

Sustainability Frameworks Compared

	CSRD	IFRS S1/S2	TCFD	SB-261	SB-253	CDP
Full Name	Corporate Sustainability Reporting Directive	International Financial Reporting Standards Foundation	Task Force on Climate-related Financial Disclosures	California Senate Bill 261 Greenhouse Gases: the Climate-Related Financial Risk Act (CRFRA)	Climate Corporate Data Accountability Act (CCDAA)	CDP
Developed by	European Financial Reporting Advisory Group (EFRAG)	International Sustainability Standards Board (ISSB)	FSB (Financial Stability Board), now to be monitored by the IFRS Foundation	State of California	State of California	CDP
List of Standards	ESRS 1 General Requirements ESRS 2 General Disclosures ESRS E1 Climate Change ESRS E2 Pollution ESRS E3 Water and Marine Resources ESRS E4 Biodiversity and Ecosystems ESRS E5 Resources and Circular Economy ESRS S1 Own Workforce ESRS S2 Workers in the Value Chain ESRS S3 Affected Communities ESRS S4 Customers and End-Users ESRS G1 Business Conduct	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information IFRS S2 Climate-related Disclosures	Governance Strategy Risk Management Metrics and Targets	TCFD IFRS	Greenhouse Gas Protocol	CDP Questionnaire (updated annually)
Status	Mandatory	Voluntary, although likely to be adopted by regulators over time and become mandatory for some	Voluntary, often serves as the foundation of regulatory disclosure requirements	Mandatory	Mandatory	Voluntary
Region	EU; applies to some non-EU companies trading in the EU	Global	Global	Applies to companies doing business in the state of California		Global

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Applies to	<p>All large companies, meeting at least one of the following: €40M net turnover €20M assets 250 or more employees</p> <p>Listed small and medium-sized enterprises (SMEs) (excl. micro-listed companies with less than 10 employees or below €20M in turnover)</p> <p>Small and non-complex credit institutions (including captive insurance companies)</p> <p>Non-EU businesses with a €150M turnover in the EU</p>	<p>Any company disclosing voluntarily or required to disclose by investors or other stakeholders</p>	<p>Any company disclosing voluntarily or required to disclose by investors or other stakeholders</p>	<p>Corporations, partnerships, limited liability companies, or other business entities with total annual revenues exceeding \$500 million that do business in California</p>	<p>Corporations, partnerships, limited liability companies, or other business entities with total annual revenues exceeding \$1 billion that do business in California</p>	<p>Any company disclosing voluntarily or required to disclose by investors or other stakeholders</p>
Timeline	<p>Effective: January 5, 2023 Start year: First year for general CSRD reporting begins in 2025 for FY24 data, beginning with companies already subject to NFRD (Non-Financial Reporting Directive — see more below). Sector-specific requirements have been delayed.</p>	<p>Effective: January 1, 2024</p>	<p>Recommendations released: June 2017</p>	<p>Effective: 2026 onwards</p>	<p>Effective: 2026 onwards</p>	<p>Effective: 2010 onwards</p>
Background	<p>Developed by EFRAG for the European Union; represents an update to the NFRD, requiring more comprehensive sustainability disclosures from a wider range of companies.</p>	<p>Developed by IFRS, which represents the consolidation of several different voluntary reporting initiatives and builds on foundational frameworks, notably the TCFD.</p>	<p>Taskforce developed by the FSB to draft recommendations for climate-related financial disclosures.</p>	<p>Developed by the State Government of California, building on the California Global Warming Solutions Act of 2006. SB 261 and SB 253 make up the Climate Accountability Package, the first requirements in the U.S. for large companies to publicly disclose greenhouse gas emissions, supply chain emissions, and climate risks.</p>	<p>CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.</p>	
Materiality	<p>Focuses on double materiality. Double materiality asks companies to consider how sustainability matters may impact the organization (financial materiality) and how company activities may impact people and the environment (impact materiality).</p>	<p>Focuses on financial materiality, defined by the IFRS as: “information is material if omitting, obscuring, or it could be reasonably expected to influence investor decisions.”</p>	<p>Focuses on single materiality — that is, how climate risks and opportunities affect an organization’s operations and financial bottom lines.</p>	<p>Focuses on single materiality, defining it as follows: “material risk of harm to immediate and long-term financial outcomes due to physical and transition risks.”</p>	<p>Focuses on the disclosure and verification of scope 1, 2, and 3 emissions for all companies in scope.</p>	<p>DP requires a materiality map that pairs the company’s industry segment to the key performance indicators (KPIs) that correspond most closely to its impacts on the environment and community.</p>