limited content resulting in expected low decision-usefulness</p> <p>The DASB observes that the content of ESRS S2 – S4 is limited which also results in low expected decision-usefulness of the information. The necessary entity specific information to be reported reduces comparability across undertakings and may hinder the consistency and reliability of the information reported.</p>
ESRS G	
Objective 5 under a	Animal welfare

	<p>Objective par. 5 under a includes animal welfare. However, animal welfare is only part of the objectives and a specific DR is missing.</p> <p>We suggest to have alignment between the objectives and the disclosure requirements. Additionally, the necessary entity specific information to be reported reduces comparability across undertakings and may hinder the consistency and reliability of the information reported.</p>
G1-6	
Miscellaneous	
ESRS 2, par 20; G1-6	<p>Low expected informational value</p> <p>The simplified ESRS with DRs and complementary entity specific disclosures when applicable seem to form a balanced framework. For several DRs the DASB questions whether the intended purpose of the DR will also result in decision-useful and valuable information in practice. Examples hereof are DR G1-6 (late payments) and DR ESRS 2 par 20 (prohibited weapon industry).</p> <p>We suggest to monitor the informational value of the sustainability reporting in practice and including these DRs when evaluating the decision-usefulness of the information.</p>