

CRITERIA FOR THE BELGIAN AWARDS FOR SUSTAINABILITY REPORTS 2026

NON-LARGE ORGANISATIONS

1. Introduction

The [Corporate Sustainability Reporting Directive](#) (“CSRD”) was transposed into [Belgian legislation on 2 December 2024 \(the “CSRD Law”\)](#). The CSRD Law applies to all Public Interest Entities (PIEs) with more than 500 employees, including EU PIEs on a stand-alone or consolidated basis, and this already as from 2024 (reporting in 2025). As a result of the transposition of the Stop-the-clock directive into Belgian legislation in December 2025, the effective implementation of the CSRD by all other companies in scope of the CSRD Law, has been postponed for 2 years, so meaning 2027 (instead of 2025 as first year of implementation).

For purposes of determining the criteria to be applied by the members of the Jury of the Belgian Awards for Sustainability (BAS) for the 2026 edition, we have made a distinction between:

- 1) the criteria to be applied by the Jury for the entities in scope of the CSRD Law in 2025 (reporting in 2026), which we refer to as “**the CSRD organisations**”, and
- 2) the criteria to be applied by the Jury for all other organisations publishing sustainability information over 2025 in 2026. The latter organisations are referred to as **the non-CSRD organisations**.

We have further decided to create separate instructions in terms of applying the criteria to be used in the Jury process between:

- 1° **large organisations not in the scope of the CSRD Law (Large non-CSRD organisations)**, i.e. entities exceeding two of the three following criteria, either on a stand-alone or on a consolidated basis:
 - € 50 million net turnover,
 - € 25 million balance sheet total, and
 - 250 employees (FTE),

and

- 2° **non-large non-CSRD organisations** which includes:
 - a. **Small and medium sized enterprises (SMEs)**: entities which do not exceed more than one of these mentioned criteria, as well as
 - b. **Other organisations**: Non-Governmental Organisations (NGOs), not-for-profit organisations (ASBLs/VZWs), international not-for-profit organisations (AISBLs/IVZWs) or foundations, which are based in Belgium and operate in or outside the Belgian territory, educational institutions, federations, public sector, etc.

For the specific criteria relating to the large non-CSRD organisations, we refer to our separate document called “**Criteria for the BAS 2026 large-non-CSRD organisations**”.

This document is focused on the criteria to be applied by the Jury for the sustainability information/reports of the non-large organisations.

2. Categories of organisations in scope of the “Non-Large organisations”

As mentioned above, these are:

a. **Small and medium-sized enterprises (“SMEs”)**: all companies not exceeding more than one of the following criteria:

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

b. **Other organisations:**

- Non-Governmental Organisations (“NGOs”), not-for-profit organisations (“ASBLs”/“VZW’s”), international not-for-profit organisations (“AISBLs”/“IVZW’s”) or foundations, which are based in Belgium and operate in or outside the Belgian territory;
- Educational institutions, federations, public sector, etc.

3. Reporting standards

The organisations in scope can prepare sustainability reports on a voluntary basis, using the [European Sustainability Reporting Standards \(ESRSs\)](#), the voluntary sustainability standard reporting standard for non-listed SMEs (VSME), or other various internationally recognised frameworks or standards for the preparation of such reports, such as those developed by the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the UN Global compact (Sustainable Development Goals, or SDGs) or the Task Force on Climate related Financial Disclosures (TCFD), or complying on a voluntary basis with the EU Taxonomy Regulation.

The criteria to be used by the Jury as guidance, further in this document have been developed to demonstrate the added value of the BAS for participating entities. The criteria focus on impact and performance (metrics), and based on the overall objective of stimulating best practices in an open and transparent reporting of an entity’s so -called material impacts, risks, and opportunities (IROs). The sustainability reporting therefore remains the basis for the scoring, but entities can distinguish themselves by going over and above the minimum expectations (by specific full compliance with a recognised reporting standard) and putting relevance, truly embedding sustainability into their strategy and business model, 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 Belgian Institute of Statutory Auditors (**IBR-IRE**) (based on using the below criteria). This will result in a short-list of between 3 and 5 sustainability reports which will be subject to scoring by the members of the Jury. These members of the Jury, including the President, are all independent from the IBR/IRE/profession.

4. Eligibility of the reports

- Every entity complying with the category criteria mentioned in section 2 above, which on a voluntary basis, issues a sustainability report on its **activities in Belgium and beyond**;

- 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 (actions, policies, metrics, results etc.) for Belgium;
- The organisation has to disclose on its **environmental, social and governance activities and performance** (“ESG”);
- The 2026 edition promotes sustainability reports relating to the year 2025 or - when not available - the most recent sustainability report (for a year prior to 2025) provided that it has been published in 2025 or 2026 and has not been submitted for previous editions of these BAS.

5. Criteria

The criteria developed are based on the following elements and weights:

- Performance as expressed through the quantitative data provided:
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 are implemented;
- Other aspects/considerations of the sustainability reports:
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, where the performance and/or trend has improved. Inclusion of historical information about achieved milestones between any base year and the reporting period, could be deemed as relevant to evaluate the consistency of the metrics included in the KPI's.

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

- **Metrics and progress reporting:**
 - Has the company defined a suitable, objective as well as specific, measurable, achievable, relevant and time-bound (SMART) metrics to track its performance
 - Does the company provide meaningful analysis year-over-year?
 - Does the company provide basic metric information (in line with the requirements of the basic module of the VSME) or more enhanced metric information (in line with the requirements of the comprehensive module of the VMSE);
 - Does the company transparently disclose if the company's performance is on track to meet any targets set, and whether the progress is in line with what had been initially planned?
 - Does the organisation disclose the challenges faced, both negative and positive evolutions in the metrics, and remediation actions taken.
 - 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 reports (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 topics is important. It also includes a clearly understandable narrative covering the process to identify and define the stakeholders involved.

iii. Due diligence procedures (10% weight)

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

iv. Embedding sustainability into the strategy (20% weight)

Did the entity specifically disclose how their material ESG topics are embedded in their strategy and business model. Can a reader understand how sustainability is genuinely embedded in strategic thinking and execution?

v. Readability considerations (30% weight)

- The sustainability report includes a clear narrative that allows to understand the perimeter of the sustainability report;
- Evaluation of the level of cohesiveness of the information;
- If there is a clear link between the material topics 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 positively the below score ranges positively. A sustainability report that is complex should get a negative rating for this aspect;
- Appreciation of the structure of the sustainability report 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 report and if this is proportionate to the size of the undertaking/ its activity? If so, it should impact the below score ranges positively;
- Full compliance with either ESRS or VSME, should positively be reflected in the scoring of the overall readability;
- If the information is given for the undertaking compares also with industry and peers, and if the sustainability report contains positive and negative aspects of the

organisation'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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