

Checklist: How to Prepare for the CSRD

01 Assess Applicability and Understand Requirements

Following the EU's Omnibus simplification, the scope of mandatory CSRD reporting generally applies to EU companies with more than 1,000 employees and more than €450 million in annual net turnover. Revised requirements also apply to certain non-EU companies with significant activity in the EU.



Determine whether your company falls within the revised scope of the CSRD and understand the reporting requirements that apply to your organization.



If your organization is in scope, familiarize yourself with the latest ESRS and the sustainability information you may need to disclose.

02 Set Up Governance, Engage Experts, and Educate Workforce

Establish an appropriate governance structure for sustainability reporting, including clear roles, responsibilities and oversight.



Consider creating a cross-functional CSRD working group with representatives from relevant functions such as Sustainability, Finance, HR, Operations, Risk, and Legal.



Educate key stakeholders on the CSRD, what it means for your business, and how the reporting process can support better identification and management of sustainability-related impacts, risks, and opportunities.



Companies in scope should also prepare for limited assurance over their sustainability reporting. Engaging with your auditor or assurance provider early can help ensure that your processes, evidence, and controls are designed with assurance in mind.

03 Conduct a Double Materiality Assessment

Double materiality remains central to sustainability reporting under the ESRS. It enables companies to identify the sustainability matters that are material from an impact perspective, a financial perspective, or both.

✓ Apply the latest ESRS requirements when designing or refreshing your double materiality assessment, taking advantage of the simplifications introduced to make the process more proportionate and focused.

✓ The assessment can be undertaken internally or with expert support. [Explore Novata's double materiality offerings.](#)

✓ Use the findings to inform your sustainability strategy, due diligence, and reporting processes. Existing risk management and due diligence processes should also inform the assessment.

✓ Where material gaps are identified, consider whether new or updated policies, processes, targets, or controls are required.

04 Develop Processes for Data Collection and Management

Although the revised ESRS significantly reduces the number of required datapoints, effective sustainability reporting still requires reliable processes for collecting, reviewing, and managing data.

✓ Start by identifying the information required for your material sustainability matters and mapping the relevant internal and external data sources.

✓ Implement or enhance systems and processes to capture, process, and report the required information efficiently.

✓ Establish appropriate controls and documentation to support the accuracy, completeness, and reliability of sustainability data and prepare for assurance.

✓ Where information is sourced from the value chain, take account of the revised rules designed to limit disproportionate information requests to smaller companies.

05 Pilot Data Collection and Reporting

Conduct a pilot data collection exercise against the latest ESRS requirements to identify gaps before your reporting deadline.

- ✓ Focus data collection on the disclosures relevant to the sustainability matters identified through your double materiality assessment, as well as any mandatory information applicable to your organization.
- ✓ Use the pilot to identify missing data, unclear ownership, manual processes, and control weaknesses. Prioritize improvements that will make subsequent reporting cycles more efficient and assurance ready.
- ✓ Where possible, conduct a dry run of the reporting process so that teams understand their responsibilities and potential issues can be resolved before formal reporting begins.

06 Identify Gaps and Build Your Strategy

Use the findings from your materiality assessment and pilot data collection to identify gaps between your current sustainability processes and the ESRS requirements that apply to your business.

- ✓ Prioritize these gaps based on their significance, reporting timelines, and the resources required to address them.
- ✓ Develop a clear roadmap that establishes responsibilities, actions, and timelines for improving your sustainability reporting processes.
- ✓ Novata's [advisory team](#) can support you with conducting an ESRS gap analysis or creating a strategy for your business to tackle the ESRS.

07 Stay Updated

EU sustainability reporting requirements have changed considerably and may continue to evolve as the revised framework is implemented.



Monitor developments relating to the CSRD, ESRS, national transposition, and related EU sustainability regulation, and periodically reassess how changes affect your organization.



Keep up to date with sustainability regulations using [Novata's Regulatory Navigator](#).

CSRD Simplified with Novata

Novata's CSRD workflow and Advisory solutions are built to be flexible as regulations evolve to ensure you're supported every step of the way. Learn how Novata's solutions can help you simplify your reporting processes.

SPEAK TO AN EXPERT

