

# CPE Check-in

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IN THE EVENT APP:*

**NAVESG2**





Together as the Association of International  
Certified Professional Accountants

# ESG

## Technical Roundtable session

Madrid

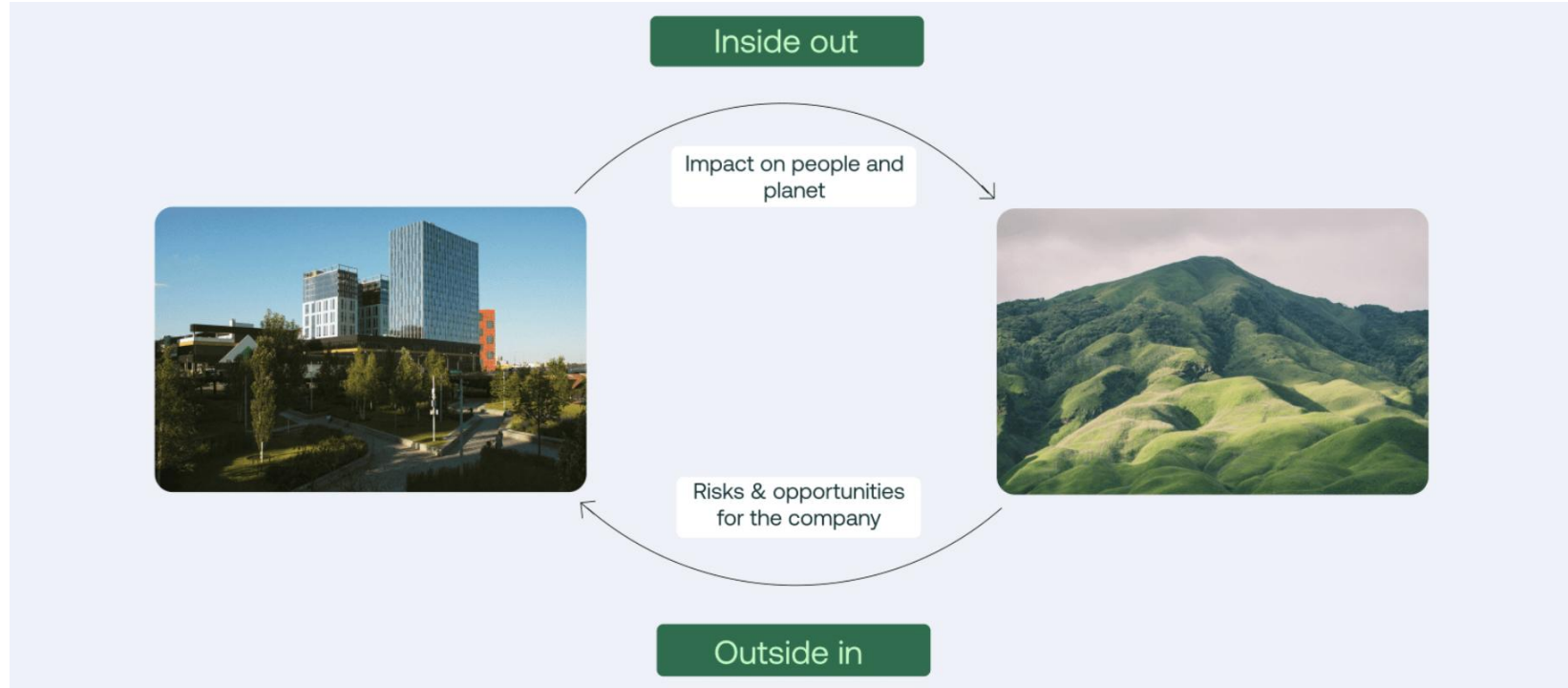
**Apr 10<sup>th</sup>, 2025**

**Ash Noah , FCMA, CGMA, CPA**

Managing Director – MA & Sustainability  
AICPA & CIMA

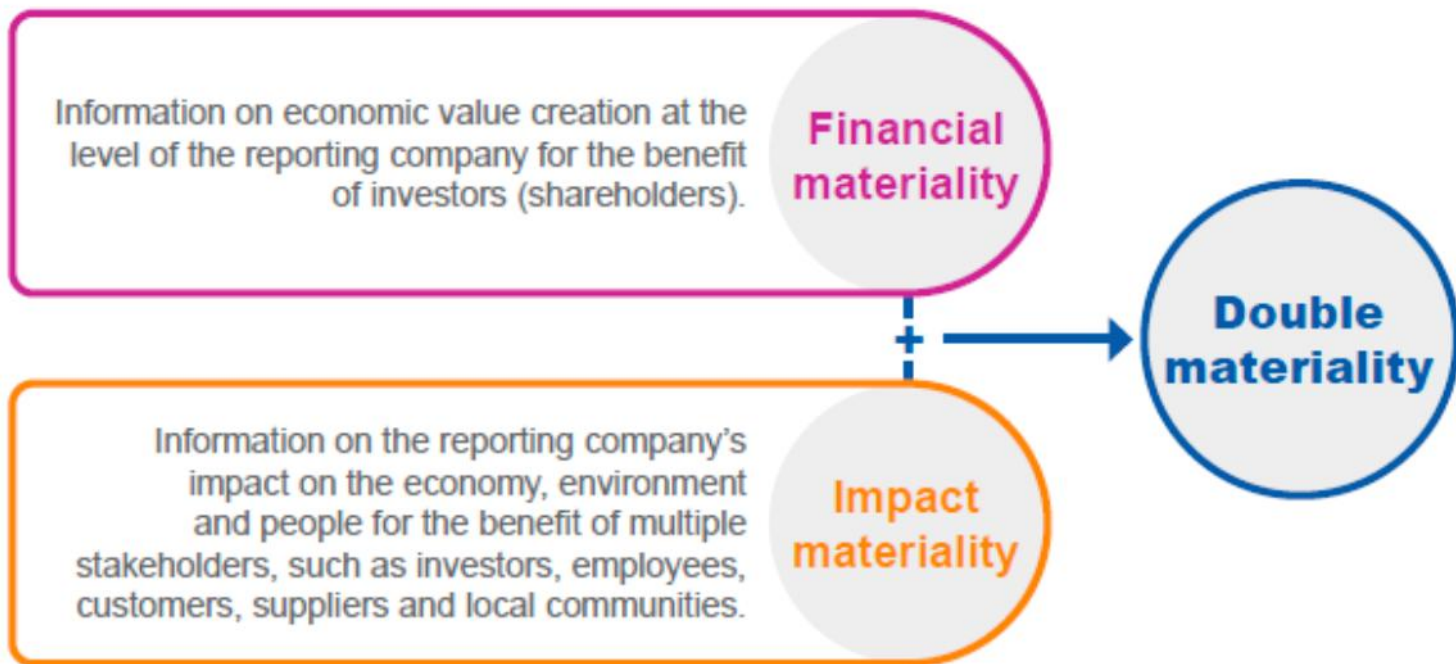


Inside-out (Impact Materiality): How a company's operations impact the wider environmental and social context.

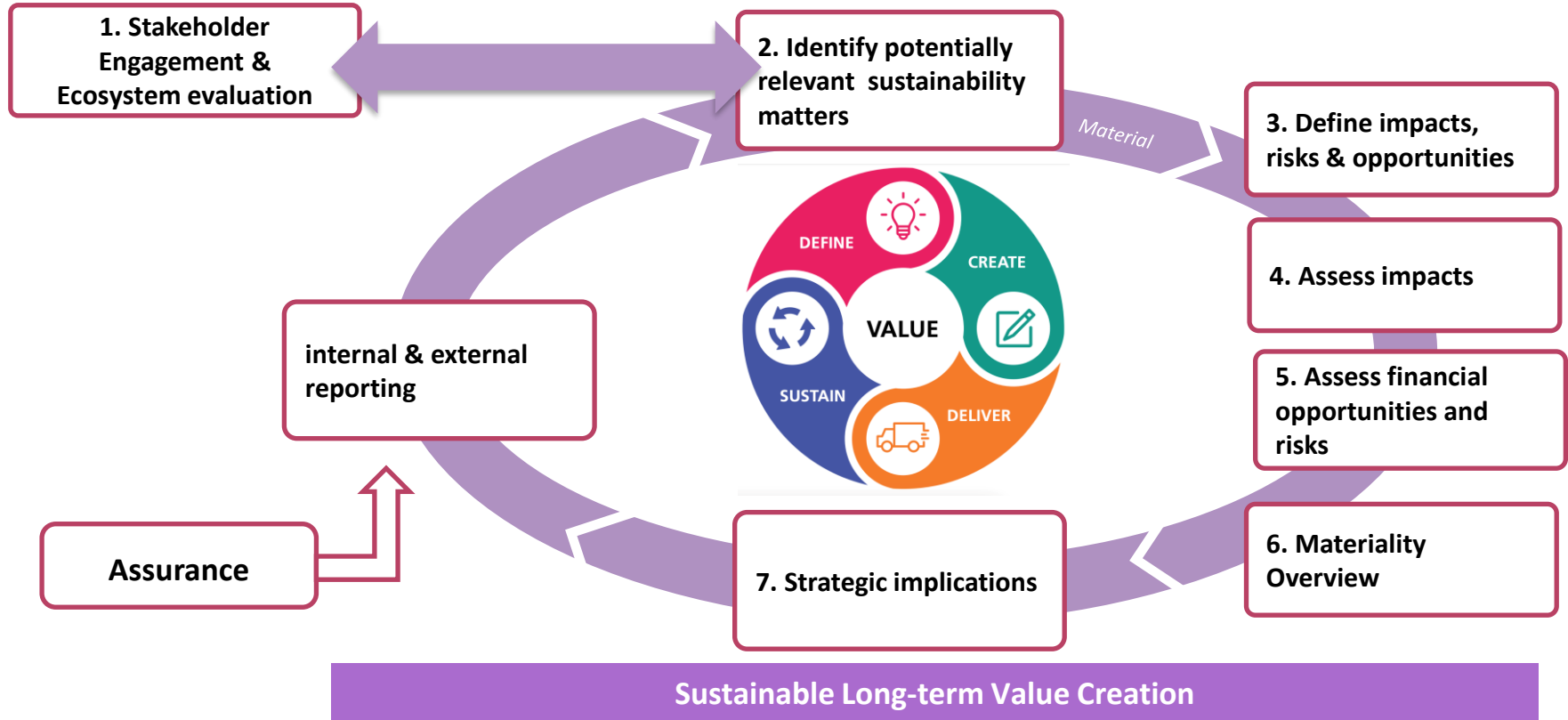


Outside-in (Financial Materiality) :How sustainability factors affect company's financial performance & long-term viability.

# Double Materiality



# Double Materiality Assessment Steps



Note: the specific role of the CFO / accounting & finance teams will vary by organization. In all cases, finance will partner with internal and external stakeholders.

Sources: adapted from [KPMG's Integrating ESG into your business](#) and the [Task Force on Climate-related Financial Disclosures \(TCFD\) framework](#).

	Topic	Sub-topics	Sub-sub-topics
ESR S E1	Climate Change	<ul style="list-style-type: none"> <li>– Climate change adaptation</li> <li>– Climate change mitigation</li> <li>– Energy</li> </ul>	
ESR S E2	Pollution	<ul style="list-style-type: none"> <li>– Pollution of air</li> <li>– Pollution of water</li> <li>– Pollution of soil</li> <li>– Pollution of living organisms and food resources</li> <li>– Substances of concern</li> <li>– Substances of very high concern</li> <li>– Microplastics</li> </ul>	
ESR S E3	Water and marine resources	<ul style="list-style-type: none"> <li>– Water</li> <li>– Marine resources</li> </ul>	<ul style="list-style-type: none"> <li>– Water consumption</li> <li>– Water withdrawals</li> <li>– Water discharges</li> <li>– Water discharges to water bodies and oceans</li> <li>– Extraction and use of marine resources</li> </ul>

ESR S E4	Biodiversity and ecosystems	<ul style="list-style-type: none"> <li>– Direct impact drivers of biodiversity loss</li> </ul>	<ul style="list-style-type: none"> <li>– Climate change</li> <li>– Land-use change, fresh water-use change and sea-use change</li> <li>– Direct exploitation</li> <li>– Invasive alien species</li> <li>– Pollution</li> <li>– Others</li> </ul>
		<ul style="list-style-type: none"> <li>– Impacts on the state of species</li> </ul>	Examples: <ul style="list-style-type: none"> <li>– Species population size</li> <li>– Species global extinction risk</li> </ul>
		<ul style="list-style-type: none"> <li>– Impacts on the extent and condition of ecosystems</li> </ul>	Examples: <ul style="list-style-type: none"> <li>– Land degradation</li> <li>– Desertification</li> <li>– Soil sealing</li> </ul>
		<ul style="list-style-type: none"> <li>– Impacts on and dependencies of ecosystem services</li> </ul>	
ESR S E5	Circular economy	<ul style="list-style-type: none"> <li>– Resource inflows, including resource use</li> <li>– Resource outflows related to products and services</li> <li>– Waste</li> </ul>	

	Topic	Sub-topics	Sub-sub-topics
ESRS S1	Own workforce	– Working Conditions	<ul style="list-style-type: none"> <li>– Secure Employment</li> <li>– Working Time</li> <li>– Adequate Wages</li> <li>– Social Dialogue</li> <li>– Freedom of Association, the existence of works councils, and the information, consultation, and participation rights of workers</li> <li>– Collective bargaining, including rate of workers covered by collective agreements</li> <li>– Work-life balance</li> <li>– Health and safety</li> </ul>
		– Equal treatment and opportunities for all	<ul style="list-style-type: none"> <li>– Gender equality and equal pay for work of equal value</li> <li>– Training and skills development</li> <li>– Employment and inclusion of persons with disabilities</li> <li>– Measures against violence and harassment in the workplace</li> <li>– Diversity</li> </ul>
		– Other work-related rights	<ul style="list-style-type: none"> <li>– Child Labour</li> <li>– Forced Labour</li> <li>– Adequate Housing</li> <li>– Privacy</li> </ul>
ESRS S2	Employees in the value chain	– Working conditions	<ul style="list-style-type: none"> <li>– Secure employment</li> <li>– Working hours</li> <li>– Adequate wages</li> <li>– Social dialogue</li> <li>– Freedom of association, the existence of works councils</li> <li>– Collective bargaining</li> <li>– Work-life balance</li> <li>– Health and safety</li> </ul>

		– Equal treatment and opportunities for all	<ul style="list-style-type: none"> <li>– Gender equality and equal pay for work of equal value</li> <li>– Training and skills development</li> <li>– Employment and inclusion of people with disabilities</li> <li>– Measures against violence and harassment in the workplace</li> <li>– Diversity</li> </ul>
		– Other work-related rights	<ul style="list-style-type: none"> <li>– Child labor</li> <li>– Forced Labor</li> <li>– Adequate housing</li> <li>– Water and sanitation</li> <li>– Privacy</li> </ul>
ESRS S3	Affected communities	– Communities' economic, social, and cultural rights	<ul style="list-style-type: none"> <li>– Adequate housing</li> <li>– Adequate food</li> <li>– Water and sanitation</li> <li>– Land-related impacts</li> <li>– Security-related impacts</li> </ul>
		– Communities' civil and political rights	<ul style="list-style-type: none"> <li>– Freedom of expression</li> <li>– Freedom of assembly</li> <li>– Impacts on human rights defenders</li> </ul>
		– Rights of indigenous peoples	<ul style="list-style-type: none"> <li>– Free, prior and informed consent</li> <li>– Self-determination</li> <li>– Cultural rights</li> </ul>
ESRS S4	Consumers and end-Users	– Information-related impacts for consumers and/or end-users	<ul style="list-style-type: none"> <li>– Privacy</li> <li>– Freedom of expression</li> <li>– Access to (quality) information</li> </ul>
		– Personal safety of consumers and/or end-users	<ul style="list-style-type: none"> <li>– Health and safety</li> <li>– Security of a person</li> <li>– Protection of children</li> </ul>

	Topic	Sub-topics	Sub-sub-topics
ESRS G1	Business Conduct	<ul style="list-style-type: none"> <li>– Corporate Culture</li> <li>– Protection of whistleblowers</li> <li>– Animal welfare</li> <li>– Political engagement</li> <li>– Management of relationships with suppliers, including payment practices</li> </ul>	
		<ul style="list-style-type: none"> <li>– Corruption and bribery</li> </ul>	<ul style="list-style-type: none"> <li>– Prevention and detection, including training</li> <li>– Incidents</li> </ul>





# Double Materiality Assessment Steps

## 1. Stakeholder identification in the enterprise's ecosystem in which it operates

- Identify relevant stakeholders/stakeholder mapping
- understand how people may be impacted by the organization and to get input and feedback on (material) sustainability matters.
- Through stakeholder engagement, organizations might identify (new) sustainability matters to be considered in their materiality assessment.
- identify the organization's most significant impact on people and the environment,
- Identify the most significant sustainability risks and opportunities for the organization.



Sustainable Long-term Value Creation

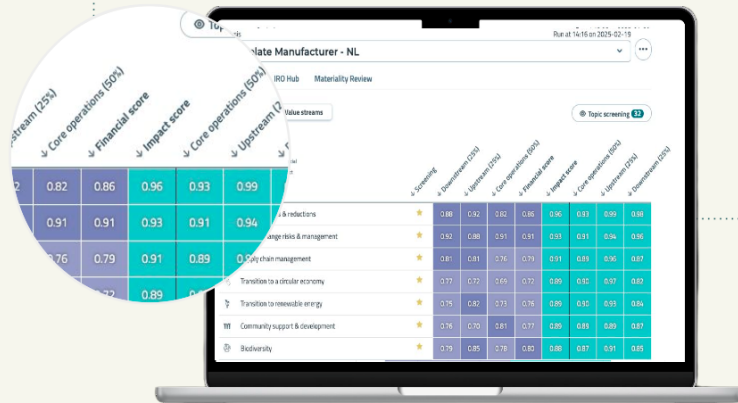
*Note: the specific role of the CFO / accounting & finance teams will vary by organization. In all cases, finance will partner with internal and external stakeholders.*

*Sources: adapted from [KPMG's Integrating ESG into your business](#) and the [Task Force on Climate-related Financial Disclosures \(TCFD\) framework](#).*



Identify which stakeholders are driving a topic's potential materiality.

Prioritise engagement with the most relevant stakeholder groups.



## Client Value

Ensure that the ESG strategy is well-informed by the most impactful stakeholder insights, ultimately driving more precise and actionable outcomes.



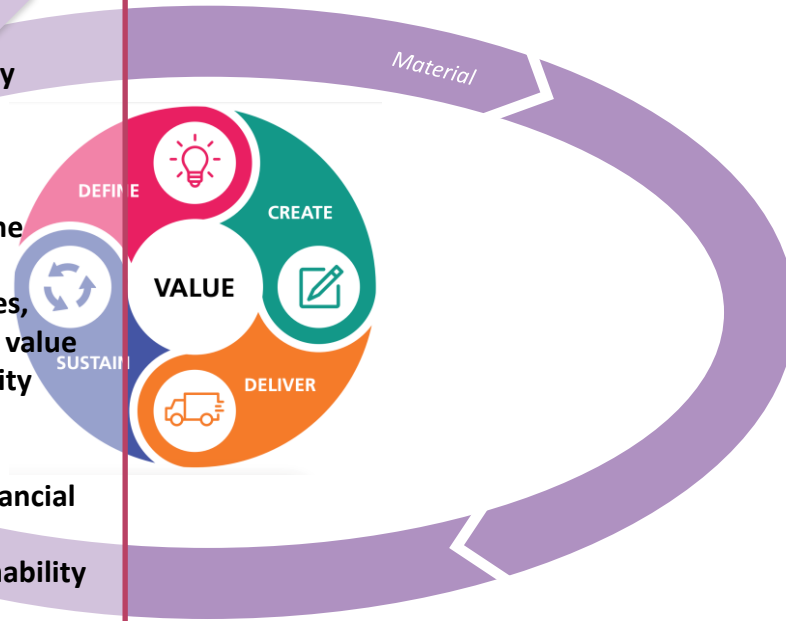
## What This Means for You

Helps you guide clients in strategic and targeted ESG engagement—focusing efforts on the most influential stakeholders.

# Double Materiality Assessment Steps

## 2. Identify ESG factors/topics

- The ESRs provide a list of sector-agnostic sustainability matters that organizations should consider in their materiality assessment.
- Identify relevant categorization of sector, industry and disclosure topics relevant to each of the segments of the business.
- Organizations need to consider their sectors of activities, geographical areas of operation, as well as steps in the value chain when identifying potentially relevant sustainability matters
- Understand the impacts that the management of sustainability issues will likely have on a company's financial condition or operating performance
- Firm understanding of the connection between sustainability performance and financial performance.



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Identify ESG topics beyond regulatory frameworks (e.g., ERSR AR 16).

Capture industry-specific and company-specific material ESG issues.



## Client Value

Gain a comprehensive view of ESG topics that extend beyond compliance, addressing unique industry and organizational challenges.

## What This Means for You

Expands consulting opportunities beyond compliance-focused projects.

Helps you uncover unique ESG risks and opportunities that competitors may overlook.



Quantify qualitative ESG insights.

Confidently identify ESG topics with the highest potential materiality.



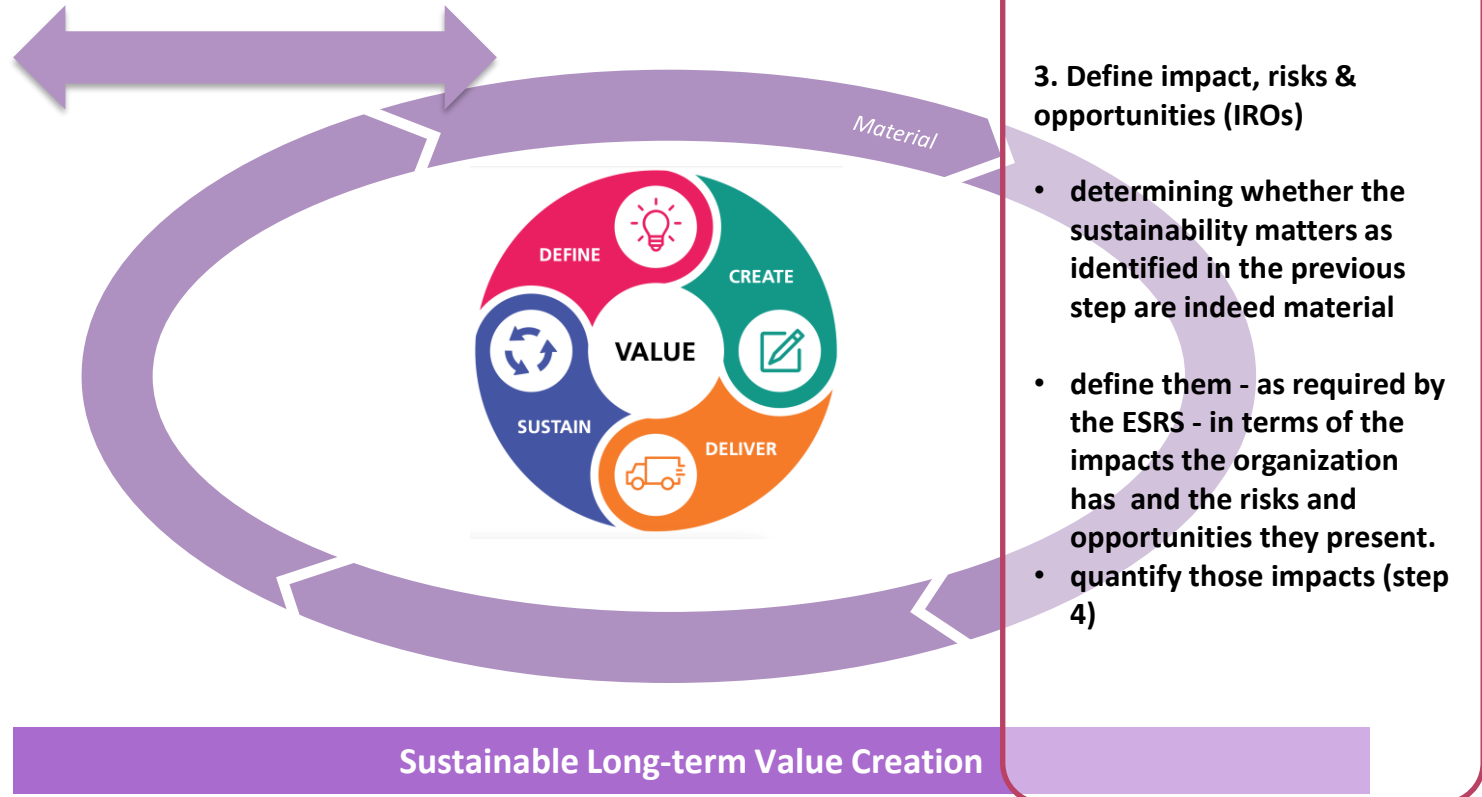
## Client Value

Gain clear, data-driven insights into ESG issues, eliminating uncertainty and subjectivity.

Build confidence in ESG strategy with recommendations backed by robust, objective data, reinforcing the credibility of the materiality analysis and strategic decisions.



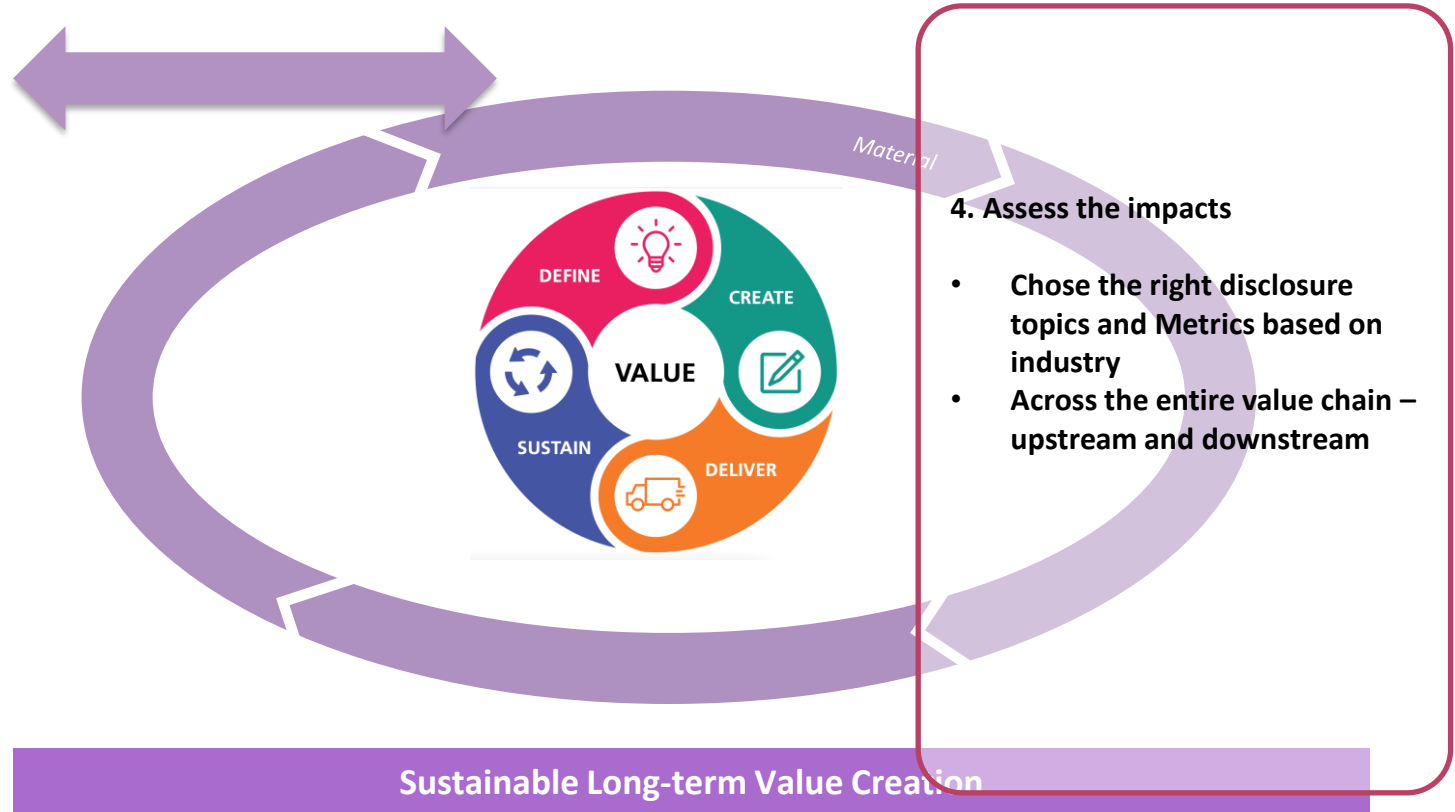
# Double Materiality Assessment Steps



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# Double Materiality Assessment Steps

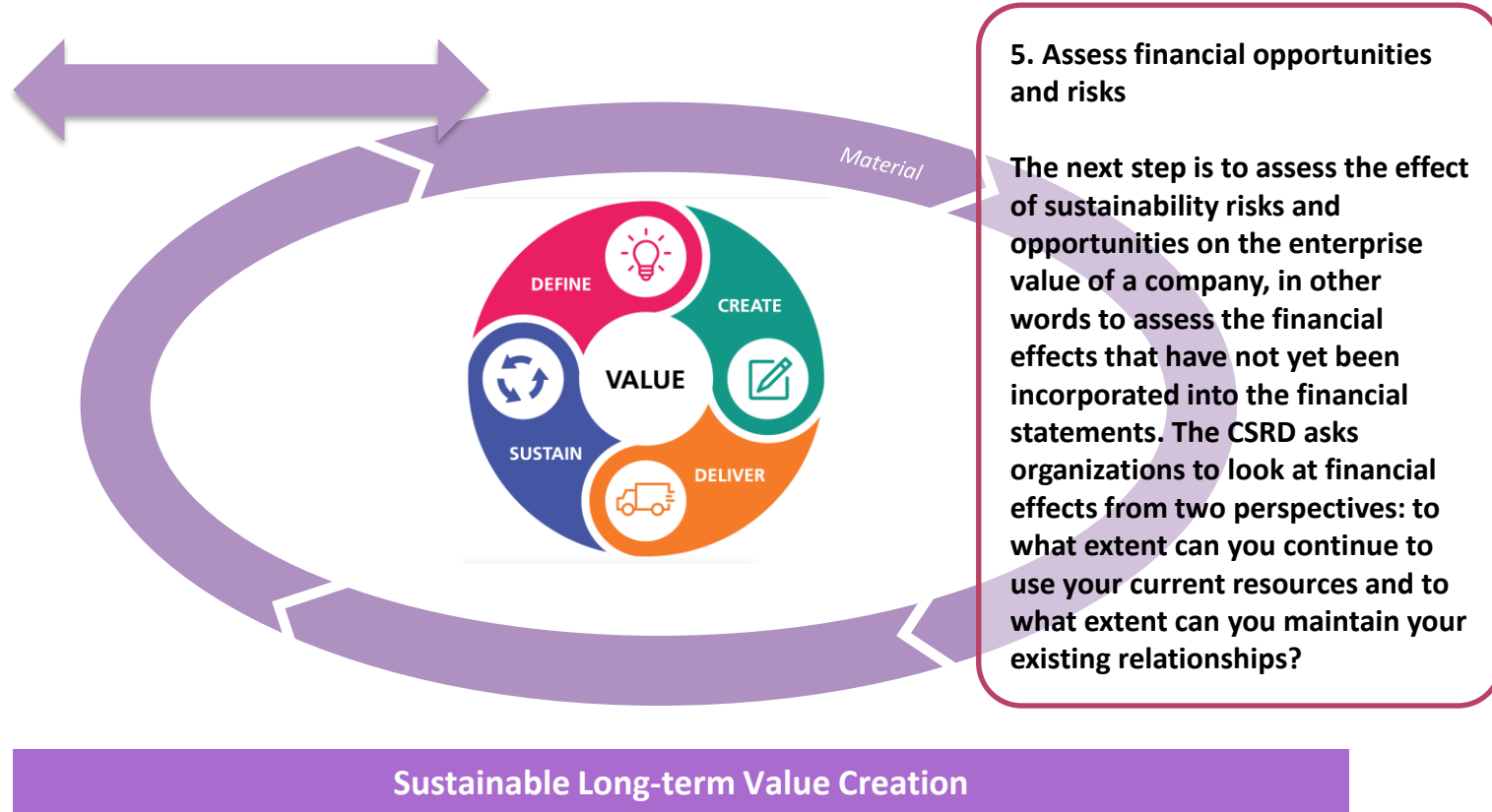


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# Double Materiality Assessment Steps



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# DOUBLE MATERIALITY



HEIDELBERG MATERI...

Tornado

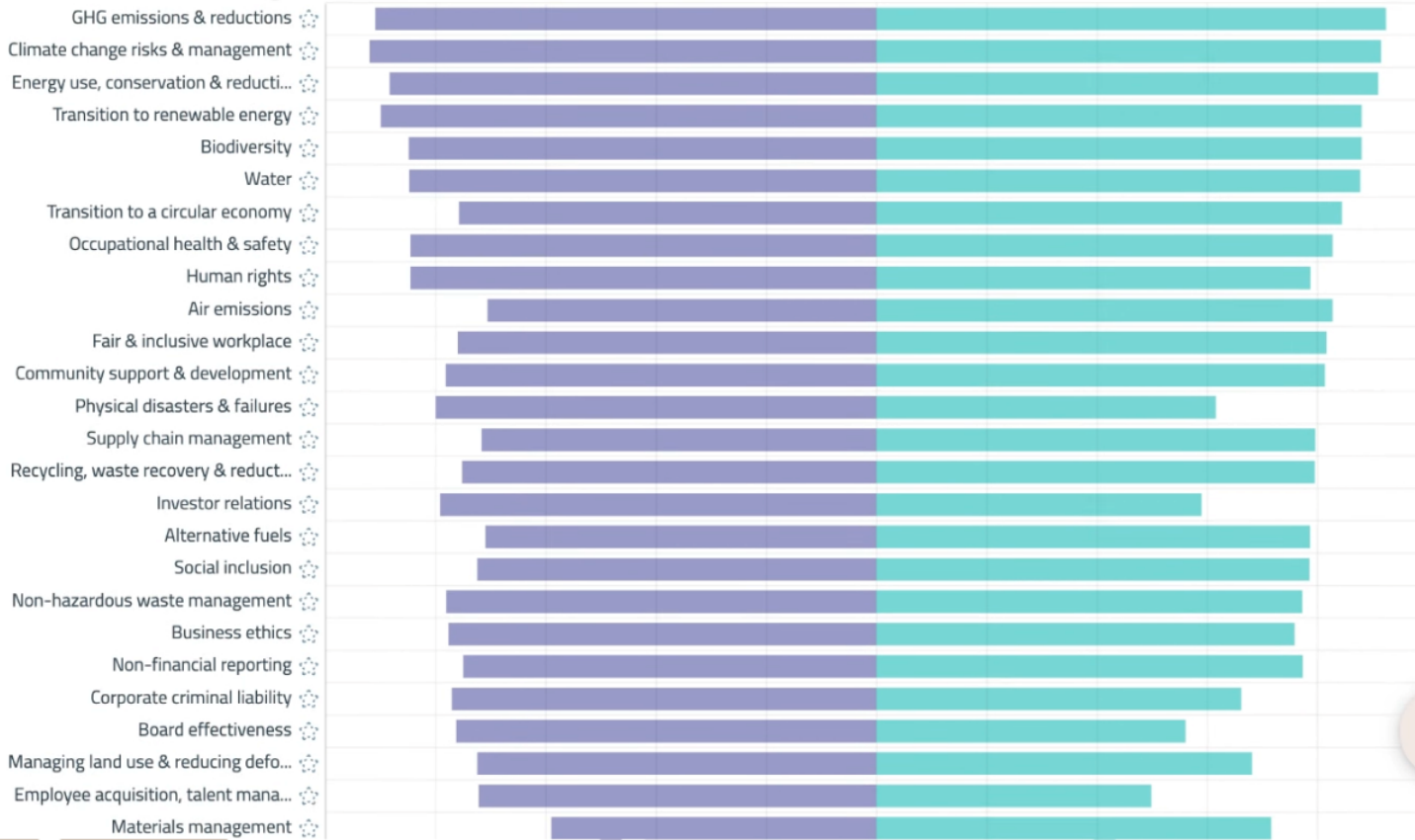
Value streams

By Max score

☆ Undecided ★ Included ✨ Excluded

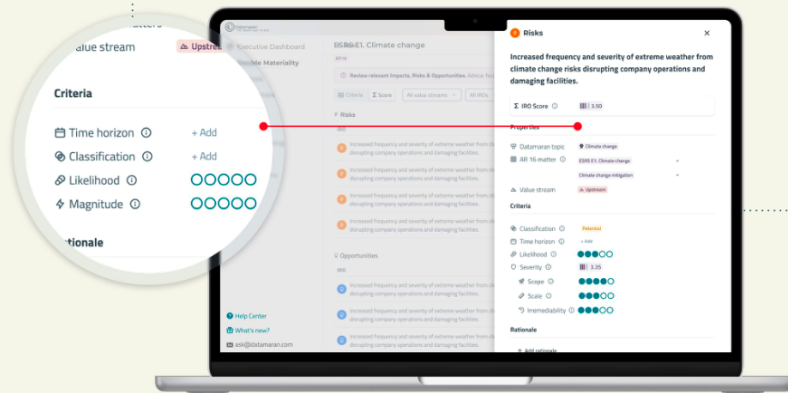
Financial

Impact





With AI, generate a comprehensive list of Risks, Opportunities, Negative and Positive Impacts based on previous disclosures.



## Client Value

Receive a comprehensive, data-backed view of potential IROs, ensuring no critical factors are overlooked.

Gain confidence in the thoroughness of the materiality assessment.

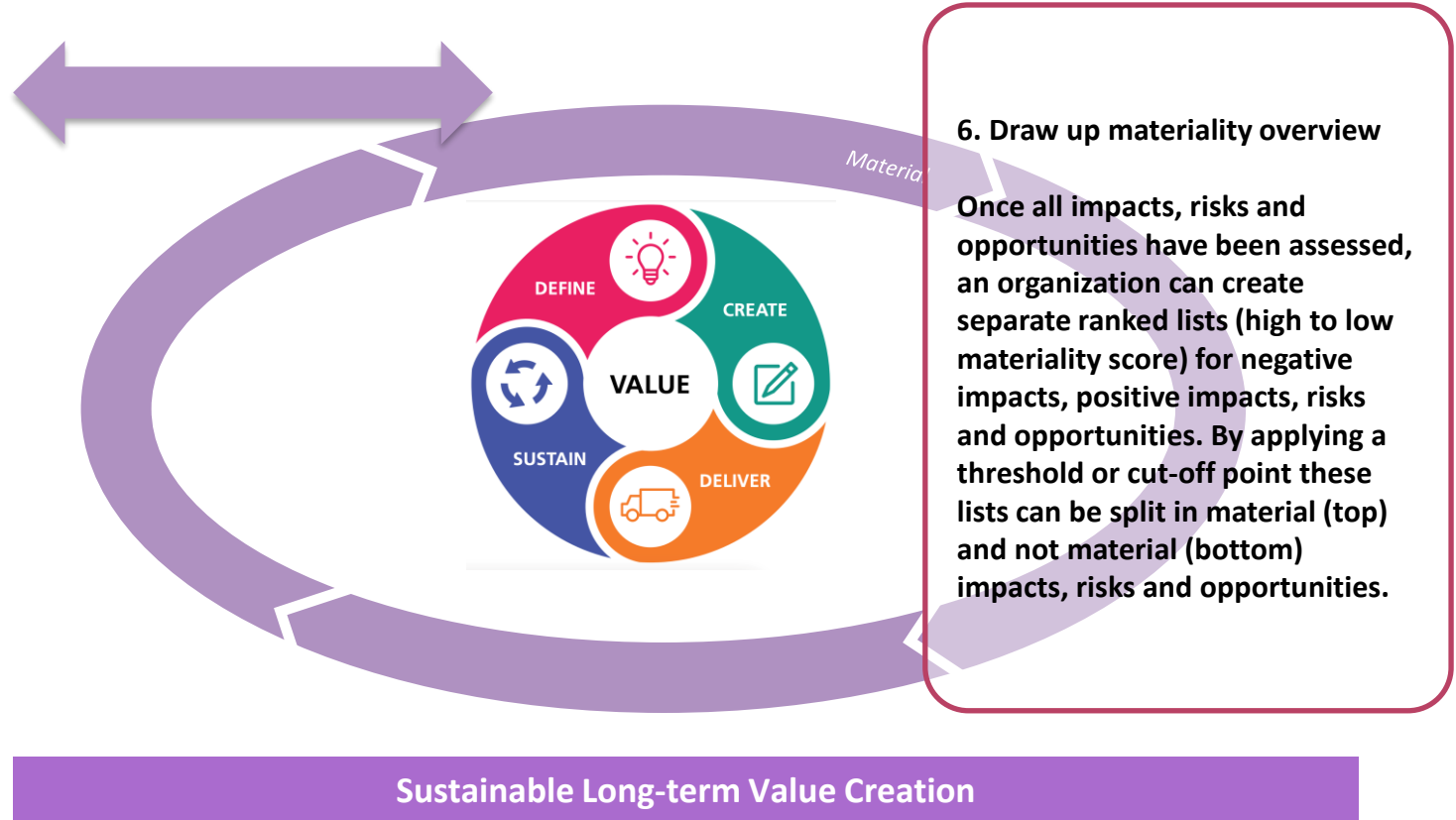


Eliminates the need for manual brainstorming, instantly providing a robust list of potential IROs which are tailored to business context of the client.

Gain confidence that no important IROs are missed and provide a holistic view of potential risks and opportunities for the client.

## What This Means for You

# Double Materiality Assessment Steps



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# Double Materiality Assessment Steps

## 7.Strategic implications

For each sustainability matter that has been identified as material, the CSRD requires that companies disclose exactly what measures they are putting in place to manage their environmental and societal impacts. As a result, companies have to disclose not only the metrics and targets they have set for each sustainability measure, but also the policies and action plans they will execute to achieve their goals



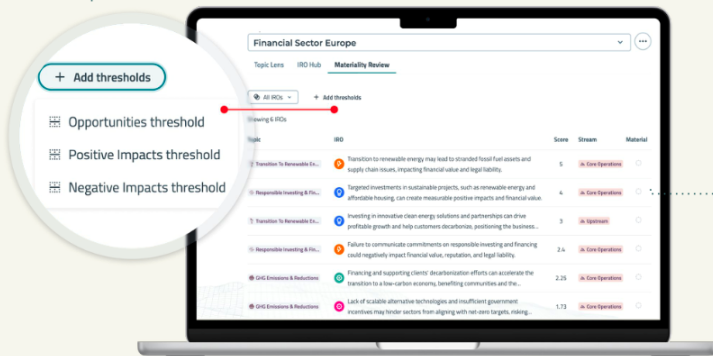
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All decisions & outputs are stored in-platform, providing a robust and transparent record for audit purposes.



## Client Value

Ensure a clear, transparent, and auditable record of all materiality decisions, making it easier to strengthen governance and accountability and demonstrate compliance.

## What This Means for You

Reduces manual documentation efforts and ensures all decisions are easily traceable, streamlining reporting and reinforcing credibility in client engagements.

Executive Dashboard

Double Materiality

Analysis

Benchmark

Search

Survey

Issue Mapping

Storyboard

Notifications

Journey

Pop out

What's new?

## New Double Materiality Analysis

Cancel

Save & Run analysis

Analysis name

Type here...

Core operations

Operations

Financial axis

No data added

Impact axis

No data added

Upstream

Downstream

Other settings

% Value stream weights

### Operations mapping

Map the primary scope of this analysis by selecting relevant countries and industries  
For more custom results, add specific peers (5-15 recommended)

Countries & Industries

Company Reports

Mandatory Regulations

Voluntary Initiatives

Online News

Countries

Germany

1

Industries

Construction Materials

1

Specific peers

Company Reports

Online News

Select specific peers or other leading companies for disclosure and benchmarking  
These are in addition to those companies already included in Countries & Industries

Select companies

☐ Ignore Countries & Industries, only use these for company reports

Demo

## Ongoing governance oversight process

## Reporting process

Double Materiality

Strategy setting &  
horizon scanning

Data Collection

Report Out

>>>>>>>>>



Datamaran®

>>>>>>>>>



PERSEFONI

sphera®

greenly

novisto

workiva

envizi  
an IBM Company

Ecometrica

WeSustain  
A Cority Company

Watershed

Metrio  
A Nasdaq Company

worldfavor

Normative

ISS CORPORATE  
SOLUTIONS

enablon

INTELEX

ESG Playbook  
Build a Sustainable Advantage



### The ESG Governance Zone

As required by CSRD, Datamaran helps companies to easily understand their double materiality, set appropriate targets and continuously monitor the evolving issues. Allowing for the establishment of an ongoing ESG governance process.



# Thank you



Ash Noah, CPA, FCMA, CGMA  
VP & Managing Director Management  
Accounting & ESG

