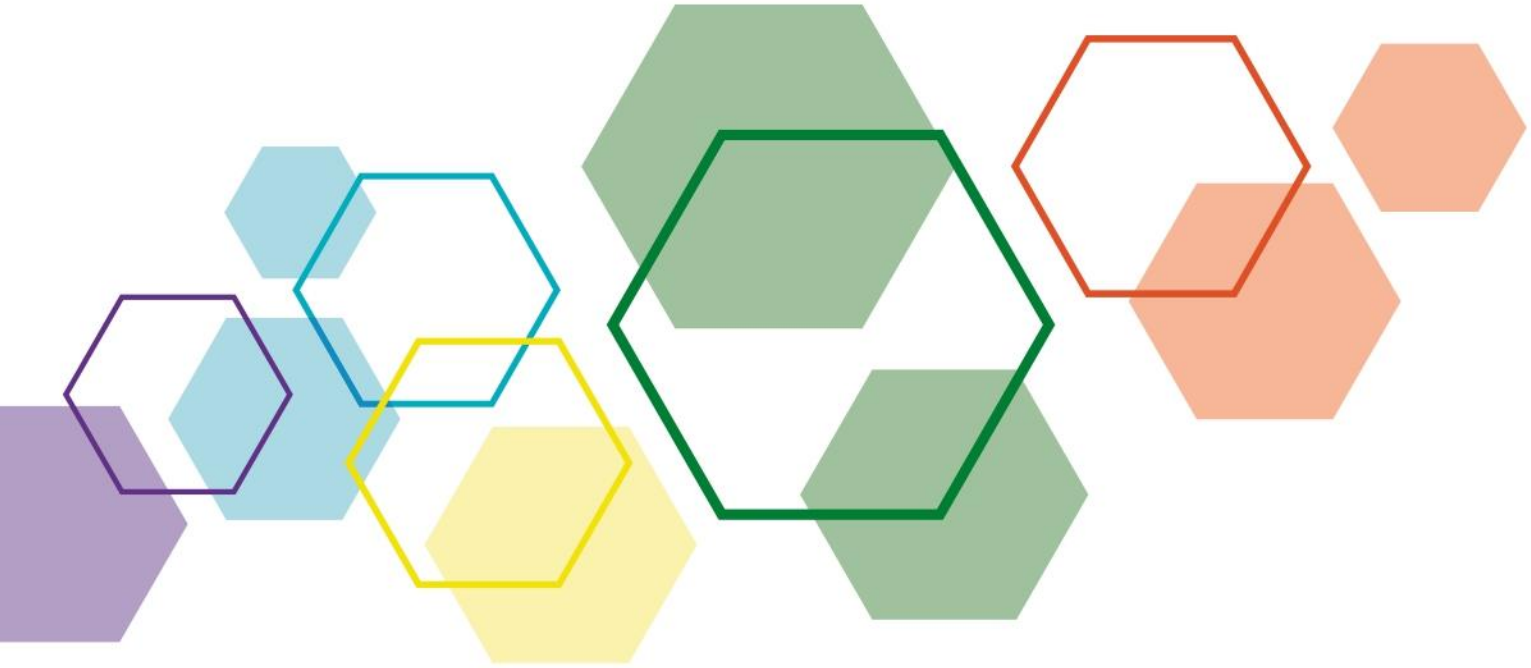
COVER NOTE FOR PUBLIC CONSULTATION

DRAFT EUROPEAN SUSTAINABILITY REPORTING STANDARDS

Appendix VI – Acronyms and glossary of terms

April 2022



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PTF-ESRS
Project Task Force on European sustainability reporting standards

EFRAG

EFRAG Public consultation on ESRS Exposure Drafts

Appendix VI – Acronyms and consolidated Glossary of terms defined in Appendix A of ESRS

1. This appendix presents all the acronyms found in the [draft] ESRS (Table 1) and well as all terms defined in Appendix A of the different [draft] ESRS (Table 2).

Table 1 - Acronyms

ABS	Access and Benefit-Sharing
AG	Application Guidance
AMS	Automated Measuring Systems
AQI	Air Quality Indices
BC	Basis for Conclusions
BAT	Best Available Technique
BAT-AEL	Best Available Technique-Associated Emission Level
BAT-AEPLs	Best Available Technique-Associated Environmental Performance Level
BBOP	Business and Biodiversity Offsets Programme
BECCS	Bioenergy with Carbon Capture and Storage
BREFs	Best Available Techniques Reference Documents
Btu	British Thermal Units
CapEx	Capital Expenditure
CBD	Convention for Biological Diversity
CCS	Carbon Capture and Storage
CDSB	Climate Disclosure Standards Board
CDDA	Common Database on Designated Areas
CDP	Carbon Disclosure Project
CH_4	Methane
CICES	Common International Classification of Ecosystem Services
CLP	Classification, Labelling and Packaging
CMRs	Carcinogenic, Mutagenic or Reprotoxic Substances
CO_2	Carbon Dioxide
CoSo	Committee of Sponsoring Organizations
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
CSS	Chemical Strategy for Sustainability
CSRD	Corporate Sustainability Reporting Directive
DEGURBA	Degree of Urbanisation
DG	Directorate-General
DG FISMA	Directorate-General for Financial Stability, Financial Services and Capital Markets Union
Disclosure Requirements 2-GOV	Disclosure Requirements Governance
Disclosure Requirements 2-GR	Disclosure Requirements General disclosure requirements
Disclosure Requirements 2-IRO	Disclosure Requirements Materiality assessment of sustainability impacts, risks and opportunities

Disclosure Requirements 2-SBM	Disclosure Requirements Strategy and Business Model
DNSH	Do No Significant Harm
DR	Disclosure Requirements
EC	European Commission
EDCs	Endocrine Disrupting Chemicals
EDs	Endocrine Disrupting substances
EEA	European Economic Area
EFRAG	European Financial Reporting Advisory Group
EFRAG SRB	European Financial Reporting Advisory Group Sustainability Reporting Board
EMAS	Eco-Management and Audit Scheme
EMS	Electronic Manufacturing Services
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposure
ESA	European Supervisory Authorities
ESRS	European Sustainability Reporting Standards
ESRS 1	European Sustainability Reporting Standard 1 General Principles
ESRS 2	European Sustainability Reporting Standard 2 General, Strategy, Governance and Materiality Assessment Disclosure Requirements
ESRS E1	European Sustainability Reporting Standard E1 Climate Change
ESRS E2	European Sustainability Reporting Standard E2 Pollution
ESRS E3	European Sustainability Reporting Standard E3 Water and Marine Resources
ESRS E4	European Sustainability Reporting Standard E4 Biodiversity and Ecosystem
ESRS E5	European Sustainability Reporting Standard E5 Resource Use and Circular Economy
ESRS G1	European Sustainability Reporting Standard G1 Governance, risk management and internal control
ESRS G2	European Sustainability Reporting Standard G2 Business Conduct
ESRS S1	European Sustainability Reporting Standard S1 Own Workforce General Standard
ESRS S2	European Sustainability Reporting Standard S2 Workers in the Value Chain
ESRS S3	European Sustainability Reporting Standard S3 Affected Communities
ESRS S4	European Sustainability Reporting Standard S4 Consumers & End-users Standard
ESRS SEC 1	European Sustainability Reporting SEC 1 Sector classification
EU	European Union
ETI	Ethical Trading Initiative

EWC	European Works Council
FPIC	Free, Prior and Informed Consent
FTE	Full-time equivalent
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse Gas
GJ	Giga-Joules
GRI	Global Reporting Initiative
GWP	Global Warming Potential
HFCs	Hydrofluorocarbons
HM	Heavy Metals
IBAT	Integrated Biodiversity Assessment Tool
IED	Industrial Emissions Directive
IFC	International Finance Corporation
IFR	Investment Firms Regulation
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILO	International Labour Organisation
IPBES	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
IPCC	Intergovernmental Panel on Climate Change
ISEAL	International Social and Environmental Accreditation and Labeling
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
IUCN	International Union for Conservation of Nature
KBA	Key Biodiversity Areas
kg	Kilogram
KPI(s)	Key Performance Indicators
LGBTQI	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex
lb	pounds
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
MWh	Mega-Watt-hours
N_2O	Nitrous Oxide
NACE	Nomenclature générale des Activités Economiques dans les Communautés Européennes
NF_3	Nitrogen trifluoride
NGOs	Non-Governmental Organisations
NH3	Ammonia
NMVOC	Non-methane volatile organic compounds
NO_X	Nitrogen oxides
O_3	Ozone
ODM	Original Design Manufacturing
ODS	Ozone-depleting substance
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturers

OpEx	Operating Expenditure
OSHA	Occupational Safety and Health Administration
PAHs	Polycyclic aromatic hydrocarbons
PBTs	Persistent, bioaccumulative and toxic substances
PCAF	Partnership for Carbon Accounting Financial
PCBs	Polychlorinated biphenyls
PCFs	Perfluorocarbons
PM	Particulate Matter
PMTs	Persistent, mobile and toxic substances
POPs	Persistent organic pollutants
PTF-ESRS	Project Task Force European Sustainability Reporting Standard
RTS	Regulatory Technical Standard
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets Initiative
SBTN	Science Based Targets Network
SCE	Societas Cooperative Europaea
SDGs	Sustainable Development Goals
SE	Societas Europaea
SF_6	Sulphur hexafluoride
SFDR	Sustainable Finance Disclosures Regulation
SO_X	Sulphur oxides
STOT	Specific Target Organ Toxicity
TCFD	Task Force on Climate-Related Financial Disclosures
TNFD	Taskforce on Nature-related Financial Disclosures
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
VOCs	Volatile organic compounds
VoIP	Voice over Internet Protocol
vPvBs	Very persistent and very bioaccumulative substances
vPvMs	Very persistent and very mobile substances
WBSCD	World Business Council for Sustainable Development
WDPA	World Database of Protected Areas
WRI	World Resources Institute
WWF	World-Wide Fund for Nature

Table 2 – Defined terms as per Appendix A of [draft] ESRS

Defined term	*Definition*	*[draft] ESRS*
Action, Actions, Action Plan	Actions refer to activities that are undertaken to ensure that the undertaking delivers against targets set. An action plan is a structured group of actions that are considered necessary to achieve a specific policy objective or a target, to manage principal impacts, risks and opportunities.	ESRS 1- General Principles
Administrative, management and supervisory bodies	The governance bodies with the highest decision-making authority in the undertaking. In some jurisdictions, governance systems consist of two tiers, where supervision and management are separated. In such cases, both tiers are included under the definition of administrative, management and supervisory bodies.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Affected communities	A group living or working in the same area that has been or may be affected by a reporting undertaking's operations or through its value chain. The local community can range from those living adjacent to the organisation's operations to those living at a distance.	ESRS S3- Affected communities
Affected stakeholders	An individual or group that has been or may be affected by a reporting undertaking's operations, products or services, including through its value chain.	ESRS S2- Workers in the value chain
Agro-ecosystems	Agroecosystems, are defined as communities of plants and animals interacting with their physical and chemical environments that have been modified by people to produce food, fibre, fuel and other products for human consumption and processing (Maes, 2018 cited by: https://biodiversity.europa.eu/ecosystems/agroecosystems).	ESRS E4- Biodiversity and ecosystems
Annual total compensation	Annual total compensation includes salary, bonus, stock awards, option awards, non-equity incentive plan compensation, change in pension value, and nonqualified deferred compensation earnings provided over the course of a year.	ESRS S1- Own workforce
Anti-competitive behaviour	Action of the undertaking or its employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition. It may include fixing prices, coordinating bids, creating market or output restrictions, imposing geographic quotas, or allocating customers, suppliers, geographic areas, and product lines. (Adapted from GRI, 2021)	ESRS G2- Business conduct
Avoidance	Measures taken to prevent impacts from occurring in the first place, for instance by changing or adjusting the development project's location and/or the scope, nature and timing of its activities (Conway, M., Rayment, M., White, A., and Berman, S. (2013) Exploring Potential Demand for and Supply of Habitat Banking in the EU and Appropriate Design Elements for a Habitat Banking Scheme. Final Report submitted to DG Environment, ICF GHK, London)	ESRS E4- Biodiversity and ecosystems
Area of high water stress	Regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the	ESRS E3- Water and marine resources

	World Resources Institute's (WRI) Water Risk Atlas tool 'Aqueduct. See also water scarcity	
Biodiversity access and benefit-sharing	Access and benefit-sharing (ABS) refers to the way in which genetic resources may be accessed, and how the benefits that result from their use are shared between users (i.e. the people or countries using them) and providers (i.e. the people or countries that provide them). (CBD, 2010)	ESRS E4-Biodiversity and ecosystems
Biodiversity impact Drivers	All the factors that cause changes in nature, anthropogenic assets, nature's contributions to people and a good quality of life. Direct drivers of change can be both natural and anthropogenic; they have direct physical (mechanical, chemical, noise, light etc.) and behaviour-affecting impacts on nature. They include, inter alia, climate change, pollution, different types of land use change, invasive alien species and zoonoses, and exploitation. Indirect impact drivers operate diffusely by altering and influencing direct drivers (by affecting their level, direction or rate) as well as other indirect drivers. Interactions between indirect and direct drivers create different chains of relationship, attribution, and impacts, which may vary according to type, intensity, duration, and distance. These relationships can also lead to different types of spill-over effects. Global indirect drivers include economic, demographic, governance, technological and cultural ones. Special attention is given, among indirect drivers, to the role of institutions (both formal and informal) and impacts of the patterns of production, supply and consumption on nature, nature's contributions to people and good quality of life. (IPBES online glossary)	ESRS E4-Biodiversity and ecosystems
Biodiversity loss	The reduction of any aspect of biological diversity, i.e. diversity at the genetic, species and ecosystem levels, in a particular area through death (including extinction), destruction or manual removal. It can refer to many scales, from global extinctions to population extinctions, resulting in decreased total diversity at the same scale. (IPBES online glossary)	ESRS E4-Biodiversity and ecosystems
Biodiversity No Net Loss, Biodiversity Net Gain	In which the impacts on biodiversity caused by a project (or plan or programme) are balanced or outweighed by measures taken to avoid and minimise the project's (plan's or programme's) impacts, to undertake on-site restoration and finally to offset the residual impacts, so that no loss remains. Where the gain exceeds the loss, the term 'net gain' may be used Instead. (Conway et al., 2013)	ESRS E4-Biodiversity and ecosystems
Biodiversity offsetting	Measures taken to compensate for any residual significant, adverse impacts that cannot be avoided, minimized and/or rehabilitated or restored, in order to achieve no net loss or a net gain of biodiversity. Offsets can take the form of positive management interventions such as restoration of degraded habitat, arrested degradation or averted risk, protecting areas where there is imminent or projected loss of biodiversity. (CDP, BBOP, 2012)	ESRS E4-Biodiversity and ecosystems
Biodiversity or biological diversity	The variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part. This includes variation in genetic, phenotypic, phylogenetic, and	ESRS E4-Biodiversity and ecosystems

	functional attributes, as well as changes in abundance and distribution over time and space within and among species, biological communities and ecosystems. (IPBES online glossary)	
Biosphere or ecological integrity	Integrity refers to an unimpaired condition, a state of being complete or undivided. Biological integrity has been defined as '[t]he ability to support and maintain a balanced, integrated adaptive assemblage of organisms having species composition, diversity, and functional organization comparable to that of natural habitat of the region. (Karr and Dudley 1981, Karr et al. 1986)	ESRS E4- Biodiversity and ecosystems
Blue Economy	All the sources of financial and non-financial value that humanity derives from marine environments. It includes all economic activities related to oceans, seas and coasts. (Based on EU Blue Economy Report)	ESRS E3- Water and marine resources
Business model	An entity's system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the entity's strategic purposes and create value over the short, medium and long term.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Business relationships	Those relationships an undertaking has with business partners, entities in its value chain and any other non-State or State entity directly linked to its business operations, products or services. They include indirect business relationships in its value chain, beyond the first tier, and minority as well as majority shareholding positions in joint ventures or investments.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
By-product	An inevitable result of certain types of material processing and agriculture. In a circular economy all by-products can be feedstock for another production process	ESRS E5- Resource use and circular economy
Carbon credit	A carbon credit is a convertible and transferable instrument representing GHG emissions that have been reduced, avoided or removed through projects that are verified according to recognised quality standards. Carbon credits can be issued from projects within (sometimes referred to as	ESRS E1- Climate change

	insets) or outside an undertaking's value chain (sometimes referred to as offsets).	
Carbon dioxide (CO2) equivalent	The amount of carbon dioxide (CO2) emission that would cause the same integrated radiative forcing or temperature change, over a given time horizon, as an emitted amount of a greenhouse gas (GHG) or a mixture of GHGs. (IPCC, "Special Report: Global warming of 1.5 °C", Annex I: Glossary, 2018) CO2eq is the universal unit of measurement to indicate the global warming potential (GWP) of each greenhouse gas, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis. (GHG Protocol, "Corporate Value Chain (Scope 3) Standard", Glossary, 2011)	ESRS E1-Climate change
Child labour	Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that: (1) is mentally, physically, socially or morally dangerous and harmful to children; and/or (2) interferes with their schooling by: depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work. For the purpose of this definition, a child refers to a person under the age of 15 years, or under the age of completion of compulsory schooling, whichever is higher. Exceptions can occur in certain countries where economies and educational facilities are insufficiently developed, and a minimum age of 14 years applies. These countries of exception are specified by the International Labour Organisation (ILO) in response to a special application by the country concerned and in consultation with representative organisations of employers and workers. (http://www.ilo.org/ipec/facts/lang--en/index.htm)	ESRS S1- Own workforce
Circular economy	Economic system that uses a systemic approach to maintain a circular flow of resources, by regenerating, retaining or adding to their value, while contributing to sustainable development	ESRS E5-Resource use and circular economy
Circularity	A state of a specified system, organisation, product or process where resource flows and values are maintained whilst benefiting sustainable development	ESRS E5-Resource use and circular economy
Circularity enabler	The services, products or Business models that enable circular systems to be created including cross value chain initiatives.	ESRS E5-Resource use and circular economy
Climate change adaptation	Climate change adaptation means the process of adjustment to actual and expected climate change and its impacts. (based on the Regulation (EU) 2020/852)	ESRS E1-Climate change
Climate change mitigation	Climate change mitigation means the process of holding the increase in the global average temperature to well below 2 °C and pursuing efforts to limit it to 1,5 °C above pre-	ESRS E1-Climate change

	industrial levels, as laid down in the Paris Agreement. (based on the Regulation (EU) 2020/852)	
Climate-related opportunity	Climate-related opportunities refer to the potential positive effects related to climate change on an undertaking. Efforts to mitigate and adapt to climate change can produce opportunities for undertakings, such as through resource efficiency and cost savings, the adoption and utilisation of low-emissions energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry where an undertaking operates. (adapted from TCFD Guidance on Metrics, Targets and Transition Plans)	ESRS E1-Climate change
Climate-related physical risk (Physical risk from climate change)	Climate-related physical risks are risks that arise from the physical effects of climate change. They typically include acute physical risks (which arise from particular hazards, especially weather-related events such as storms, floods, fires or heatwaves), and chronic physical risks (which arise from longer-term changes in the climate, such as temperature changes, rising sea levels, reduced water availability, biodiversity loss and changes in land and soil productivity). (adapted from Commission Communication C(2019) 4490 final)	ESRS E1-Climate change
Climate-related transition risk	Climate-related transition risks are risks that arise from the transition to a low-carbon and climate-resilient economy. They typically include policy risks, legal risks, technology risks, market risks and reputational risks and can arise from related transition events. (adapted from Commission Communication C(2019) 4490 final).	ESRS E1-Climate change
Collective bargaining	All negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more trade unions or, in their absence, the representatives of the workers duly elected and authorised by them in accordance with national laws and regulations, on the other, for: (a) determining working conditions and terms of employment (e.g., wages, working time); and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations.	ESRS S1- Own workforce
Confirmed incident	Confirmed incidents do not include incidents of child or forced labour or human trafficking that are still under investigation in the reporting period.	ESRS S1- Own workforce
Conservation	The protection, care, management and maintenance of ecosystems, habitats, wildlife species and populations, within or outside of their natural environments, in order to safeguard the natural conditions for their long-term permanence. (IUCN Definitions, 2021)	ESRS E4-Biodiversity and ecosystems

Consumer(s)	Individuals who acquire, consume or use goods and services for personal use, either for themselves or for others, and not for resale or commercial purposes.	ESRS S3- End-users / consumers
Corruption	Abuse of entrusted power for private gain, which can be instigated by individuals or organisations. It includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the undertaking's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage. (GRI, 2021)	ESRS G2-Business conduct
Credible proxies	Individuals with sufficiently deep experience in engaging with affected stakeholders from a particular region or context (for example, women workers on farms, indigenous peoples or migrant workers) who can help to effectively convey the likely concerns of affected stakeholders. In practice, this can include development and human rights NGOs, international trade unions and local civil society, including faith-based organisations.	ESRS S2-Workers in the value chain
Deforestation	The human-induced conversion of forested land to non-forested land, which can be permanent, when this change is definitive, or temporary when this change is part of a cycle that includes natural or assisted regeneration, according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) as referred to in paragraph 100 of Decision No 1386/2013/EU of the European Parliament and of the Council (25). (Joint ESAs final report on RTS under SFDR, 2021)	ESRS E4-Biodiversity and ecosystems
Degraded ecosystem	Degradation refers to chronic human impacts resulting in the loss of biodiversity and the disruption of an ecosystem's structure, composition, and functionality. (https://www.ser-rrc.org/what-isecological-restoration/)	ESRS E4-Biodiversity and ecosystems
Development	For the aim of this Standard, development is defined as those initiatives put in place by the undertaking aimed at personal and career advancement of its workers.	ESRS S1- Own workforce
Direct GHG emissions (Scope 1)	GHG emissions from sources owned or controlled by the undertaking. (from GHG Protocol, "A corporate accounting and reporting standard", 2004)	ESRS E1-Climate change
Discrimination	Discrimination can occur directly or indirectly - Direct discrimination will have occurred when an individual is treated less favourably by comparison to how others, who are in a similar situation, have been or would be treated, and the reason for this is a particular characteristic they hold, which falls under a 'protected ground'. Indirect discrimination occurs when an apparently neutral rule disadvantages a person or a group sharing the same characteristics. It must be shown that a group is disadvantaged by a decision when compared to a comparator group	ESRS S1- Own workforce

Discharge	1) Wastewater discharge means the amount of water (in m3) or substance (in kg BOD/d or comparable) added / leached to a water body from a point or a non-point source. (2) Sewage effluent (or discharge) means treated sewage discharged from a sewage treatment plant.	ESRS E3- Water and marine resources
Double materiality	Double materiality provides criteria for determination of whether or not information on a sustainability matter has to be included in the undertaking's sustainability report. A sustainability matter meets the criteria of double materiality if it is material from the impact perspective or from the financial perspective or from both of these two perspectives. Impact materiality and financial materiality assessments are intertwined and interdependencies between the two dimensions should be considered in the assessments. In general, the starting point is assumed to be the impact materiality assessment, as a sustainability impact may become financially material when it translates or is likely to translate in the short-medium-long term into financial effects. However, beyond the actual and potential financial consequences for the undertaking of its material impacts, the undertaking shall consider how it is affected by sustainability matters which are external to its activities.	ESRS 1- General Principles
Downstream entity(s)	An entity is considered downstream from the undertaking (e.g., distributors, customers) when it receives products or services from the undertaking (GRI).	ESRS 1- General Principles
Due diligence	Process(es) that undertaking carries out to (i) identify, assess, prevent, mitigate and remediate the material actual and potential adverse impacts connected with its activities and (ii) identify how it addresses those adverse impacts.	ESRS 1- General Principles
Ecological condition	Refers to the state of ecological systems, which includes their physical, chemical, and biological characteristics and the processes and interactions that connect them. (https://www.epa.gov/report-environment/ecological-condition)	ESRS E4- Biodiversity and ecosystems
Ecosystem conversion	Human-induced change of a natural ecosystem to another land use or profound change in the natural ecosystem's species composition, structure, and/or function. It includes: (1) deforestation (conversion of natural forests); (2) severe degradation or the introduction of management practices that result in a substantial and sustained change in the ecosystem's former species composition, structure, or function. A change to natural ecosystems that meet this definition is considered to be conversion, regardless of whether or not it is legally permitted. (adapted from CDP Forests questionnaire, 2021)	ESRS E4- Biodiversity and ecosystems
Ecosystem preservation	The set of policies and measures to maintain the conditions favouring the evolution and continuity of the ecosystems and natural habitats, as well as the conservation of viable populations of species in their natural environments and the components of biodiversity outside their natural habitats. (IUCN definitions)	ESRS E4- Biodiversity and ecosystems

Ecosystem restoration	Any intentional activities that initiates or accelerates the recovery of an ecosystem from a degraded state. (IPBES glossary	ESRS E4-Biodiversity and ecosystems
Ecosystem services	The benefits people obtain from ecosystems. In the Millennium Ecosystem Assessment, ecosystem services can be divided into supporting, regulating, provisioning and cultural. (IPBES online glossary). The TNFD (2022) gives the following definition of each category: 1. Provisioning services represent the contributions to benefits that are extracted or harvested from ecosystems (e.g. timber and fuel wood in a forest, freshwater from a river). 2. Regulating and maintenance (supporting) services result from the ability of ecosystems to regulate biological processes and to influence climate, hydrological and biochemical cycles, and thereby maintain environmental conditions beneficial to individuals and society. Provisioning services are dependent on these regulating and maintenance (supporting) services (e.g. the provision of freshwater depends on the ability of forests to absorb carbon and regulate climate change). 3. Cultural services are the experiential and intangible services related to the perceived or actual qualities of ecosystems whose existence and functioning contributes to a range of cultural benefits (e.g. the recreational value of a forest or a coral reef for tourism).	ESRS E4-Biodiversity and ecosystems
Ecosystems	A dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit. (IPBES glossary). A typology of ecosystems is provided by the IUCN Global Ecosystem Typology 2.0 (see: https://www.iucn.org/content/iucn-global-ecosystem-typology-20).	ESRS E4-Biodiversity and ecosystems
Emission	'Emission' means the direct or indirect release of substances, vibrations, heat or noise from individual or diffuse sources […] into air, water or soil.	ESRS E2-Pollution
Employee	An employee is an individual who is in an employment relationship with the undertaking according to national law or practice.	ESRS S1- Own workforce
Enabling activities	An economic activity is 'Enabling' if it directly enables other activities to make a substantial contribution to one or more of the EU Taxonomy's environmental objectives, provided that it: (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations. An enabling activity qualifies as 'contributing substantially' to one or more of the environmental objectives set out in Article 9 of the EU Taxonomy Regulation.	ESRS E2-Pollution

End-users	Individuals who ultimately use or are intended to ultimately use a particular product or service.	ESRS S3- End-users / consumers
Environmental pressures	Human activities exert pressures on the environment and affect its quality and the quantity of natural resources. (Organisation for Economic Co-operation and Development (OECD), 2003)	ESRS E4- Biodiversity and ecosystems
Equal opportunities	Equal opportunities refer to an equal and non-discriminatory access to, among individuals, of opportunities for education, training, employment, career development and the exercise of power without their being disadvantaged on the basis of criteria such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation.	ESRS S1- Own workforce
Equal treatment	The principle of equal treatment is a general principle of European law which presupposes that comparable situations or parties in comparable situations are treated in the same way. There shall be no direct or indirect discrimination based on criteria such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation. In the context of the present standard, own workforce has the same rights to receive the same treatment and not to be discriminated either directly or indirectly against on the basis of protected grounds such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation.	ESRS S1- Own workforce
Fair wage	A wage that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions (EPSR Principle 6). Widely used benchmarks for a fair wage are 60% of the gross median wage and 50% of gross average wage.	ESRS S1- Own workforce
Financial materiality	A sustainability matter is material from a financial perspective if it triggers or may trigger financial effects on undertakings, i.e., it generates or may generate risks or opportunities that influence or are likely to influence the future cash flows and therefore the enterprise value of the undertaking in the short-, medium- or long-term, but it is not captured or not yet fully captured by financial reporting at the reporting date. The undertaking relies on the availability at appropriate pricing of economic, natural and social resources of an appropriate quality. Such dependencies are sources of financial risks or opportunities.	ESRS 1- General Principles
Forced labour	All work or service which is exacted from any person under the threat of penalty and for which the person has not offered himself or herself voluntarily. The term encompasses all situations in which persons are coerced by any means to perform work, and includes both traditional 'slave-like' practices and contemporary forms of coercion where labour exploitation is involved, which may include human trafficking and modern slavery.	ESRS S1- Own workforce
Freshwater	It includes: surface water, including rainwater, water from wetlands, rivers and lakes. Water that is naturally occurring water on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers and streams, and has a	ESRS E3- Water and marine resources

	low concentration of dissolved solids. This surface water source includes water of a quality generally acceptable for, or requiring minimal treatment to be acceptable for, domestic, municipal or agricultural uses (at least <10,000 mg/l TDS, though a range of additional quality properties may also be considered). 'High quality' fresh water sources considered acceptable for potable use are typically characterized as having concentrations of dissolved solids less than 1,000 mg/l.	
Genetic resources	The genetic material with real or potential value. (IUCN Definitions, 2021)	ESRS E4- Biodiversity and ecosystems
GHG removal and storage	(Anthropogenic) Removals refer to the withdrawal of GHGs from the atmosphere as a result of deliberate human activities. These include enhancing biological sinks of CO2 and using chemical engineering to achieve long-term removal and storage. Carbon capture and storage (CCS) from industrial and energy-related sources, which alone does not remove CO2 in the atmosphere, can reduce atmospheric CO2 if it is combined with bioenergy production (BECCS). (IPCC, "Special Report: Global warming of 1.5 °C", Annex I: Glossary, 2018)	ESRS E1- Climate change
Global warming potential (GWP)	Global warming potential (GWP) is a factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given GHG relative to one unit of CO2. (GHG Protocol Scope 3 Standard Glossary)	ESRS E1- Climate change
Governance	The system by which an undertaking is directed and controlled in the interests of shareholders and other stakeholders. Governance involves a set of relationships between an undertaking's management, its board, its shareholders, and other stakeholders. Governance provides the structure and processes through which the objectives of the undertaking are set, progress against performance is monitored, and results are evaluated.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Greenhouse Gases (GHG)	Greenhouse Gases (GHG) are those gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and emit radiation at specific wavelengths within the spectrum of terrestrial radiation emitted by the Earth's surface, the atmosphere itself and by clouds. This property causes the greenhouse effect. Water vapour (H2O), carbon dioxide (CO2), nitrous oxide (N2O), methane (CH4) and ozone (O3) are the primary GHGs in the Earth's atmosphere. Moreover, there are a number of entirely human-made GHGs in the atmosphere, such as the halocarbons and other chlorine- and bromine-containing substances, dealt with under the Montreal Protocol. Beside CO2, N2O and CH4, the Kyoto Protocol deals with the GHGs sulphur hexafluoride (SF6), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). (IPCC, 2018: Annex I: Glossary)	ESRS E1- Climate change
Grievance mechanisms	Grievance mechanisms refer to any routinized, state-based or non-state-based, judicial or non-judicial processes through which stakeholders can raise grievances and seek remedy. Examples of state-based judicial and non-judicial grievance mechanisms include courts, labour tribunals,	ESRS S1- Own workforce

	national human rights institutions, National Contact Points under the OECD Guidelines for Multinational Enterprises, ombudsperson offices, consumer protection agencies, regulatory oversight bodies, and government-run complaints offices. Non-state-based grievance mechanisms include those administered by the organisation, either alone or together with stakeholders, such as operational-level grievance mechanisms and collective bargaining, including the mechanisms established by collective bargaining. They also include mechanisms administered by industry associations, international organisations, civil society organisations, or multi-stakeholder groups. Operational-level grievance mechanisms are administered by the organisation either alone or in collaboration with other parties and are directly accessible by the organisation's stakeholders. They allow for grievances to be identified and addressed early and directly, thereby preventing both harm and grievances from escalating. They also provide important feedback on the effectiveness of the organisation's due diligence from those who are directly affected. According to UN Guiding Principle 31 [14], effective grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. In addition to these criteria, effective operational-level grievance mechanisms are also based on engagement and dialogue. It can be more difficult for the organisation to assess the effectiveness of grievance mechanisms that it participates in compared to those it has established itself.	
Groundwater (renewable and non-renewable)	Water which is being held in, and can be recovered from, an underground formation. Renewable groundwater sources can be replenished within 50 years and are usually located at shallow depths. Non-renewable groundwater has a negligible rate of natural recharge on the human time-scale (more than 50 years), and is generally located at deeper depths than renewable groundwater; this is sometimes referred to as 'fossil'' water.	ESRS E3- Water and marine resources
Habitat	The place or type of site where an organism or population naturally occurs. Also used to mean the environmental attributes required by a particular species or its ecological niche. (IPBES online glossary)	ESRS E4- Biodiversity and ecosystems
Habitat fragmentation	A general term describing the set of processes by which habitat loss results in the division of continuous habitats into a greater number of smaller patches of lesser total and isolated from each other by a matrix of dissimilar habitats. Habitat fragmentation may occur through natural processes (e.g., forest and grassland fires, flooding) and through human activities (forestry, agriculture, urbanization). (IPBES online glossary)	ESRS E4- Biodiversity and ecosystems
Harassment	Harassment is defined as a course of comments or actions that are unwelcome or should reasonably be known to be unwelcome, to the person towards whom they are	ESRS S1- Own workforce

	addressed. Harassment occurs when one or more employees are deliberately abused, threatened and/or humiliated in circumstances relating to work. Harassment may be carried out by one or more employees, with the purpose or effect of violating other employees' dignity, affecting [their] health and/or creating a hostile work environment.	
Hazardous/non hazardous solid waste	Hazardous (non hazardous) waste possesses (does not possess) any of the characteristics contained in Annex III of the Basel Convention, or that is (that is not) considered to be hazardous by national legislation.	ESRS E5-Resource use and circular economy
Human rights due diligence	An ongoing risk management process that a reasonable and prudent undertaking needs to follow in order to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts. It includes four key steps: assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed.	ESRS 2-General, strategy, governance and materiality assessment disclosure requirements
Impact	The effect an undertaking has or could have on the economy, environment, and people, including effects on their human rights, as a result of the undertaking's activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, and reversible or irreversible. Impacts indicate the undertaking's contribution, negative or positive, to sustainable development. (adapted from GRI, 2021)	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Impact materiality	A sustainability matter is material from an impact perspective if the undertaking is connected to actual or potential significant impacts related to the matter on people or the environment over the short-, medium- or long-term. This includes impacts directly caused or contributed to by the undertaking in its own operations, products or services and impacts which are otherwise directly linked to the undertaking's upstream and downstream value chain, not limited to direct contractual relationships.	ESRS 1- General Principles
Incident	An 'incident' refers to a legal action or complaint registered with the undertaking or competent authorities through a formal process, or an instance of non-compliance identified by the undertaking through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms.	ESRS S1- Own workforce
Incineration with (without) energy recovery	Incineration is the controlled burning of waste at high temperature. It is with energy recovery when the energy created in the combustion process is harnessed for re-use, for example for power generation. It is without energy recovery when the heat generated by combustion is dissipated in the environment.	ESRS E5-Resource use and circular economy
Indigenous peoples	Indigenous peoples are generally identified as 1) tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated	ESRS S3-Affected communities

	wholly or partially by their own customs or traditions or by special laws or regulations; 2) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.	
Indirect impact	See the definition of 'impact'. 'Indirect' (also referred to as secondary or induced impact) means happening in addition to an intended result or not being connected in a simple and/or direct way.	ESRS E2-Pollution
Indirect GHG emissions (Scope 2)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the undertaking. (adapted from GHG Protocol Scope 2 Guidance Glossary)	ESRS E1-Climate change
Indirect GHG emissions (Scope 3)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 3 GHG emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. (GHG Protocol, "A corporate accounting and reporting standard", Glossary, 2004); Scope 3 GHG emissions are considered as estimated emissions in comparison with Scope 1 and 2 as their calculation is based on a combination of methods and primary and secondary data ranging from precise figures (supplier-specific or sites-specific methods) to extrapolated figures (average-data or spend-based methods).	ESRS E1-Climate change
Internal carbon price	Internal carbon price is a price used by entities to assess the financial implications of changes to investment, production, and consumption patterns, as well as potential technological progress and future emissions abatement costs. (adapted from IISB Exposure Draft of Climate-related Disclosures)	ESRS E1-Climate change
Internal carbon pricing scheme	Internal carbon pricing scheme is an organizational arrangement that allows an undertaking to apply carbon prices in strategic and operational decision making. There are two types of internal carbon pricing schemes commonly used by undertakings. The first type is a shadow price, which is a theoretical cost or notional amount that the undertaking does not charge but that can be used in assessing the economic implications or trade-offs for such things as risk impacts, new investments, net present value of projects, and the cost-benefit of various initiatives. The second type is an internal tax or fee, which is a carbon price charged to a business activity, product line, or other operating segment based on its GHG emissions. (adapted from IISB Exposure Draft of Climate-related Disclosures)	ESRS E1-Climate change

Invasive (alien) species	Species whose introduction and/or spread by human action outside their natural distribution threatens biological diversity, food security, and human health and well-being. 'Alien' refers to the species having been introduced outside its natural distribution ('exotic', "non-native' and 'non-indigenous' are synonyms for 'alien'). 'Invasive' means 'tending to expand into and modify ecosystems to which it has been introduced'. Thus, a species may be alien without being invasive, or, in the case of a species native to a region, it may increase and become invasive, without actually being an alien species (IPBES glossary).	ESRS E4-Biodiversity and ecosystems
Key Biodiversity Areas	Key Biodiversity Areas (KBA) are sites contributing significantly to the global persistence of biodiversity, in terrestrial, freshwater and marine ecosystems. Sites qualify as global KBAs if they meet one or more of 11 criteria, clustered into five categories: threatened biodiversity; geographically restricted biodiversity; ecological integrity; biological processes; and, irreplaceability. The World Database of Key Biodiversity Areas is managed by BirdLife International on behalf of the KBA Partnership (Integrated Biodiversity Assessment Tool (IBAT)	ESRS E4-Biodiversity and ecosystems
Landfilling	Final depositing of solid waste at, below, or above ground level at engineered disposal sites	ESRS E5-Resource use and circular economy
Land-system (change)	Land systems are the terrestrial component of the Earth system, encompassing all processes and activities related to the human use of land. These include socio-economic, technological and organisational inputs and arrangements, as well as the benefits gained from land and the unintended social and ecological outcomes of societal activities. The land systems concept combines land use (the activities, arrangements and inputs associated with land use) with land cover (the ensemble of physical characteristics of land discernible by Earth Observation). (EEA)	ESRS E4-Biodiversity and ecosystems
Land-use (change)	The human use of a specific area for a certain purpose (such as residential; agriculture; recreation; industrial, etc.). Influenced by, but not synonymous with, land cover. Land use change refers to a change in the use or management of land by humans, which may lead to a change in land cover. (IPBES online glossary)	ESRS E4-Biodiversity and ecosystems
Legitimate representatives	Individuals recognised as such under law or practice, such as elected trade union representatives in the case of workers, or other similarly freely chosen representatives of affected stakeholders.	ESRS S2-Workers in the value chain
Leverage	The ability of an undertaking to effect change in the wrongful practices of another party that is causing or contributing to an adverse human rights impact.	ESRS S2-Workers in the value chain
Lobbying activities	Refers to activities carried out with the objective to influence governments, governmental institutions and/or regulators. Such activities include (non-exhaustive list): • organising or participating in meetings, conferences, events;	ESRS G2-Business conduct

	• contributing to/participating in public consultations, hearings or other similar initiatives; • organising communication campaigns, platforms, networks, grassroots initiatives; • preparing/commissioning policy and position papers, opinion polls, surveys, open letters, research work as per the activities covered by transparency register rules.	
Location table	A tabular list of the parts of the management report that contain sustainability information required by ESRS standards indicating their location within the management report	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Locked-in GHG emissions	Locked-in emissions are estimates of future GHG emissions that are likely to be caused by an undertaking's key assets or sold products within their operating lifetime.	ESRS E1-Climate change
Mitigation hierarchy	The sequence of actions to anticipate and avoid impacts on biodiversity and ecosystem services; and where avoidance is not possible, minimize; and, when impacts occur, rehabilitate or restore; and where significant residual impacts remain, offset. (CDP, CSBI, 2015)	ESRS E4-Biodiversity and ecosystems
Most harmful substances	'Most harmful substances' are a subset of substances of concern and they are (as listed in the Chemicals Strategy for Sustainability, referenced by the Platform on Sustainable Finance)[1]: • carcinogenic, mutagenic or reprotoxic substances (CMRs); • persistent, bioaccumulative and toxic substances (PBTs); • very persistent and very bioaccumulative substances (vPvBs); • endocrine disrupting substances (EDs); • immunotoxicants; • neurotoxicants, respiratory sensitisers; • substances having specific organ toxicity (STOT) with chronic effects; • persistent, mobile and toxic substances (PMTs); • ozone-depleting substances; and • very persistent and very mobile substances (vPvMs).	ESRS E2-Pollution
Natural ecosystem	An ecosystem that substantially resembles—in terms of species composition, structure, and ecological function—one that is or would be found in a given area in the absence of major human impacts. This includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are present. (CDP, Afi, 2019)	ESRS E4-Biodiversity and ecosystems

[1] Source: Platform on Sustainable Finance: Technical Working Group, report with recommendations on technical screening criteria for the four remaining environmental objectives of the EU Taxonomy, March 30, 2022

Natural habitat	Natural habitats are areas composed of viable assemblages of plant and/or animal species of largely native origin, and/or where human activity has not essentially modified an area's primary ecological functions and species composition. (CDP, IFC, 2012)	ESRS E4-Biodiversity and ecosystems
Natural resources	Natural assets (raw materials) occurring in nature that can be used for economic production or consumption. (OECD Glossary of Statistical Terms)	ESRS E4-Biodiversity and ecosystems
Net-zero target	Setting a net-zero target at the level of an undertaking aligned with meeting societal climate goals means (1) achieving a scale of value chain emissions reductions consistent with the depth of abatement at the point of reaching global net-zero in 1.5˚C pathways, and (2) neutralizing the impact of any residual emissions by permanently removing an equivalent volume of CO2. (adapted from SBTi Corporate Net-zero Standard)	ESRS E1-Climate change
Non-employee worker in own workforce	Non-employee workers in an undertaking's own workforce include both individual contractors supplying labour to the undertaking ("self-employed workers") and workers provided by undertakings primarily engaged in "employment activities" (NACE Code N78).	ESRS S1- Own workforce
Non-renewable energy	Non-renewable energy is the energy which cannot be identified as deriving from renewable sources. [Draft Regulatory Technical Standards with regard to the content and presentation of disclosures pursuant to Article 8(4), 9(6) and 11(5) of Regulation (EU)] Fossil fuels such as oil, natural gas, and coal are examples of non-renewable resources.	ESRS E1-Climate change
Non-renewable material	Resources that are not able to be renewed or replenished on timescales relevant to the economy, i.e., not geological timescales, such as minerals, metals, oil, gas or coal. (Source: GRI 301 and BS 8001 Circular Economy and EMF)	ESRS E5- Resource use and circular economy
Own workforce/own worker	'Own workforce' includes workers who are in an employment relationship with the undertaking ('employees') and non-employee workers who are either individual contractors supplying labour to the undertaking ('self-employed workers') or workers provided by undertakings primarily engaged in 'employment activities' (NACE Code N78)	ESRS S1- Own workforce
Pay	Gross hourly earnings, which are the wages and salaries earned by full-time and part-time employees, per hour paid, before any tax and social security contributions are deducted. Wages and salaries include any overtime pay, shift premiums, allowances, bonuses, and commissions.	ESRS S1- Own workforce
Persons with disabilities	Persons with disabilities include those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. Disability is the umbrella term for impairments, activity limitations and participation restrictions, referring to the negative aspects of the interaction between an individual	ESRS S1- Own workforce

	(with a health condition) and that individual's contextual factors (environmental and personal factors)	
Physical risks /opportunities from nature loss	Physical risks resulting from nature loss can be categorised as event driven (acute), or longer-term shifts (chronic) in the way in which natural ecosystems function – or cease to function. Physical risks may have financial implications for organisations, such as direct damage to assets, the loss of (local and regional) ecosystem services crucial to production processes or employee well-being, and indirect impacts from supply chain disruption. These risks may also have financial and non-financial implications for other parties, such as the loss of global ecosystem services crucial to human well-being. Physical opportunities may also have financial implications for organisations, such as increased resilience of business production processes or demand. (TNFD, 2021)	ESRS E4-Biodiversity and ecosystems
Planetary boundaries	This concept enables a safe operating space for humanity to be estimated with respect to the functioning of the Earth. The boundary level for each key Earth System process that should not be transgressed if we are to avoid unacceptable global environmental change, is quantified (Rockström et al. 2009). The selection of planetary boundaries emerges from the definition of what constitutes unacceptable human-induced global environmental change. The position of a planetary boundary is a function of the degree of risk the global community is willing to take, e.g., how close to an uncertainty zone around a dangerous level or threshold of a Earth System process humanity is willing to place itself, and/or how long a boundary can temporarily be transgressed before a threshold is crossed. The position is furthermore a function of the social and ecological resilience of the impacted society. Boundaries are identified for processes where the time needed to trigger an abnormal irreversible change within an ethical time horizon – a timeframe short enough to influence today's decisions yet long enough to provide the basis for sustainability over many generations to come, and within which decisions taken can influence whether or not the estimated threshold - is crossed. (Rockström et al. 2009).	ESRS E4-Biodiversity and ecosystems
Policy	A policy is a set or framework of general objectives and management principles that the undertaking uses for decision-making. A policy implements the undertaking's strategy or management decisions related to a material sustainability matter. Each policy is under the responsibility of defined person(s), specifies its perimeter of application, and includes one or more objectives (linked when applicable to measurable targets). A policy is validated and reviewed following the undertakings' applicable governance rules. A policy is implemented through actions or action plans.	ESRS 1- General Principles
Policy objectives	Objectives are specific, direction setting, outcome-based statements. Objectives are defined in the policies translating the undertaking's strategy.	ESRS 1- General Principles
Pollutant	'Pollutant' means a substance, vibration, heat, noise, light or other contaminant present in air, water or soil which may be	ESRS E2-Pollution

	harmful to human health and/or the environment, which may result in damage to material property, or which may impair or interfere with amenities and other legitimate uses of the environment. For a definition of 'pollution' and 'pollutants', see Article 2 points (10) and (12) of the Taxonomy Regulation (EU) 2020/852.	
Pollution	'Pollution' means the direct or indirect introduction, as a result of human activity, of pollutants into air, water or soil which may be harmful to human health and/or the environment, which may result in damage to material property, or which may impair or interfere with amenities and other legitimate uses of the environment. For a definition of 'pollution' and 'pollutants', see Article 2 points (10) and (12) of the Taxonomy Regulation (EU) 2020/852.	ESRS E2-Pollution
Primary products	Grown, harvested or extracted raw materials	ESRS E5-Resource use and circular economy
Protected area	A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. (IUCN, 2018) The Common Database on Designated Areas (CDDA) is more commonly known as Nationally designated areas. It is the official source of protected area information from European countries to the World Database of Protected Areas (WDPA).	ESRS E4-Biodiversity and ecosystems
Purchased or acquired energy	'Purchased or acquired' is used when the undertaking has received the energy from a third party. The term 'acquired' reflects circumstances where a company may not directly purchase electricity (e.g., a tenant in a building), but where the energy is brought into the organisation's facility for use. (based on GHG Protocol Scope 2 Guidance)	ESRS E1-Climate change
Raw material	Raw material – primary or secondary material that is used to produce a product. (ISO 14040:2006)	ESRS E4-Biodiversity and ecosystems
Rebuttable presumption of mandatory disclosure requirements	Mandatory disclosure requirements are considered material for an undertaking until proven untrue (rebutted). The rebuttable presumption places the responsibility of proof (i.e., that a disclosure requirement is not material) on the undertaking.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Recognised quality standards for carbon credits	Recognised quality standards for carbon offsets are those that are verifiable by independent third parties, make requirements and project reports publicly available and as a minimum ensure additionality, permanence, avoidance of double counting and provide rules for calculation, monitoring, and verification of the project's GHG emissions.	ESRS E1-Climate change
Recyclable materials	Materials which may be collected, separated or processed and returned to the economic mainstream in the form of secondary raw materials or products	ESRS E5-Resource use and circular economy

Recycled/reused water	Water and wastewater (treated or untreated) that has been used more than once before being discharged from the undertaking's boundary, so that water demand is reduced. This may be in the same process (recycled), or used in a different process within the same facility or another of the undertaking's facilities (reused).	ESRS E3- Water and marine resources
Recycling	Reduce a product all the way back to its basic materials, reprocessing and using them to make new products, components or materials.	ESRS E5- Resource use and circular economy
Remedy/remediation	Means to counteract or make good a negative impact or provision of remedy. Examples: apologies, financial or non-financial compensation, prevention of harm through injunctions or guarantees of non-repetition, punitive sanctions (whether criminal or administrative, such as fines), restitution, restoration, rehabilitation.	ESRS S1- Own workforce
Remuneration	Basic salary plus additional amounts paid to a worker. Examples of additional amounts paid to a worker can include those based on years of service, bonuses including cash and equity such as stocks and shares, benefit payments, overtime, time owed, and any additional allowances, such as transportation, living and childcare allowances. (GRI, 2021).	ESRS G1- Governance, risk management and internal control
Renewable (non-renewable) withdrawals form groundwater	Water which is being held in, and can be recovered from, an underground formation. Non-renewable groundwater has a negligible rate of natural recharge on the human time-scale (more than 50 years), and is generally located at deeper depths than renewable groundwater. This is sometimes referred to as 'fossil'' water. Renewable groundwater sources can be replenished within 50 years and are usually located at shallow depths.	ESRS E3- Water and marine resources
Renewable energy	Renewable energy is the energy taken from sources that are inexhaustible. As such, renewable energy covers: wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas. (Art. 2 (1) Directive (EU) 2018/2001)	ESRS E1- Climate change
Renewable resources/materials	Material that is derived from plentiful resources that are quickly replenished by ecological cycles or agricultural processes, so that the services provided by these and other linked resources are not endangered and remain available for the next generation	ESRS E5- Resource use and circular economy
Resource use optimisation	To design, produce and distribute materials and products with the objective to keep them in use at their highest value. Eco-design and design for longevity, repair, reuse, repurposing, disassembly, remanufacturing are examples of tools to prevent from a quick and limited use of materials and products. Innovative business models could also contribute to better use existing products and materials (sharing, pay-per-use, …). Regenerative production methods could also be applied	ESRS E5- Resource use and circular economy
Resources Inflows (Outflows)	Resource that enters (leaves) the undertaking's infrastructure.	ESRS E5- Resource use

		and circular economy
Reuse	The repeated use of a product or component for its original intended purpose without significant modification, but potentially involving cleaning or small adjustments so it is ready for the next use.	ESRS E5- Resource use and circular economy
River basins	The area of land from which all surface run-off flows through a sequence of streams, rivers and, possibly, lakes into the sea at a single river mouth, estuary or delta. River Basin district: The area of land and sea, made up of one or more neighbouring river basins together with their associated groundwaters and coastal waters, which is identified under Article 3 (1) (of the Water Framework Directive) as the main unit for management of river basins. (Article 2 of Water Framework Directive).	ESRS E3- Water and marine resources
Scenario	A plausible description of how the future may develop based on a coherent and internally consistent set of assumptions about key driving forces (e.g., rate of technological change, prices) and relationships. Note that scenarios are neither predictions nor forecasts, but are used to provide a view of the implications of developments and actions. (IPCC, "Special Report: Global warming of 1.5 °C", Annex I: Glossary, 2018)	ESRS E1- Climate change
Scenario analysis	Scenario analysis is a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. (TCFD Guidance on Metrics, Targets and Transition Plans)	ESRS E1- Climate change
Scope 3 categories	The GHG Protocol Corporate Standard and detailed by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (adapted from GHG Protocol Scope 3 Accounting and Reporting Standard Glossary) identifies 15 types of Scope 3 emissions. For the purpose of simplified presentation, the 15 categories should be grouped in: (a) Upstream purchasing includes the GHG protocol categories 'purchased goods and services', 'capital goods', 'fuel- and energy-related activities (not included in scope 1 or scope 2)', 'upstream leased assets' and 'waste generated in operations'; (b) Downstream sold products comprises 'processing of sold products', 'use of sold products', 'End-of-life treatment of sold products', 'Downstream leased assets', 'Franchises'; (c) Goods transportation comprises 'upstream transportation and distribution' and 'downstream transportation and distribution'; (d) Travels comprises business travels and employee commuting; (e) Financial investments reflect the respective GHG Protocol category. Significant indirect GHG emissions from cloud computing and data centre services may be presented separately under the category 'upstream purchasing'.	ESRS E1- Climate change

Sector	Subdivision of an economy, society or sphere of activity, defined on the basis of some common characteristic. A sector generally refers to a large segment of the economy or grouping of business types, while 'industry' is used to describe more specific groupings of undertakings within a sector.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Social dialogue	All types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers, their organisations and workers' representatives, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between trade union and workers' representatives and management (or trade unions and employers' organisations).	ESRS S1- Own workforce
Social security	Social security is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner.	ESRS S1- Own workforce
Societal or ecological thresholds	A sustainable future relies on ensuring that no one falls short on life's essentials, and that collectively we do not overshoot our pressure on Earth's life-supporting systems. Societal or ecological thresholds identified by science help establish the foundations and ceilings that earth and society should seek to operate within to prevent harm to people and the natural environment. (https://impactmanagementplatform.org/thresholds-andallocations/)	ESRS E4- Biodiversity and ecosystems
Soil	'Soil' means the top layer of the Earth's crust situated between the bedrock and the surface. The soil is composed of mineral particles, organic matter, water, air and living organisms.	ESRS E2- Pollution
Stakeholder engagement	An ongoing process of interaction and dialogue between an undertaking and its stakeholders that enables the undertaking to hear, understand and respond to their interests and concerns.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Stakeholder(s)	Stakeholders are those who have interests in the undertaking. Two main groups of stakeholders may be identified: (a) affected stakeholders - individuals or groups that have interests that are affected or could be affected (positively or negatively) by the undertaking's activities and through its value chain; (b) users of sustainability reporting – stakeholders with an interest in the undertaking, which includes: (i) existing and potential investors, lenders and other creditors (including asset managers, credit institutions, insurance undertakings), and (ii) business partners of the undertakings, trade unions and social partners, civil society organisations and non-governmental organisations.	ESRS 1- General Principles

	Some, but not all, stakeholders may belong to both groups.	
Strategy	An undertaking's plan to achieve its mission and vision and apply its core values.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Substance of concern	'Substance of concern' cover: • substances having a chronic effect for human health or the environment (Candidate list in REACH and Annex VI to the CLP Regulation); • those which hamper recycling for safe and high quality secondary raw materials; and the most harmful substances as listed in the Chemicals Strategy for Sustainability	ESRS E2- Pollution
Supplier	Entity upstream from the organisation (i.e., in the organisation's supply chain), which provides a product or service that is used in the development of the organisation's own products or services. A supplier can have a direct business relationship with the organisation (often referred to as a first-tier supplier) or an indirect business relationship.	ESRS S2- Workers in the value chain
Supply chain	The full range of activities or processes carried out by entities upstream from the undertaking, which provide products or services that are used in the development of the undertaking's own products or services. This includes upstream entities with which the undertaking has a direct (often referred to as a first-tier supplier) or indirect business relationship.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Sustainability matters	Sustainability factors as defined in Article 2, point (24) of Regulation (EU) 2019/2088 of the European Parliament and of the Council, that is environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters; and governance factors.	ESRS 1- General Principles
Sustainability statements	Separately identifiable section or parts of the management report that contain the sustainability information required by the applicable ESRS.	ESRS 1- General Principles
Sustainability-related opportunities	Sustainability-related financial opportunities are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material positive effect on the undertaking's business model, strategy, its capability to achieve its goals and targets and to create value, and therefore may influence its decisions and those of its business relationship partners as regard to sustainability matters. Like any other opportunity, sustainability-related financial opportunities are the combination of a probability of occurrence, and an impact magnitude.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Sustainability-related risks	Sustainability-related financial risks are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material negative effect on the undertaking's business model, strategy and sustainability strategy, its capability to achieve its goals and	ESRS 2- General, strategy, governance and materiality assessment

	targets and to create value, and therefore may influence its decisions and those of its business relationships as regard to sustainability matters. The risk management framework implemented by the undertaking aims at the identification, measurement, prevention and mitigation of sustainability-related financial risks. Like any other risks, sustainability-related financial risks are the combination of a probability of occurrence, and an impact magnitude.	disclosure requirements
Sustainable use (of biodiversity and its components)	The use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations. (IPBES online glossary)	ESRS E4- Biodiversity and ecosystems
Systemic risks from nature loss	Systemic risks are risks arising from the breakdown of the entire system, rather than the failure of individual parts. They are characterised by modest tipping points combining indirectly to produce large failures with cascading of interactions of physical and transition risks (contagion), as one loss triggers a chain of others, and with systems unable to recover equilibrium after a shock. An example is the loss of a keystone species, such as sea otters, which have a critical role in ecosystem community structure. When sea otters were hunted to near extinction in the 1900s, the coastal ecosystems flipped and biomass production was greatly reduced. (TNFD, 2022)	ESRS E4- Biodiversity and ecosystems
Target	A target is a specific and measurable desired outcome, generally defined within the framework of an action plan, with specific time frames, a base year, key performance indicators used to assess progress, that supports the achievement of objectives set by the undertaking's policies. Targets are defined for material sustainability matters with respect to results for people or the environment or in terms of the effect on business.	ESRS 1 General Principles
Total water use	The sum of water used for all activities in direct operations in the reporting year. This volume can be calculated as the sum of water drawn into the organization's boundary (water withdrawals put into storage should be subtracted where this is more than 5% of withdrawals), plus water taken from storage for use prior to discharge, plus water that is recycled/reused within your operations.	ESRS E3- Water and marine resources
Training	For the aim of this Standard, training is defined as those initiatives put in place by the undertaking aimed at the maintenance and/or improvement of skills and knowledge of its own workers. It can include different methodologies, such as on-site training, and online training.	ESRS S1- Own workforce
Transition plan	A transition plan is a specific type of action plan that is adopted by the undertaking in relation to a strategic decision and that addresses (a) a public policy objective; and/ or (b) an entity-specific action plan that the undertaking decides to organise as a structured set of targets and actions and to associate when disclosing to	ESRS 1- General Principles

	(i) a key strategic decision; (ii) a major change in business model; and/or (iii) a particularly important action plan in terms of objectives or allocation of resources.	
Transition plan for climate change mitigation	Aspect of an undertaking's overall strategy that lays out a set of targets and actions supporting its transition toward limiting climate change to 1.5°C.	ESRS E1- Climate change
Transition risks/ opportunities from nature loss	Transition risks are risks that result from a misalignment between an undertaking's or an investor's strategy and management and the changing landscape in which it operates. Developments aimed at halting or reversing the damage to nature, such as government regulations or policy, technological developments, market changes, litigation and changing consumer preferences, can all result in transition risks. (TNFD, 2022)	ESRS E4- Biodiversity and ecosystems
Value chain	The full range of activities or processes needed to create a product or service. This includes entities with which the undertaking has a direct or indirect business relationship, both upstream and downstream of its own activities, which either (a) supply products or services that contribute to the organisation's own products or services, or (b) receive products or services from the organisation.	ESRS 2- General, strategy, governance and materiality assessment disclosure requirements
Wage	Gross wage, excluding variable components such as overtime and incentive pay, and excluding allowances unless they are guaranteed.	ESRS S1- Own workforce
Wastewater	Water which is of no further immediate value to the purpose for which it was used or in the pursuit of which it was produced because of its quality, quantity, or time of occurrence. Wastewater from one user can be a potential supply to a user elsewhere. Cooling water is not considered to be wastewater.	ESRS E3- Water and marine resources
Water consumption	The amount of water drawn into the boundaries of the organization (or facility) and not discharged back to the water environment or a third party over the course of the reporting period.	ESRS E3- Water and marine resources
Water discharge	The sum of effluents and other water leaving the boundaries of the organization and released to surface water, groundwater, or third parties over the course of the reporting period.	ESRS E3- Water and marine resources
Water intensity	A metric providing the relationship between a volumetric aspect of water and a unit of activity (products, sales, etc.) created.	ESRS E3- Water and marine resources

Water scarcity	Refers to the volumetric abundance, or lack thereof, of freshwater resources. Scarcity is human driven; it is a function of the volume of human water consumption relative to the volume of water resources in a given area. As such, an arid region with very little water, but no human water consumption would not be considered scarce, but rather "arid". Water scarcity is a physical, objective reality that can be measured consistently across regions and over time. Water scarcity reflects the physical abundance of freshwater rather than whether that water is suitable for use. For instance, a region may have abundant water resources (and thus not be considered water scarce), but have such severe pollution that those supplies are unfit for human or ecological uses. See also: water stress. (The CEO Water Mandate, Corporate Water Disclosure Guidelines, 2014).	ESRS E3- Water and marine resources
Water stress	The ability, or lack thereof, to meet human and ecological demand for fresh water. Compared to scarcity, "water stress" is more inclusive, considering physical scarcity, water quality, and the accessibility of water. See also water scarcity. (CDP Water questionnaire, 2021).	ESRS E3- Water and marine resources
Water withdrawal	The sum of all water drawn into the boundaries of the undertaking from all sources for any use over the course of the reporting period. (Adapted from CDP Water questionnaire, 2021).	ESRS E3- Water and marine resources
Worker in the value chain	An individual performing work in the value chain of an undertaking, regardless of the existence or nature of any contractual relationship with that undertaking In the ESRS, the following is included in the scope of workers in the value chain: all workers in the undertaking's upstream and downstream value chain who are or can be materially impacted in connection with the undertaking's products, services and activities. This also includes all non-employee workers whose work and/or workplace is controlled by the undertaking, but are not included in the scope of "Own Workforce" ("Own Workforce" includes: workers who are in an employment relationship with the undertaking ('employees') and non-employee workers who are either individual contractors supplying labour to the undertaking ('self-employed workers') or workers provided by undertakings primarily engaged in 'employment activities' (NACE Code N78)	ESRS S2- Workers in the value chain
Workers' representatives	'Workers' representatives' means: (a) trade union representatives, namely, representatives designated or elected by trade unions or by members of such unions in accordance with national legislation and practice; (b) duly elected representatives, namely, representatives who are freely elected by the workers of the organisation, not under the domination or control of the employer in accordance with provisions of national laws or regulations or of collective agreements and whose functions do not include activities which are the exclusive prerogative of trade unions in the country concerned and which existence is not used to	ESRS S2- Workers in the value chain

	undermine the position of the trade unions concerned or their representatives.	
Work-life balance	Satisfactory state of equilibrium between an individual's work and private life. Work-life balance encompasses not only the balance between work and private life given family or care responsibilities, but also time allocation between time spent at work and in private life beyond family responsibilities.	ESRS S1- Own workforce
Work-related incident	Occurrence arising out of or in the course of work that could or does result in injury or ill health Incidents might be due to, for example, electrical problems, explosion, fire; overflow, overturning, leakage, flow; breakage, bursting, splitting; loss of control, slipping, stumbling and falling; body movement without stress; body movement under/with stress; shock, fright; workplace violence or harassment (e.g., sexual harassment). An incident that results in injury or ill health is often referred to as an 'accident'. An incident that has the potential to result in injury or ill health but where none occurs is often referred to as a 'close call', 'near-miss', or 'near-hit'.	ESRS S1- Own workforce
Work-related hazards	Work-related hazards (sources or situations with the potential to cause injury or ill health) can be: • physical (e.g., radiation, temperature extremes, constant loud noise, spills on floors or tripping hazards, unguarded machinery, faulty electrical equipment); • ergonomic (e.g., improperly adjusted workstations and chairs, awkward movements, vibration); • chemical (e.g., exposure to solvents, carbon monoxide, flammable materials, or pesticides); • biological (e.g., exposure to blood and bodily fluids, fungi, bacteria, viruses, or insect bites); • psychosocial (e.g., verbal abuse, harassment, bullying); • related to work-organisation (e.g., excessive workload demands, shift work, long hours, night work, workplace violence).	ESRS S1- Own workforce

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