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[Draft] ESRS-GRI Interoperability Index

Cover Note

Objective

- 1 The purpose of this EFRAG SRB session is to approve the [draft] ESRS-GRI Interoperability Index jointly developed by EFRAG Secretariat and GRI Technical staff.

Purpose of this [draft] index

- 2 This [draft] Index is a mapping tool that helps entities understand the commonalities between the two sustainability reporting standards regarding impacts. It also supports the target of avoiding double reporting and allowing to the ESRS applicants to also comply with GRI standards,
- 3 Given the high level of interoperability achieved, entities reporting under ESRS can be considered as reporting 'with reference' to the GRI Standards (see *GRI 1: Foundation 2021*). The [draft] index shows the relationship between the ESRS and GRI disclosures to facilitate reporting 'with reference' to the GRI Standards.
- 4 The [draft] index may also support ESRS reporters that want to report 'in accordance' with the GRI Standards (see *GRI 1: Foundation 2021*), in which case they would have to report the additional applicable GRI requirements not covered by the ESRS in their sustainability statement, in accordance with the provisions of ESRS 1 paragraph 114.

Background

- 5 The CSRD requires that in adopting the Delegated Acts the European Commission shall to the greatest extent possible take account of the work of global standard-setting initiatives. In addition, ESRS should contribute to convergence of global standards to reduce the risk of inconsistent reporting requirements for undertakings that operate globally.
- 6 GRI closely cooperated to the preparation of the ESRS, since the preparatory work carried out from September 2020. EFRAG has continued to work after the public consultation on enhancements of the ESRS. On 4 September 2023, EFRAG and GRI signed an Interoperability Statement to promote a shared understanding of how the ESRS and the GRI Standards relate and how companies can organise their reporting process to meet the

requirements of both sets of standards without having to bear the burden of double reporting.

- 7 Approval of this [draft] index is included in the agenda for the SR TEG on the 5 December 2023.

Next steps

- 8 Following it's SRB's approval, this [draft] ESRS-GRI Interoperability Index will be subsequently released.
- 9 In addition, GRI and EFRAG are working on a digital correspondence table to achieve digital interoperability for the ESRS and GRI Standards. Shared disclosures tagged under the ESRS digital taxonomy and the GRI digital taxonomy could be cross-referenced to allow for a streamlined digital reporting exercise on the preparer's side.

Questions for EFRAG SRB

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| 10 Does EFRAG SRB approve the document 04-02? |
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Agenda Papers

- 11 In addition to this cover note, agenda paper 04-02 – *[draft] ESRS-GRI Interoperability Index* has been provided for the session.