

ESG & Sustainability Reporting Transformation Samples

*Strategic Writing, Regulatory Defensibility & Noise Elimination for
Institutional Disclosures*

Why ESG Writing matters

Most institutional sustainability disclosures do not fail due to a lack of data.

They fail because the underlying information is scattered, overly technical, repetitive, or structurally exposed to compliance and greenwashing risks.

As an ESG Writer with a 20-year background in financial risks, compliance, and internal control environments, I bridge the operational gap between robust technical consulting data and a clean, audit-ready, and investor-ready final report.

This document demonstrates four real-world text re-engineering case studies across the core European regulatory and capital market pillars.

Case Study 1: CSRD / Value Chain Workers (ESRS S2)

CRITICAL RISK / UNOPTIMIZED INPUT

At our company, we are truly deeply committed to upholding the highest possible global ethical standards across our entire supply chain ecosystem, because our people and our partners' people are always our number one top priority. Basically, over the past year or so, we have worked really hard to implement robust, industry-leading human rights monitoring systems to make sure that no labor violations happen anywhere in our upstream operations. Through our comprehensive supplier code of conduct, which everyone is expected to sign, we ensure 100% compliance with all fundamental labor conventions across all our Tier 1 and Tier 2 suppliers without exception. Whenever potential issues or red flags might pop up, our procurement teams try their best to engage proactively through detailed questionnaires and periodic check-ins. We also carried out several on-site supplier factory audits in

AUDIT-READY / DEFENSIBLE DISCLOSURE

ESRS S2: Due diligence, risk mitigation, and audit mechanisms across the value chain

To identify and address actual and potential labor rights impacts within its supply chain (ESRS S2-1, S2-2), the undertaking applies a risk-based due diligence framework covering all Tier 1 manufacturing suppliers and high-risk sub-tier nodes.

- **Contractual and governance baselines:** Adherence to the Undertaking's Supplier Code of Conduct—aligned with ILO Fundamental Conventions and the UN Guiding Principles on Business and Human Rights—is mandatory for all active suppliers. In FY2025, 94% of Tier 1 direct material suppliers (representing 97% of total procurement spend) formally counter-signed the instrument.
- **Risk assessment and scope:** Supplier exposure is mapped annually based on geographic jurisdiction, sourcing category, and historical enforcement data. Out of 412 Tier 1 suppliers, 58 facilities located in elevated-risk sourcing jurisdictions were prioritized for direct human rights verification.

key manufacturing hubs, which clearly proved our absolute zero-tolerance policy towards forced labor, child labor, and unsafe working environments. We are constantly striving to be a force for good, actively collaborating with local vendors to foster sustainable relationships, drive continuous operational improvement, and guarantee that decent working conditions, fair living wages, and occupational health protocols are fully respected everywhere we do business.

- **On-site verification and findings (ESRS S2-4):** Independent third-party SMETA 4-Pillar audits were executed across 32 prioritized facilities (covering 55% of the high-risk cohort). Audits identified 14 non-conformances related to excessive overtime (>60 hours/week) and 6 gaps in emergency exit signage. Zero instances of child labor or forced labor were detected in the audited sample.
- **Corrective action and remediation:** All identified non-conformances triggered time-bound Corrective Action Plans (CAPs) with mandatory re-inspection within 90 days. As of 31 December 2025, 17 of the 20 CAPs were closed; the remaining 3 remain under verified remediation within contractual deadlines. Suppliers failing to resolve structural non-conformances within 180 days face commercial sanctions and phased off-boarding.

Case Study 2: Sustainable Finance / SFDR (Article 8 Fund Disclosure)

CRITICAL RISK / UNOPTIMIZED INPUT

At our asset management firm, we believe that investing responsibly is fundamental to safeguarding the planet's future while generating outstanding alpha. Within our flagship European Core Equity Fund (categorized as SFDR Article 8), we proactively filter out harmful business activities to ensure our clients' capital serves as a catalyst for a more peaceful, low-carbon world. Our proprietary, robust ESG integration matrix automatically screens out unethical enterprises, including any companies involved in weapons of mass destruction or controversial arms that violate human decency. Furthermore, we actively manage our carbon exposure by partnering with top-tier ESG vendors to guarantee that our portfolio holdings maintain an exceptionally low emissions intensity compared to legacy benchmarks. By systematically integrating these sustainable values directly into our daily stock-picking process, we effectively eliminate adverse sustainability footprints and drive meaningful systemic transition

AUDIT-READY / DEFENSIBLE DISCLOSURE

SFDR Article 8 regulatory disclosure: Consideration of Principal Adverse Impacts (PAIs)

The fund considers Principal Adverse Impacts on sustainability factors pursuant to Article 7(1) of Regulation (EU) 2019/2088 (SFDR). The sub-fund's binding pre-contractual commitments enforce quantitative exclusions and continuous monitoring across mandatory indicators set out in Annex I, Table 1 of Delegated Regulation (EU) 2022/1288.

- **PAI 14: Exposure to controversial weapons (Exclusion policy and legal scope):** The investment manager enforces an absolute exclusion policy with a 0% revenue threshold and 0% direct or indirect investment tolerance for companies involved in the development, manufacture, maintenance, trade, or stockpiling of controversial weapons. This scope strictly covers anti-personnel mines (Ottawa Convention), cluster munitions (Convention on Cluster Munitions), chemical and biological weapons (CWC and BWC), and depleted uranium munitions.
- **PAI 14 (Verification protocol):** Pre-trade compliance locks prevent execution; post-trade monitoring is

across our entire investment portfolio.

conducted daily across all portfolio assets (including derivatives under look-through). Screening uses primary data from MSCI ESG Research, cross-verified with ISS ESG Controversies and the Dutch AFIR exclusion list. As of 31 December 2025, verified portfolio exposure stood at 0.00% of Net Asset Value (NAV).

- **PAI 1: Greenhouse gas emissions (Calculation methodology and coverage):** Portfolio emissions are calculated using Enterprise Value Including Cash (EVIC) apportionment in accordance with SFDR regulatory technical standards. For FY2025, data coverage reached 98.4% of eligible equity NAV (92.6% audited issuer disclosures, 5.8% conservative vendor estimates; cash and currency derivatives excluded from the denominator).
- **PAI 1 (Carbon intensity baseline):** The fund's Weighted Average Carbon Intensity (WACI) was 114.2 tCO₂e/EUR million revenue, representing a 38.6% structural discount against the benchmark index (MSCI Europe Index: 186.0 tCO₂e/EUR million revenue). Companies in the lowest quartile of sector-specific emissions intensity that lack an independently validated Science Based Targets initiative (SBTi) pathway are formally excluded from the eligible investment universe.

Case Study 3: CSRD Climate Change / ESRS E1 (Energy & GHG Emissions)

CRITICAL RISK / UNOPTIMIZED INPUT

As a forward-looking logistics group, we are doing our best to decarbonize our European fleet as quickly as possible. During the past fiscal year, our carbon footprints dropped quite significantly because we started using cleaner fuels and implemented eco-routing software across several distribution routes. We calculate our emissions annually, and our total corporate footprint was roughly 45,000 tons of carbon, which is way lower than the previous reporting period if you factor in the new green energy contracts we signed for our warehouses. We are targeting complete net-zero status across all our operations in the near future because we

AUDIT-READY / DEFENSIBLE DISCLOSURE

ESRS E1: Climate change — Gross GHG emissions and decarbonization targets (ESRS E1-4, E1-6)

The undertaking accounts for and discloses its gross greenhouse gas emissions in conformity with the GHG Protocol Corporate Standard and the European Sustainability Reporting Standards (ESRS E1). FY2022 serves as the verified baseline year for absolute reduction trajectories subject to statutory limited assurance.

- **Gross Scope 1 and Scope 2 GHG emissions (ESRS E1-6):** Scope 1 (Direct operations) stood at 31,420 tCO₂e (FY2022 baseline: 36,800 tCO₂e; -14.6%), deriving from owned fleet diesel combustion (88%) and stationary natural gas consumption (12%). Scope

want to lead our industry in climate responsibility. Regarding indirect upstream and downstream transport emissions, it is notoriously hard to get exact data from subcontracted carriers, but we believe those emissions are trending downward as our haulers upgrade their trucks to modern engines.

2 (Indirect) stood at 8,110 tCO₂e (Location-based) and 2,340 tCO₂e (Market-based, backed by contractual instruments meeting the GHG Protocol Scope 2 Quality Criteria, retired on national registries to prevent double counting against residual grid mixes).

- **Scope 3 emissions accounting (ESRS E1-6, Category 4 & Category 9):** Total Scope 3 emissions were 64,850 tCO₂e (65.8% of the consolidated inventory). Category 4 (Upstream transportation and distribution) accounts for 78% of Scope 3. Activity data (tonne-kilometers) was collected directly from subcontracted carriers covering 74% of total freight volume. For the remaining 26%, secondary emission factors were calculated using the GLEC Framework (v3.0) and ISO 14083 standards.
- **Transition plan milestones and target governance (ESRS E1-1, E1-4):** 2030 Interim targets include an absolute reduction of 42.0% in Scope 1 and Scope 2, and 25.0% in Scope 3, relative to the FY2022 baseline. Targets are aligned with a 1.5°C trajectory under the Science Based Targets initiative (SBTi validation reference: #SBTi-2024-0891).
- **CapEx alignment:** Group capital expenditure dedicated to vehicle electrification infrastructure and telematics-driven network optimization reached EUR 4.2 million in FY2025, representing 18% of total group CapEx (ESRS E1-1, paragraph 21).

Case Study 4: Green Bonds / Impact Reporting (Allocation & Use of Proceeds)

CRITICAL RISK / UNOPTIMIZED INPUT

Following the highly successful launch of our inaugural Green Bond last spring, we are pleased to present this impact report. The proceeds from this bond transaction have been deployed into our sustainable architecture initiative, which helps construct some of the most eco-friendly, visually stunning commercial properties in Central Europe. A significant portion of the capital was channeled into green construction projects that boast exceptional insulation, natural daylighting, and energy-efficient heat pumps. These forward-thinking buildings minimize environmental damage, create great environments for office

AUDIT-READY / DEFENSIBLE DISCLOSURE

Green Bond allocation and environmental impact report (ICMA Green Bond Principles alignment)

This report discloses the allocation of net proceeds and associated environmental impact for the undertaking's EUR 150 million 3.750% Senior Unsecured Green Bond (ISIN: XS2849103821), maturing October 2029. Allocation follows the undertaking's Green Bond Framework (March 2024), supported by an independent Second-Party Opinion (SPO) issued by Sustainalytics confirming alignment with the ICMA Green Bond Principles (GBP) 2021.

- **Allocation of proceeds (as of 31 December 2025):** Net proceeds available for allocation stood at EUR 148.8 million (gross proceeds of EUR 150.0 million net

workers, and prove our commitment to sustainable development. We are confident that our investments have saved tons of operational carbon compared to conventional building designs, and we plan to allocate the remainder of the funds into similar exciting assets over the next few reporting cycles.

of underwriting and legal transaction costs). Allocated proceeds reached EUR 116.2 million (78.1%). The unallocated balance of EUR 32.6 million (21.9%) is held in liquidity reserves consisting of cash and short-term sovereign money market instruments in accordance with group treasury guidelines, with binding contractual exclusions on fossil fuel financing. Financing vs. refinancing ratio stood at 62% / 38% within a 24-month look-back period.

- **Eligible project category (Green buildings):** Acquisition and development of commercial real estate within the European Union achieving a Primary Energy Demand (PED) at least 10% lower than national Nearly Zero-Energy Building (NZEB) benchmarks, referencing technical screening criteria of Section 7.1 of the EU Taxonomy Climate Delegated Act.
- **Portfolio asset breakdown:** Project Alpha (Logistics hub, Warsaw): EUR 64.2 million allocated. Certification: BREEAM International New Construction 'Outstanding' (score: 88.4%). Calculated PED: 42.1 kWh/m²/year (14.2% below Polish NZEB baseline). Project Beta (Commercial office, Prague): EUR 52.0 million allocated. Certification: LEED v4 BD+C 'Platinum' (84 points). Calculated PED: 51.6 kWh/m²/year (11.8% below Czech NZEB baseline).
- **Quantified environmental impact metrics and assurance:** Avoided operational emissions reached an estimated annual operational GHG avoidance of 2,410 tCO₂e calculated against regional building stock baselines using the Carbon Risk Real Estate Monitor (CRREM) 1.5°C decarbonization pathway. Fund allocation and asset eligibility criteria were verified under an independent limited assurance engagement by PricewaterhouseCoopers Auditores, S.L., in accordance with ISAE 3000 (Revised). The assurance report is annexed to this disclosure.

Let's secure your reporting season

If your team has strong ESG inputs, technical consultant data, or strict regulatory requirements that need to become a clear, defensible, and institutional-grade final document.

Whether for an off-season sprint or continuous monthly reporting, I am available to provide external writing capacity.

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