

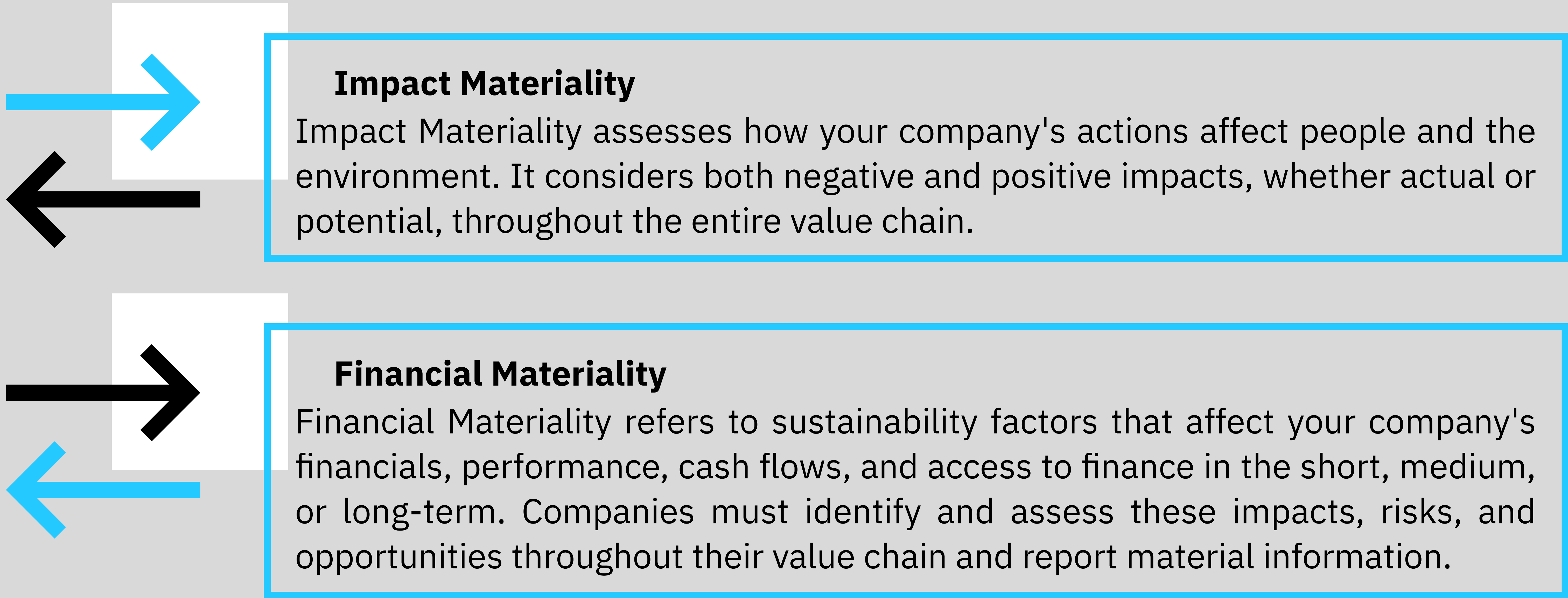
# European Sustainability Reporting Standards Double Materiality



The European Sustainability Reporting Standards (ESRS) require companies to identify material impacts, risks and opportunities and report on material sustainability (environmental, social and governance) matters, based on their double-materiality assessment. **Double-materiality is the starting point for companies’ sustainability reporting under the requirements of the ESRS.**

## What is double materiality?

Double Materiality consists of two dimensions: Impact Materiality and Financial Materiality. If a sustainability matter meets the criteria for either or both, it's considered material.



## Discover Daato's solution for Double Materiality

🔹 **Internal Assessment of Sustainability Matters:** Daato streamlines the process by providing the ESRS-listed sustainability matters for your assessment and guides you with key questions.

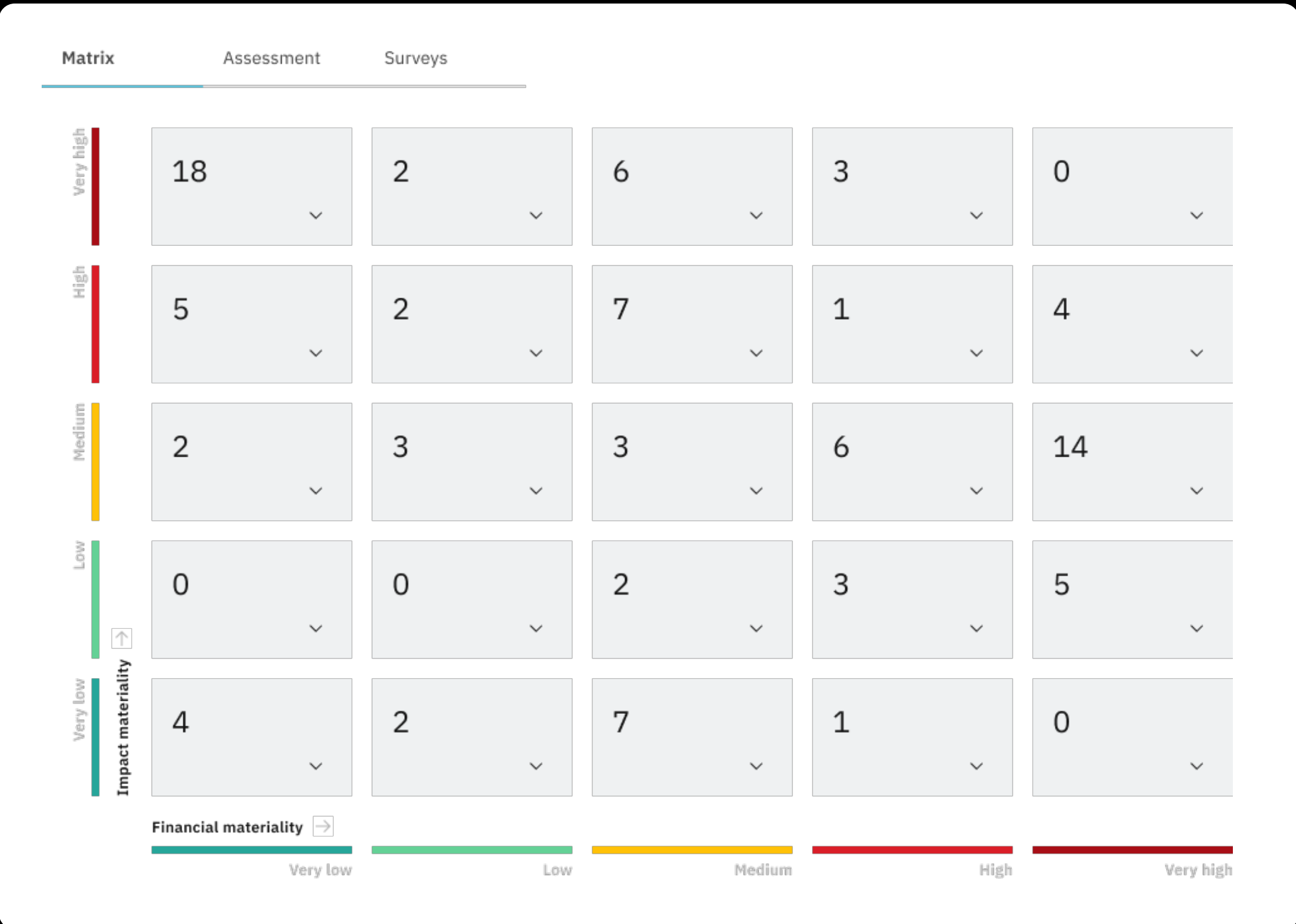
🔹 **Validation with External Stakeholders:** Generate surveys with Daato and invite stakeholders to share their views. Their input helps validate your assessment, ensuring a comprehensive view.

🔹 **Prioritisation for Sustainability Disclosures:** Daato automates the assessment of your company's material sustainability matters using a matrix that categorizes impact and financial materiality levels (very low, low, medium, high, and very high). This helps prioritize matters for reporting, setting thresholds for inclusion in sustainability statements.

Matrix Assessment Surveys

Overall progress: 90 of 100 Impact materiality progress: 93 of 100 Financial materiality progress: 95 of 100

Topic	ESG	Group	Impact materiality	Financial materiality
Greenhouse gases	Environmental	Climate change	High	In progress
Global warming	Environmental	Climate change	Low	Medium
Climate science	Governance	Climate change	Medium	Non-material
Species diversity	Environmental	Biodiversity	In progress	In progress
Conservation and protected areas	Social	Biodiversity	Non-material	Non-material
Encryption and data security	Governance	Data privacy and cyber...	Non-material	Non-material



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