

CRITERIA FOR THE BELGIAN AWARDS FOR SUSTAINABILITY REPORTS 2025

CSRD ORGANISATIONS

1. Introduction

The Corporate Sustainability Reporting Directive (“CSRD”) has been transposed into Belgian legislation on 2 December 2024 (the “CSRD Law”). The CSRD Law applies to all large companies as from 2025 (reporting in 2026), being companies that exceed more than two of the following criteria either stand-alone or on consolidated basis:

- Net turnover: € 50 million;
- Balance sheet total: € 25 million;
- 250 employees (FTE).

It also applies to all EU-PIE entities with more than 500 employees on a consolidated basis, and this already as from 2024 (reporting in 2025).

The criteria developed below are meant as guidance to be applied by the members of the Jury of the Belgian Awards for Sustainability (“BAS”) for the 2025 edition scoring the sustainability statements of the companies in scope of the CSRD Law in 2024, reported in 2025. We note that these sustainability statements, prepared in accordance with the [European Sustainability Reporting Standards \(“ESRSs”\)](#) will be integrated in entities’ annual reports and accompanied by a limited assurance statement of an auditor registered with the Belgian Institute of Statutory Auditors (“IBR”/“IRE”).

The criteria have been developed to demonstrate the added value of the BAS for participating entities. The criteria focus on impact and performance but still based on the overall objective of stimulating best practices in an open and transparent reporting of an entity’s material impacts, risks, and opportunities (“IRO’s”). The reporting (as part of the sustainability statements) remains the basis for scoring, but entities can distinguish themselves by going over and above the minimum and putting relevance and decision-usefulness for the stakeholders first. As such, the recognition of such transparency will be an added value for participating entities and will drive change and innovation in future reporting practices.

Finally, we note that all reports submitted to the Jury will have been subject to a pre-screening performed by members of the IBR/IRE (based on using the below criteria). This will result in a short-list of approximately 10 sustainability statements/annual reports which will be subject to scoring by the members of the Jury. These members of the Jury, including the President, will all be independent from the IBR/IRE/profession.

2. Eligibility of the reports

- Every entity that issues a sustainability report on its **activities in Belgium and beyond** – regardless of the size of the organisation or its industry – can participate in the BAS;
- The report has to **communicate on the activities of a Belgian legal entity** or on the Belgian activities of a foreign entity;
- The report on the Belgian activities of a foreign entity must set clear sustainability objectives and provide sufficient information on the basis of certain selected criteria (targets, results etc.) for Belgium;
- The entity has to disclose on its **environmental, social and governance activities and performance (“ESG”)**;

- The 2025 edition promotes sustainability reports relating to the year 2024 or - when not available - the most recent sustainability report (for a year prior to 2024) provided that it has been published in 2024 or 2025 and has not been submitted for previous editions of these BAS.

3. Criteria

The criteria developed are based on the following elements and weights, whereby we have considered that the sustainability statements have been audited (scope: limited assurance) from a compliance perspective with the CSRD Law:

- Performance in the quantitative data provided either as mandatory disclosure as per the ESRS's, voluntary disclosures as per the ESRS's, or entity-specific disclosures in case entities could not relate their material IRO's to a sector-agnostic ESRS: **50% of points to be awarded during the pre-screening process by the members of the of the IBR/IRE whereby conflict of interest safeguards will be implemented ;**
- Other aspects of the sustainability statements reported: **50% of the points awarded by the Jury.**

a. Performance of the quantitative data (50% of the points to be awarded)

Focus is on metrics for the ESRS's (mandatory or voluntary quantitative datapoints/disclosures) or entity-specific disclosures, where the performance and/or trend has improved. Inclusion of historical information about achieved milestones between the base year and the reporting period, could be deemed as relevant to evaluate the consistency of the metrics included in the KPI's in the sustainability statements.

Suggested criteria and principles to use in terms of assessing performance:

- Target setting:
 - Has the company set a measurable time-bound outcome-oriented target to meet its policy's objectives for all material sustainability matters with regards to the ESRS?
 - Does the company disclose whether the targets set are science-based, based on conclusive scientific evidence or aligned with globally recognized frameworks or with national, EU or international policy goals (e.g. SBTi, Science-Based Targets Initiative for Nature ("SBTN"), Kunming-Montreal Global Biodiversity Framework ("GBF"), any other guidance with a scientifically acknowledged and/or generally accepted methodology, UN Sustainable Development Goals (UN SDG's))?
 - Can the target set be considered as being sufficiently ambitious, considering industry/sector benchmarks, reporting peers and national, EU or international policy goals?
 - Does the company disclose the period to which the target applies and, if applicable, any milestones or interim targets?
 - in case that the company has not set targets, does the company disclose whether and how it nevertheless tracks the effectiveness of its actions to address material IRO's and measures the progress in achieving its policy objectives?
- Progress reporting:

- Has the company defined a suitable, objective as well as specific, measurable, achievable, relevant and time-bound (“SMART”) metrics regarding its IRO’s identified to track its performance?
- Does the company report its progress towards the adopted targets (including intermediate milestones/targets set) and against its baseline over time?
- Does the company transparently disclose if the company’s performance is on track to meet the milestones and targets set, and whether the progress is in line with what had been initially planned? This includes disclosing an analysis of trends or significant changes in the performance of the company towards achieving the target, as well as disclosing the challenges faced, both negative and positive evolutions, and remediation actions taken to enable the company to meet the targets set.
- Does the company disclose its performance compared to industry/sector benchmarks, peers and/or national, EU or international policy goals, including the disclosure of an objective and balanced assessment/evaluation of its performance compared to these benchmarks?

b. Other aspects/considerations of the sustainability statements reported (50% of the points to be awarded)

i. Value chain considerations (20% weight)

The level of explicit disclosures on the level of value chain information and how it was embedded in the material IRO’s.

ii. Stakeholder considerations (20% weight)

The level of explicit disclosure in regards of stakeholder involvement in the determination of the material IRO’s is important. It also includes a clearly understandable narrative covering the process to identify and define the stakeholders involved, to ensure their involvement during the double materiality assessment.

iii. Due diligence procedures (20% weight)

Did the entity specifically disclose their due diligence procedures? Evaluate the maturity level of the due diligence process.

iv. Readability considerations (40% weight)

- The sustainability statements include a clear narrative that allows to understand the perimeter of the sustainability statements;
- Evaluation of the level of cohesiveness of the information (for example between the sustainability statements and the financial statements). If there is high degree of connectivity, that is considered positive in the evaluation of the Jury members;
- If there is a clear link between the material IRO’s and the strategy and business model and how the sustainability matters are integrated with the strategy and business model, this should be positively rated;
- Readability and accessibility through the wording used: understandable by a reasonable and informed reader. If so, it should impact the below score ranges

positively. Sustainability statements that are complex should get a negative rating for this aspect:

- Appreciation of the structure of the sustainability statements and the overall presentation. If structure is deemed clear for the reader, it should impact the below score ranges positively;
- Evaluation of the length of the sustainability statements and if this is proportionate to the size of the undertaking/ its activity? If so, it should impact the below score ranges positively;
- Do the sustainability statements already contain disclosure requirements that are allowed to be omitted as subject to “phased-in Disclosure Requirements” in accordance with appendix C of ESRS 1? If so, it should impact the below score ranges positively;
- If the information is given for the undertaking compares also with industry and peers, and if the sustainability statements contains positive and negative aspects of the organization’s performance and if, according to the Jury members, smart KPI’s and objectives / targets have been set, this should positively reflect on the score ranges below.

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