CNMV
Comisión Nacional del Mercado de Valores

# Report on the CNMV's supervision of sustainability information for the 2024 financial year and main enforcement priorities for the following financial year

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The CNMV discloses its reports and publications online at www.cnmv.es.

Layout: Cálamo y Cran
ISSN: 1889-4151

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# Introduction

This report describes the most significant aspects of the supervisory activities carried out by the CNMV in 2025 on the sustainability information[1] (Non-Financial Information Statements, NFIS, SS or sustainability statements, hereinafter) for the 2024 financial year of issuers of securities admitted to trading on regulated markets in the European Union (EU), where Spain is the home Member State (hereinafter, issuers or entities). In addition, it identifies areas that issuers should consider in order to improve the quality of the sustainability information provided to the market.

The NFIS forms part of the management report and, therefore, of the annual financial report that must be prepared and published by issuers. The annual report is subject to the supervisory authority of the CNMV, in order to reinforce confidence in the quality of information published by issuers.

The supervision carried out by the CNMV on the content of issuers' annual accounts is described in detail in a separate report.[2]

To help with the reading of this report, a glossary of acronyms is included as Annex 2.

Some of the main chapters of the report are summarised below. However, in the case of securities issuers obliged to prepare an NFIS and their verifiers, we recommend reading the entire document.

1 Term used in the CSRD Directive which, although it had not been transposed into Spanish law by the end of 2024, was applied voluntarily by a significant proportion of listed issuers in their reports for that financial year.

2 https://www.cnmv.es/portal/publicaciones/publicacionesgn?id=20&lang=en

# Executive summary

## Regulations on sustainability-related reporting

Directive (EU) 2022/2464 on corporate sustainability reporting (CSRD), which replaces Directive 2014/95/EU on non-financial reporting (NFRD), came into force in January 2023 and establishes a common regulatory framework: the European Sustainability Reporting Standards (ESRS). As at 31 December 2024, it had not yet been transposed into Spanish law, meaning that issuers required to publish an NFIS or sustainability statements for the 2024 financial year had to continue doing so in accordance with Law 11/2018.

In anticipation of this situation, the CNMV and the Spanish Institute of Accounting and Accounts Auditing (ICAC) issued a joint statement in November 2024 recommending that issuers present their sustainability information for the 2024 financial year in accordance with the CSRD and the ESRS standards, in order to ensure the comparability of their information with that of other issuers in the European Union, while also considering the disclosures required by Law 11/2018 that were not covered by the ESRS.

On 26 February 2025, the European Commission (EC) announced the adoption of a new package of proposals to simplify regulations and reduce the administrative burden (Omnibus Project). In this context, during 2025: i) Directive 2025/794 (Stop the Clock) was published, postponing application of the CSRD for companies that had not yet begun reporting; ii) Delegated Regulation (EU) 2025/1416 (Quick Fix) was adopted to extend and harmonise the transitional provisions of the first set of ESRS; iii) the European Financial Reporting Advisory Group (EFRAG) submitted a simplified version of the ESRS, still under development, for public consultation; and iv) the European Commission adopted a new Delegated Regulation 2026/73 on taxonomy, which simplifies its content and presentation and is already applicable to reports for the 2025 financial year.

As the CSRD has still not been transposed, the CNMV and ICAC issued a second statement in November 2025 on the presentation of 2025 sustainability information, along similar lines to the first and taking into account the new EU transitional framework.

The Omnibus Project resulted in the publication, on 26 February 2026 in the *Official Journal of the European Union* (*OJEU*), of **Directive 2026/470** of the European Parliament and of the Council, amending the CSRD and the Corporate Sustainability Due Diligence Directive (CSDDD). Meanwhile, on 3 December 2025, the EFRAG submitted its final technical advice on the draft simplified standards to the EC, thereby initiating the Commission's regulatory procedure, which is still pending final approval.

The amended CSRD will apply from the 2027 financial year. Of particular note is the narrowing of the Directive's scope to companies with more than 1,000 employees and annual turnover of €450 million.

## Verification of sustainability information

Of the 123 issuers that submitted consolidated accounts for the 2024 financial year, 99 included the NFIS in their management report, representing almost 80% of the total, and, of these, 87 provided taxonomy information.

As a result of the entry into force of the CSRD and taking into account the joint statement published by the CNMV and ICAC, 69% of entities considered the ESRS framework in full when preparing their NFIS for the 2024 financial year, complying with all the requirements of Law 11/2018 and additionally presenting sustainability information in accordance with the CSRD criteria.

Virtually all reports were subject to limited review, which, in most cases, was carried out in accordance with Practice Guidelines 47R or 56 of the Spanish Institute of Chartered Accountants (ICJCE). No issuer's report contained qualifications.

## Supervision of sustainability information

The CNMV's supervisory work on the NFIS follows a similar approach to that used for financial information: i) a formal review of compliance with presentation requirements, the content of the verifier's report and other specific aspects; and ii) a substantive review of a specific number of companies, focused mainly on the priorities of the European Securities and Markets Authority (ESMA) and the CNMV, and on the material aspects of each entity.

In 2024, the 2024 NFIS of 13 issuers were subject to substantive review, in addition to the other two entities in the context of their potential IPO.

In this regard, additional information was requested from 17 entities and recommendations were made to 16, for consideration in future sustainability statements.

The main aspects required or recommended were as follows: i) disclosures on the process followed to carry out the materiality assessment and its results; ii) a description of the issuer's business model and value chain; iii) disclosures relating to Article 8 of the Taxonomy Regulation; iv) climate-related matters, such as the carbon footprint, targets and transition plans; v) the scope and structure of the sustainability statement; vi) a description of its sustainability information control system; vii) disclosures on the evolution of indicators (KPIs) compared with previous financial years and against the targets set; and viii) consistency between the content of the IFRS financial statements and the NFIS, and within the NFIS itself.

In most cases, the explanations provided by issuers in response to the CNMV's requests adequately supplemented the disclosures required by the regulations, or those established by ESMA and the CNMV in their priorities, although there is still room for improvement, as indicated below.

In this regard, the CNMV wishes to draw attention to several aspects that could be improved in the NFIS in future sustainability statements:

## Business model and value chain

An adequate description of the entity's business model and of its value chain are essential as a starting point for understanding its exposure to impacts, risks and opportunities (IROs) in relation to sustainability matters and, in this way, putting the rest of the information in the NFIS into context.

There is still room for improvement in the description of issuers' activities and the various stages of the value chain, as well as the actors involved in each of them. These disclosures must be consistent with the information included in the notes to the annual accounts and throughout the NFIS.

## Materiality

Issuers should expand their explanations of the process followed for their analysis and the description of the resulting IROs, indicating where they are concentrated within their business model: in their own operations or in upstream or downstream stages of the value chain.

The reports for the 2024 financial year are the first in which some issuers have voluntarily applied the ESRS and, therefore, adopted the double materiality approach as set out in those standards. The novelty of this approach has given rise to uncertainties over interpretation and inconsistencies in issuers' analyses and disclosures.

## Scope of the sustainability statement

The scope of the sustainability statement must be the same as that of the consolidated financial statements, and an express confirmation to this effect must be included in the report. Any exclusions must be exceptional and duly justified and explained.

In addition, the report should include clear explanations of the scope or extent of the value chain in order to ensure that it is properly understood.

Issuers must expressly state whether, and to what extent, they make use of the transitional provisions on the value chain provided for in the ESRS for the first years of application.

## Structure of sustainability statements

Entities that follow the ESRS must structure their report into four sections covering general information, environmental information, social information and governance information.

The comprehensibility and accessibility of sustainability information must be ensured, particularly where cross-references are used within the annual report or information is incorporated by reference. In addition, there must be connectivity between sustainability information and other corporate information.

The importance of coherence and connectivity between financial information and sustainability information is also emphasised, as is coherence and consistency within the NFIS itself.

## Key performance indicators (KPI) or parameters

To monitor the effectiveness of their policies and actions in the management of IROs of relative importance, entities establish associated parameters and targets, which they must disclose in their sustainability statements.

It is a key cross-cutting issue. From a general perspective, the main areas for improvement in KPIs have been those relating to comparatives and explanations of their evolution, their definition and calculation methodology, including where they incorporate estimates, and their relationship with the targets set.

## Climate-related matters and other environmental issues

During 2025, supervisory actions relating to climate change focused on two areas: carbon footprint and transition plans for climate change mitigation or, failing that, decarbonisation targets, measures and progress towards achieving them. Although this was not a specific enforcement priority, it remained an area involving numerous actions due to its relevance.

For carbon footprint disclosures, the CNMV emphasises the importance of improving information on the scope applied in their calculation, the methodologies used, the emission factors applied and the degree of uncertainty of these metrics, which is particularly relevant for Scope 3 greenhouse gas (GHG) emissions.

Some conclusions are included based on the Scope 1, 2 and 3 emissions data provided by the 99 issuers that submitted the 2024 NFIS. These show that, although there has been an improvement, omissions or a lack of disclosure persist in relevant Scope 3 categories, leading to requests for these disclosures to be expanded or their absence justified.

A significant proportion of the entities reviewed in 2024 that stated that they had a transition plan did not address all the requirements set out in ESRS E1-1 or had room for improvement.

To ensure the credibility and proper monitoring of both transition plans and the decarbonisation targets disclosed by entities that do not have such a plan, it is essential to strengthen the robustness of disclosures on their scope and time horizon and, where applicable, their alignment with the objective of limiting global warming to 1.5 °C. It is also essential to provide more detail on the methodologies and climate scenarios used to set them, describing the associated uncertainties, and to report on the progress made during the financial year, together with an explanation of any significant changes.

Similarly, the description of decarbonisation levers and the information on their expected contribution to achieving decarbonisation targets should be improved. The lack of sufficient information on the financial resources required to implement the related action plans-including their amount, time horizon and planned sources of financing-makes it difficult for users to assess their credibility.

## Disclosures relating to Article 8 of the Taxonomy Regulation

These disclosures have once again been an ESMA priority in the 2024 NFIS, the financial year in which non-financial entities reported, for the first time, alignment indicators for new activities linked to the climate objectives and the four remaining environmental objectives.

Taxonomy-related disclosures still leave room for improvement, as shown by the fact that they are among those that have prompted the greatest number of actions by the CNMV.

The CNMV considers it important to remind issuers required to report taxonomy information that they must: i) explain eligible activities, going beyond merely reproducing the standard, and describe the process followed to assess the technical screening criteria, the DNSH principle and the minimum safeguards; ii) justify significant changes compared with the previous financial year; iii) explain the differences between eligibility and alignment, as well as the action plan envisaged, where applicable, to reduce them; iv) ensure consistency between targets and KPIs, linking the investments in the transition plan with their reflection in the indicators; v) where CapEx plans are used, specify conditions, amounts, milestones and deadlines; vi) include cross-references to the financial statements and reconcile the denominators; vii) analyse contributions to several environmental objectives, report for each one and avoid double counting; viii) complete the templates in full, without modification; and ix) in the case of financial institutions, explain differences between the stock GAR and flow GAR, their evolution compared with the comparative financial year, and any changes to previously reported figures.

## Social and governance

With regard to the social standards, the importance is highlighted of providing clear explanations of the criteria used to classify employees and non-employee workers in the undertaking's own workforce, as well as workers in the value chain.

Although the ESRS specify how to calculate the gender pay gap for employees, some reporting organisations did not follow the methodology or did not provide sufficient information. Contextual information is often necessary to ensure a proper understanding of remuneration metrics and their consistency.

Issuers are recommended to improve their disclosures on governance matters such as corruption and bribery, supplier management and whistleblowing channels.

## Special analysis of ICSR disclosures

An analysis was carried out on a sample of entities regarding their internal control over sustainability reporting (ICSR), using the disclosure requirements set out in ESRS 2 as a reference.

Some entities are in the process of developing, implementing or improving their ICSR. There is some room for improvement, particularly in the description of its scope and main characteristics, the approach applied to assess its risks, and the detail provided on the main risks identified.

## 2025 NFIS enforcement plan

In October 2025, ESMA published its common enforcement priorities for the 2025 non-financial information statements, which relate to: i) matters concerning materiality in reports under the ESRS; and ii) the scope and structure of sustainability statements.

In addition, ESMA highlights the importance of connectivity and consistency between financial information and sustainability information.

The CNMV has also included the disclosures provided by issuers on climate transition plans as an additional priority for sustainability reporting.

Other specific issues that may be relevant for each issuer of securities subject to supervision by the CNMV will also be reviewed.

# I Regulations on sustainability-related reporting

## Background

The obligation to prepare a non-financial information statement (NFIS) was first established in Spain for financial years beginning on or after 1 January 2017. Initially through Royal Decree-Law 18/2017, of 24 November, and, subsequently and to date, through **Law 11/2018**. This Law transposed **Directive 2014/95/EU,** of 22 October, on non-financial reporting and diversity (**NFRD**, or the Non-Financial Reporting Directive) into Spanish law, defining the content of non-financial information and requiring its verification by an independent service provider.

In January 2023, **Directive (EU) 2022/2464** on corporate sustainability reporting, known as the Corporate Sustainability Reporting Directive (**CSRD**), came into force, replacing the NFRD. This Directive set 6 July 2024 as the deadline for transposition into the national legal systems of the Member States, although it has not yet been transposed into Spanish law.

The CSRD provided for phased application depending on the type of entity concerned: i) *"Wave 1"*: large public-interest undertakings with more than 500 employees already subject to the NFRD, in 2025 for the 2024 financial year; ii) *"Wave 2"*: all other large undertakings not previously subject to the NFRD, in 2026 for the 2025 financial year; iii) *"Wave 3"*: listed SMEs, excluding micro undertakings, small and non-complex credit institutions, and captive insurance and reinsurance undertakings, in 2027 for the 2026 financial year, although the possibility of voluntary deferral until the 2028 financial year was envisaged; and iv) *"Wave 4"*: parent undertakings of third-country groups with significant activity in the European Union, in 2029 for the 2028 financial year.

The CSRD requires sustainability information to be prepared in accordance with the European Sustainability Reporting Standards (**ESRS**). The first set of **ESRS standards – Set 1 –**, was adopted by **Commission Delegated Regulation (EU)** 2023/2772, of 31 July 2023. These standards apply to all entities subject to the CSRD, regardless of their sector of activity.

In this context, the EFRAG published three guidance documents,[3] known as Implementation Guidance or IG, in May 2024 to facilitate the implementation of the standards: the first, on materiality assessment (IG-1); the second, focused on the value chain (IG-2); and the third, concerning the list of ESRS data points together with their explanatory notes (IG-3), which was amended on 20 January 2025.

3 https://www.efrag.org/en/projects/esrs-implementation-guidance-documents

| | |
|---|---|
| **Cross-cutting standards** | ESRS 1 General requirements |
| | ESRS 2 General disclosures |
| **Thematic standards – Environment** | ESRS E1 Climate change |
| | ESRS E2 Pollution |
| | ESRS E3 Water and marine resources |
| | ESRS E4 Biodiversity and ecosystems |
| | ESRS E5 Resources and circular economy |
| **Thematic standards – Social** | ESRS S1 Own workforce |
| | ESRS S2 Workers in the value chain |
| | ESRS S3 Affected communities |
| | ESRS S4 Customers and end-users |
| **Thematic standards – Governance** | ESRS G1 Business conduct |

**As regards the EU Taxonomy**, from 2021 onwards, **Regulation (EU) 2020/852 and its Delegated Acts, Regulation (EU) 2021/2139 (Climate) and Delegated Regulation (EU) 2021/2178 (Disclosure)**, incorporated into the NFIS the disclosure of the eligibility of activities for the climate change mitigation and adaptation objectives. From 2022, non-financial issuers also began reporting alignment indicators for those objectives. This framework was supplemented in 2022 by **Delegated Regulation (EU) 2022/1214**, which broadened the reporting scope to include nuclear energy and gas, and in 2023 by **Delegated Regulations (EU) 2023/2485 and 2023/2486**, which extended the scope of activities related to the climate objectives and covered the other four remaining environmental objectives: water, circular economy, pollution prevention and biodiversity. The following summarises the initially planned evolution of the obligations for financial institutions and non-financial entities from 2023 onwards.

| | Environmental objectives | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| **Non-financial institutions** | Climate (mitigation and adaptation) | Eligibility and alignment | Eligibility and alignment | Eligibility and alignment |
| | Environmental + new activities climate objectives | Eligibility | | |
| **Financial institutions** | Climate (mitigation and adaptation) | Eligibility and alignment | Eligibility and alignment | Eligibility and alignment |
| | Environmental + new activities climate objectives | Eligibility | Eligibility | |

The European legislation has been supplemented by various publications from the European Commission to clarify doubts regarding its application and interpretation.

## Updates to the regulations applicable to the 2024 NFIS

Regulations on sustainability-related reporting

During 2025, European *"Wave 1"* companies began, for the first time in practice, to apply the new European sustainability reporting framework to their reports for the 2024 financial year.

> In Spain, as at 31 December 2024, the CSRD had not been transposed into national law. In anticipation of this situation, the CNMV and ICAC issued a joint statement on 27 November 2024 recommending that issuers with more than 500 employees prepare their sustainability information for the 2024 financial year in accordance with the CSRD/ESRS framework, supplementing it with the specific disclosures required by Law 11/2018 that are not expressly provided for in the ESRS.

Consequently, adoption of the CSRD/ESRS framework was established as a recommended voluntary practice aimed at preserving comparability with European companies, without altering the mandatory nature of the reporting requirements arising from Law 11/2018.

In addition, in the NFIS for the 2024 financial year, non-financial undertakings reported for the first time alignment indicators for new activities linked to the climate objectives and the four remaining environmental objectives.

## Regulatory developments in 2025

On 8 November 2024, the European Commission announced the **Omnibus Project**, aimed at reducing administrative burdens and promoting a clearer and more efficient regulatory framework. The initiative proposed amending three key pillars of the European Green Deal: the CSDDD, the CSRD and the Taxonomy Regulation. In parallel, the Commission tasked the EFRAG with reviewing and simplifying the first set of ESRS.

### Amendments to the CSRD and CSDDD

In this context, on 26 February 2025, the Commission presented the **Omnibus simplification package**, which proposed raising the thresholds for determining which undertakings are subject to the regulations. This announcement triggered an intense **process** that culminated on **26 February 2026** with the publication in the *OJEU* of **Directive 2026/470** of the European Parliament and of the Council, amending the CSRD and the CSDDD.[4]

Some of the initiatives undertaken as part of the process were as follows:

– On 14 April 2025, **Directive (EU)** 2025/794, known as **"Stop the Clock"**, was published in the *OJEU*, postponing application of the CSRD by two years for undertakings that had not yet begun reporting. New deadlines were established for the *"Wave 2"* – 2028 for the 2027 financial year – and the *"Wave 3"* –2029 for the 2028 financial year.

4 It also amends related Directives 2013/34/EU and 2006/43/EC.

The Directive also postponed by one year the deadline for Member States to transpose the **CSDDD**, until 26 July 2027, and the date of application of the due diligence obligations for the largest groups, until July 2028.

– **Regarding the simplification of the ESRS**: i) on 25 April, the EFRAG presented a work plan aimed at significantly reducing the number of mandatory data points, prioritising the removal or consolidation of those considered repetitive or of limited usefulness; ii) on 31 July 2025, the EFRAG submitted the **revised draft ESRS**, together with a glossary and supporting material, for public consultation until 29 September 2025, after which the EFRAG proceeded to analyse the comments received; iii) on 3 December 2025, the EFRAG formally submitted its **final technical advice on the draft simplified ESRS to the European Commission,** marking the conclusion of the EFRAG's work phase and the start of the Commission's regulatory procedure, which is still ongoing; and iv) on 19 December 2025, the **EFRAG published supplementary materials** to support understanding of the simplified ESRS, including the basis for conclusions, the cost-benefit analysis and other technical documents explaining how the comments from the public consultation were incorporated and the resulting changes. It also announced that an updated version of the data points (IG-3) and the non-binding guidance would be published in 2026.

– On 11 July 2025, **Delegated Regulation (EU) 2025/1416,** known as **"Quick Fix",** was adopted to extend and harmonise the transitional provisions of the first set of ESRS (Set 1) for *"Wave 1" companies*, so that in the 2025 and 2026 financial years they are not required to report additional information compared with 2024. It was published in the *OJEU* on 10 November 2025, applies to financial years beginning on or after 1 January 2025, and establishes the following temporary omission options:

  • All *"Wave 1"* companies may omit disclosure of anticipated financial effects.

  • *"Wave 1"* companies with fewer than 750 employees may omit: i) Scope 3 greenhouse gas (GHG) emissions and total GHG emissions; and ii) all information relating to ESRS E4 and ESRS S1-S4.

  • *"Wave 1"* companies with more than 750 employees may omit: i) all information under ESRS E4 and ESRS S2-S4; and ii) certain specific disclosures under ESRS S1.

  Where an entity uses the temporary exemption for an entire standard but concludes that the topic is material, it must disclose summarised information on that topic.

On 20 June 2025, ESMA issued a public statement entitled "Navigating change together: ESRS supervision in the Omnibus environment". In this document, ESMA acknowledges that the first years of application represent a learning curve for all parties and recommends that national supervisors adopt a proportionate and realistic approach, prioritising support for issuers in improving their reporting over purely sanctioning measures.

In the absence of transposition of the CSRD into Spanish law, **the CNMV and ICAC published a second joint statement on 19 November 2025 to guide the preparation of sustainability information for the 2025 financial year,** with the aim of promoting comparability with other European issuers. This statement refers to the evolving European regulatory context, including deferral measures and transitional simplifications, and recommends that large issuers prepare their 2025 sustainability information in accordance with the CSRD/ESRS framework, while also ensuring compliance with the requirements of Law 11/2018. With regard to the verification of this information by an independent expert, the joint statement recommends that verifiers assess and take into account the latest national and international developments, specifically the text of the ICAC's national verification standard, which has not yet been approved, the guidelines published by the Committee of European Auditing Oversight Bodies (CEAOB) and ISSA 5000.

Regulations on sustainability-related reporting

With regard to the **amendment to the CSRD and the CSDDD,** published on 26 February 2026, the following should be highlighted:

- In the area of the **CSRD**, Member States must transpose the Directive by 19 March 2027 at the latest. It will apply to financial years beginning on or after 1 January 2027, with first reporting in 2028.

- **The CSRD narrows its scope** to undertakings with more than 1,000 employees and €450 million in net turnover. For third-country groups, it sets a threshold of €450 million in EU turnover and €200 million for the relevant subsidiary or branch. In addition, listed SMEs are excluded from mandatory reporting.

- The Commission plans to adopt, by means of a delegated act, a **voluntary standard** for **companies that are exempt,** based on Recommendation (EU) 2025/1710[5] and the EFRAG's VSME, which will serve as a reference both for voluntary reporting and for limiting requests for information in the value chain. This framework will be reviewed at least every four years to preserve its proportionality and alignment with regulatory developments.

- **The mandatory nature of sectoral standards is removed,** and they become guidance. The Commission may issue non-binding guidance to facilitate the application of the ESRS and double materiality by sector.

- Member States are expected to be able to introduce a **transitional exemption** from sustainability reporting obligations for financial years beginning between 1 January 2025 and 31 December 2026, applicable to companies which, despite having reported for the 2024 financial year, do not exceed the new thresholds set. The effectiveness of this exemption will be conditional on its transposition into each national legal system.

5 On 30 July 2025, the European Commission adopted Recommendation (EU) 2025/1710, which encourages unlisted SMEs and micro undertakings that wish to report sustainability information voluntarily to use the SME standard set out in Annex I, based on the EFRAG's VSME standard. In addition, it urges companies subject to the CSRD to request from SMEs in their value chain only the information provided for in that standard.

- The Commission's adoption of the **limited assurance standard** for sustainability statements prepared in accordance with the CSRD **is postponed until 1 July 2027**, and the mandate to develop reasonable assurance standards is removed. In the meantime, Member States may apply national technical standards.

- **Flexibility is also introduced for acquisitions:** companies may exclude recently acquired subsidiaries from the consolidated report for a maximum of 24 months, to facilitate the integration of data capture and assurance processes.

- In addition, a **dedicated portal** is being created to provide guidance, support and templates for preparing sustainability information, with the aim of reducing interpretative friction and improving the practical applicability of the framework.

- It includes a **review clause** that tasks the European Commission with assessing in 2031 whether the scope of both Directives – the CSRD and the CSDDD – remains appropriate and, if necessary, proposing adjustments based on evidence and accumulated experience. This review leaves open the possibility of future amendments, including an extension or clarification of the scope of application, in order to ensure the proportionality and effectiveness of the regulatory framework.

- It provides for the European Commission to adopt a delegated act to review and simplify the ESRS within six months of the Directive's entry into force, for application from the 2027 financial year, with the possibility of early adoption.

### Updates on the electronic format

In relation to the CSRD requirement to submit the management report in electronic format, in March 2025 ESMA launched a public consultation on its technical standards for the digital iXBRL tagging of sustainability statements under the ESRS and the EU Taxonomy tables, with a proposal for phased implementation. In August, the EFRAG presented its State of Play 2025 portal, with an initial analysis of these reports, highlighting that digital tagging will be key to comparability when the ESAP[6] becomes operational in 2027 and tagging becomes mandatory under the ESEF.[7]

### Amendment to the Taxonomy Regulation

On 4 July 2025, the European Commission adopted the new **Delegated Regulation** 2026/73 on the EU Taxonomy, which entered into force on 28 January 2026. This Regulation **simplifies** both the content and presentation of the information that companies must disclose. Although it applies from the 2025 financial year, entities may choose to continue using the previous rules for that financial year.

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6 European Single Access Point.

7 European Single Electronic Format.

On 17 December 2025, the European Commission published a draft Commission Notice in FAQ format,[8] intended to provide interpretative and practical guidance on that Delegated Act. This document clarifies the changes introduced to the technical screening and disclosure criteria, including the new materiality thresholds, simplifications to the DNSH[9] criteria and adjustments to the key performance indicators (KPIs) of financial entities.



## Other national legislation

- On 18 March 2025, **Royal Decree 214/2025** was approved, regulating the **Carbon Footprint, Offsetting and $CO_2$ Absorption Projects Register.** The Regulation, in force since 12 June 2025, requires all companies that submit an NFIS in accordance with Law 11/2018 to calculate their carbon footprint annually – covering at least scopes 1 and 2 – and to draw up and publish a plan to reduce GHG emissions attributable to national territory. This obligation applies from the 2025 financial year, with the data to be reported in 2026. To facilitate its implementation, the Ministry for Ecological Transition and the Demographic Challenge (MITECO) published two explanatory notes in May and December 2025, addressing matters such as the entities subject to the obligation, the scope of the calculation, the use of emission factors from the Spanish Office for Climate Change, deadlines and calculation periods, the publication of information, and the application of the obligations depending on the location of the parent company and its subsidiaries.

- In Spain, on 2 October 2025, the CNMV published a **Q&A document** containing non-binding interpretative criteria aimed at listed companies and other public-interest entities, **regarding the application of Organic Law 2/2024 on equal representation and balanced presence of women and men.** Companies required to prepare a sustainability statement must include information in it on the representation of the under-represented sex on the Board, while those not subject to this obligation must include it in the management report. The 35 companies with the highest market capitalisation must report this information for the first time in the sustainability statements for the 2026 financial year, to be published in 2027, and the remaining listed companies in the report for the 2027 financial year, to be published in 2028.

## ESMA corporate sustainability reporting guidelines

On 29 April 2025, ESMA published the translation of the Guidelines on the Supervision of Sustainability Reporting (GLESI).[10, 11] These guidelines establish a common framework for national competent authorities, such as the CNMV, to supervise sustainability information with the same methodological rigour as financial reporting. The GLESI set out the need for supervisors to coordinate their actions through ESMA to ensure harmonised application across the Union. In this regard, the CNMV has stated that it intends to comply with the GLESI once the CSRD has been transposed into national law.

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8 Frequently asked questions.

9 Do no significant harm.

10 Guidelines on the Enforcement of Sustainability related Information.

11 ESMA32-992851010-1815_Guidelines_on_Enforcement_of_Sustainability_Information__GLESI_.pdf

## Other initiatives

– On 23 January 2025, the Platform on Sustainable Finance (PSF) published the report *Building trust in transition: Core elements for assessing corporate transition plans*, with the aim of providing markets with robust criteria for developing credible transition plans.

  The document sets out four essential elements that plans must incorporate to be considered reliable by investors and credit institutions:

  - Science-based and time-bound targets, compatible with the 1.5 °C limit of the Paris Agreement.
  - Specific levers and actions, including planning for the necessary investments.
  - Detailed financial planning to support implementation of the plan.
  - Governance and oversight of the plan by the administrative, management and supervisory bodies, integrating sustainability into corporate strategy.

  In addition to serving as practical guidance for reporting under the CSRD/ESRS, the report highlights the importance of ensuring that transition plans do no significant harm to other environmental or social objectives.

– In November 2025, the European Commission presented a legislative proposal for a comprehensive reform of the Sustainable Finance Disclosure Regulation (SFDR). The initiative follows recognition that the SFDR had been used de facto as a labelling system, generating lengthy documents that were difficult to compare and placed a disproportionate burden on market participants. The reform proposes substantial simplification of disclosure obligations, with the aim of improving the clarity, usefulness and proportionality of the information published by financial market participants.

  The ESRS require entities to identify and state which disclosure requirements incorporate data derived from other European Union regulations – including the SFDR – thereby making it possible to map the metrics reported under the ESRS to the SFDR's information needs.

– On 11 December 2025, the International Sustainability Standards Board (ISSB) issued targeted amendments to IFRS S2 – Climate-related Disclosures – to facilitate its application in relation to GHG disclosures. These amendments clarify and provide flexibility on certain operational aspects identified during the initial implementation phase, particularly those relating to Scope 3 emissions reporting. In particular, they affect the disclosures on financed emissions that financial institutions must report, allowing certain limits to be applied to their measurement and disclosure. In addition, in July 2025 the ISSB submitted various amendments to the *Industry-based Guidance on Implementing IFRS* S2 – guidance based on the SASB Standards incorporated into IFRS S2 – for public consultation, arising from the project to enhance those industry-based standards.

One of the objectives of the revised ESRS is to achieve a high degree of alignment with the ISSB framework, enabling companies to comply efficiently with both sets of standards, thereby reducing complexity, fragmentation and duplication in sustainability statements.

# II Verification of sustainability information

## Number of issuers required to publish an NFIS and disclosures relating to taxonomy information

It should be noted that the number of issuers required to prepare an NFIS in financial year 2024 differs from those required to provide information on the taxonomy. This is because the thresholds that determine each obligation are not the same: 250 employees for the NFIS[12] and 500 employees for the taxonomy).[13] The changes in the NFIS received[14] by the CNMV were as follows:

**NFIS received by the CNMV** TABLE 1

| | 2022 | 2023 | 2024[15] |
|---|---|---|---|
| Consolidated NFIS | 102 | 99 | 99 |
| Taxonomy-related information (Article 8) | 89 | 85 | 87 |
| Individual annual reports received | 132 | 131 | 129 |
| Consolidated annual reports received | 126 | 124 | 123 |

Source: CNMV.

Of the 123 issuers that submitted consolidated statements for the 2024 financial year, 99[16] included an NFIS in their consolidated management report (80% of the total). Of these, 87 provided taxonomy-related information.[17]

The number of issuers that submitted an NFIS for the 2024 financial year remained unchanged from the previous year. The decrease in the number of NFIS received in 2024 was offset by the initial public offerings (IPOs) of non-financial entities[18] and one company becoming subject to the obligation to prepare an NFIS.[19] The

12 The initial threshold established by Law 11/2018 of an average of more than 500 employees during the financial year was reduced from 2021 to 250 employees, excluding SMEs as defined in Directive 2013/34/EU.

13 The Taxonomy Regulation applies only to entities required to disclose an NFIS in accordance with the NFRD, i.e. public-interest entities, including issuers, with more than 500 employees.

14 The annual accounts and management report, including, where applicable, the NFIS, are published on the CNMV's website and filed in the official register pursuant to Article 244 of the LMVSI and Article 2 of Royal Decree 815/2023 implementing the LMVSI.

15 The number of issuers that submitted individual or, where applicable, consolidated annual accounts amounted to 130.

16 This figure does not include three entities that availed themselves of the exemption provided for in Law 11/2018, as they are included in another company's consolidated management report, which fulfils the obligation. It includes one company that was no longer required to submit an NFIS in 2024 but did so voluntarily.

17 Four entities are not included, as they had fewer than 500 employees on average in 2024 and voluntarily submitted taxonomy information.

18 Inmocemento, S.A. and Izertis, S.A.

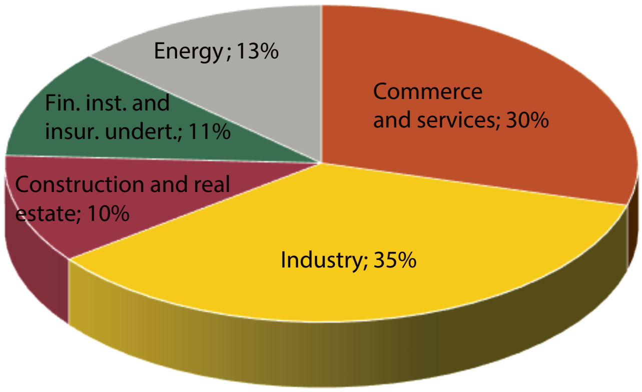
19 Squirrel Media, S.A.

decreases are due to: i) the delisting of a company that had submitted an NFIS in previous financial years, following a takeover bid;[20] ii) a company availing itself for the first time of the exemption on the grounds that it is a subsidiary;[21] and iii) a company that, despite being required to do so, did not submit its annual financial report and, therefore, did not submit its NFIS.[22]

None of the issuers that submit only an individual annual financial report, because they do not have a consolidated group, are required to prepare an NFIS.

The following figure shows the sector distribution of the 99 issuers that prepared a consolidated NFIS in 2024. The weight of each sector is calculated based on the number of entities belonging to it.

**Distribution by sector of issuers that submitted an NFIS for 2024** FIGURE 1




Source: CNMV.

Lastly, it should be noted that two Ibex 35 entities[23] were not obliged to prepare an NFIS or taxonomy-related information in 2024, as they did not exceed the threshold relative to the number of employees (same number of entities as in 2023).

## Reference frameworks used in the reports

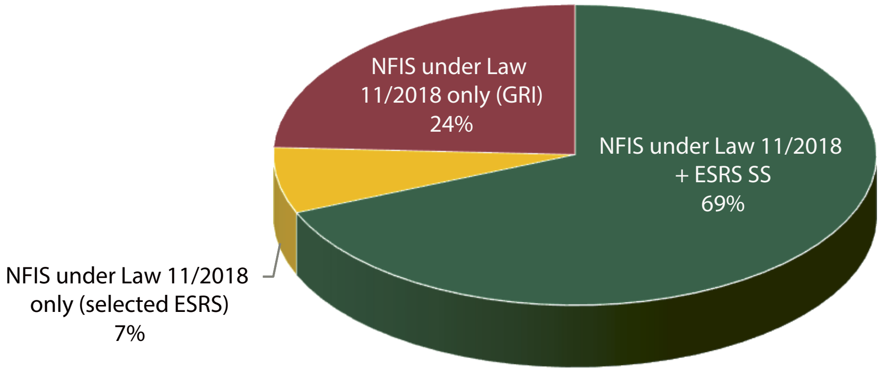
Until the 2023 financial year, issuers complied with the requirements of Law 11/2018 through their NFIS, applying the Global Reporting Initiative (GRI) guidelines as the reference framework in most cases: 99% in 2023. However, the situation changed substantially in the 2024 financial year.

With the entry into force of the CSRD, and despite its not having been transposed into Spanish law by 31 December 2024, a significant proportion of issuers chose to adapt their reports voluntarily to the Directive, taking into account the statement published by the CNMV and the ICAC on 27 November 2024. Accordingly, in the NFIS for the 2024 financial year, 69% of entities considered the ESRS framework when preparing their reports, complying with all the requirements of Law 11/2018

20 Applus Services, S.A.
21 Borges Agricultural & Industrial Nuts, S.A.
22 Urbas Grupo Financiero, S.A.
23 Inmobiliaria Colonial, SOCIMI, S.A. and Solaria Energía y Medioambiente, S.A.

and additionally presenting sustainability information in accordance with the criteria of the CSRD and applying the ESRS as a whole.

**Frameworks used in the 2024 NFIS and SS received** FIGURE 2

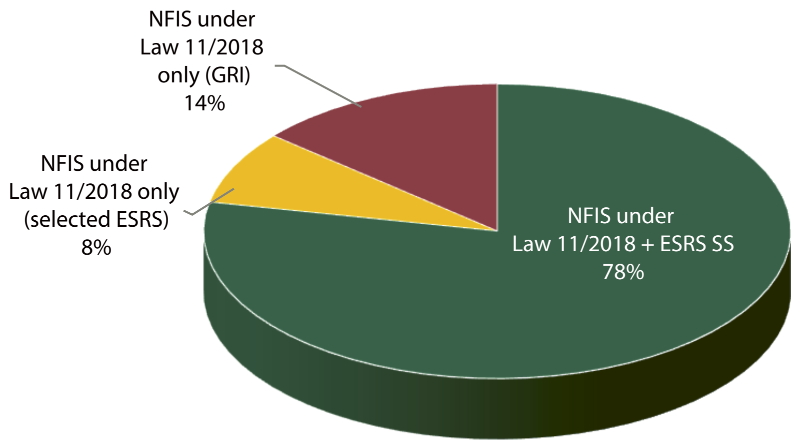



Source: CNMV.

The remaining 31% complied exclusively with the requirements of Law 11/2018, either by applying certain ESRS requirements – hereinafter, selected ESRS – (7%) or by using the GRI framework as a reference, with this percentage being much lower than in the previous financial year: 24% compared with 99% in 2023.

Considering only issuers with an average workforce of 500 employees or more – the *"Wave 1"* of CSRD application – the percentage that, in addition to the NFIS required under Law 11/2018, also presented sustainability information following the CSRD and applying the ESRS as a whole was even higher, at 78%, as shown in the following figure.

**Frameworks used in the 2024 NFIS and SS of *"Wave 1"* CSRD issuers** FIGURE 3




Source: CNMV.

All entities that applied the ESRS in 2024 – whether in full or only selected requirements – belong to the *"Wave 1"* of CSRD application. Entities with fewer than 500 employees therefore applied only the requirements of Law 11/2018, using the GRI framework as a reference.

In addition to the standards applied, issuers commonly mention other reference frameworks to which they adhere or which they use as guidance. References have been identified, in varying levels of detail, to various frameworks used for all or part of the NFIS content, including: i) the United Nations Global Compact; ii) the Sustainable Development Goals (SDGs); iii) the Sustainability Accounting Standards Board (SASB); iv) in the social sphere, the provisions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises; v) in the environmental sphere, the Carbon Disclosure Project (CDP); vi) the United Nations Guiding Principles on Business and Human Rights; and vii) the International Integrated Reporting Framework.

### Verification reports

Law 11/2018 requires that the information included in the NFIS be verified by an independent assurance services provider.[24] As in the previous financial year, all issuers submitted the corresponding consolidated NFIS verification report.

#### Qualifications

No issuer's NFIS verification report contained qualifications, compared with one in the 2023 financial year.

#### Emphasis of matter paragraphs

Of the NFIS received, 25% of the verification reports contained an emphasis of matter paragraph, compared with 81% in 2023. The reduction relates mainly to emphasis of matter paragraphs on taxonomy, which in the previous financial year highlighted the lack of comparative figures or changes in criteria and methodology.

As regards the reasons for the emphasis of matter paragraphs in the reports for the 2024 financial year, most of them, 76%, were again related to taxonomy, while 20% related to incorporation of the NFIS by reference and, in the specific case of one issuer,[25] to the scope used. In 2023, 99% of the emphasis of matter paragraphs related to taxonomy.[26]

24 Article 49.6 of the Code of Commerce. As the information under Article 8 of the Taxonomy Regulation forms part of the mandatory content of the NFIS, in accordance with the regulatory framework, it must be included in the verification process for the NFIS as a whole.

25 Grupo Empresarial San José, S.A.

26 As noted above, the taxonomy-related emphasis of matter paragraphs in 2023 referred to the section of the NFIS reporting on the criteria followed by the directors, and highlighted the lack of comparative information for 2022 on the new requirements. In addition, many of them disclosed that the information presented was not strictly comparable, since, in general, the same level of detail was not required in 2022.

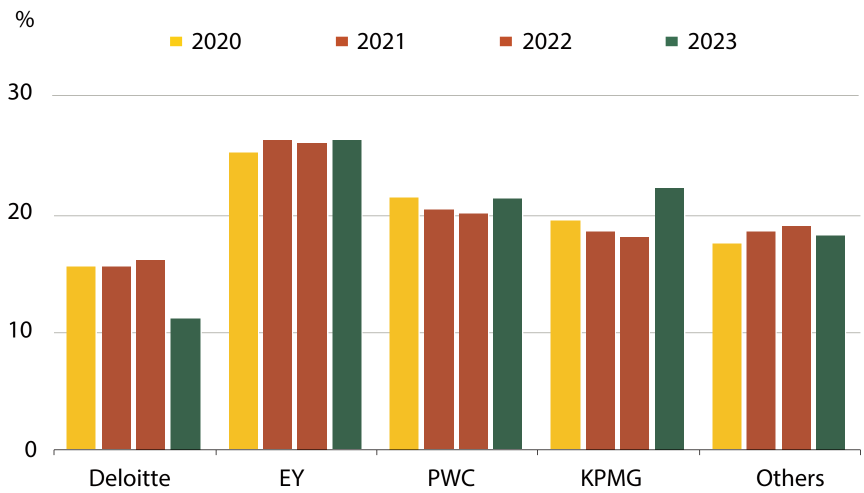
## Verification firms

As in previous financial years, a significant degree of concentration is observed in the main verification firms. In 80% of the cases, the verifier was one of the "big four" audit firms in Spain: Deloitte, EY, KPMG and PwC (as in the previous year). Of the remaining 20%, Aenor Confía, S.A.U. stands out, issuing 5% of the consolidated verification reports received, while Mazars Auditores, S.L., BDO Auditores, S.L.P. and A Worldwide Audit Assurance España, S.L. each issued 3% of the reports.

In 82% of cases (80% in 2023), the verification firm was the same as that which audited the entity's 2024 annual accounts. In 57% of these cases, the statutory auditor and the verifier were the same individual, a higher percentage than in the previous financial year, 23%,[27] which could help ensure greater consistency between financial and non-financial information.

Figure 4 shows the distribution of the verification reports prepared by the leading firms in the last four years.

**Distribution of verifications by firm** FIGURE 4




Source: CNMV.

Both in 2024 and 2023, all the Ibex 35 companies[28] that submitted an NFIS were verified by one of the "big four" audit firms.

27 In the verification reports of 46 issuers, compared with 18 issuers in 2023, the statutory auditor and the verifier were the same individual.

28 It includes the 31 Ibex 35 companies that submitted an NFIS to the CNMV. ArcelorMittal and Ferrovial are not required to submit financial information to the CNMV, as Spain is not their home Member State, while Inmobiliaria Colonial, SOCIMI, S.A. and Solaria Energía y Medioambiente, S.A. are not required to submit an NFIS.

## Nature and scope of verification

As in 2023, almost all the verification reports of the consolidated 2024 NFIS correspond to a limited review report.[29]

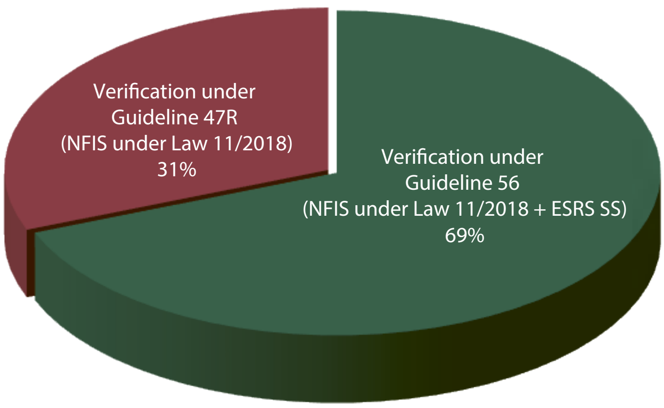
Most limited review reports were issued by audit firms: 95% in 2024. The remaining limited review reports were issued by verifiers other than audit firms.

Of the various possible verification frameworks, the ICJCE and the Register of Auditor Economists (REA) each published practice guidelines in 2019, specifying and clarifying the scope of these reviews on the basis of ISAE 3000. The ICJCE subsequently issued several addenda to its guide, Revised Practice Guideline 47.

As the CSRD had not been transposed by 31 December 2024, the ICJCE published another guide on verification engagements, hereinafter Practice Guideline 56, which included guidance for entities required, and not required, under the CSRD to publish sustainability information in 2024.

In this context, in 69% of the limited review reports issued by audit firms, the verifiers carried out their work in accordance with the guidance set out in Practice Guideline 56, which takes into account the note published by ICAC on 18 December 2024.[30] In these cases, the verification covers both the NFIS, which meets the requirements of Law 11/2018, and the additional sustainability information prepared in accordance with the CSRD and the ESRS as a whole.

**Nature and scope of verification** FIGURE 5




Source: CNMV.

29 Except in one case, where the verifier was not an audit firm and did not clearly specify the scope.

30 On 18 December 2024, ICAC published a note including the draft technical standard for limited assurance of sustainability information, which will be mandatory once approved.

In the remaining 31% of the limited review reports issued by audit firms, the verifiers carried out their work in accordance with the requirements established in the revised ISAE 3000 review standard (ISAE 3000R),[31] issued by the IAASB, an independent standard-setting board of IFAC, and considering only the criteria set out in the ICJCE's Revised Practice Guideline

These reports related to issuers that only published their NFIS in accordance with Law 11/2018, which they addressed by applying selected ESRS or GRI.

31 This standard addresses the review of various non-financial aspects and was approved by the International Auditing and Assurance Standards Board (IAASB), which forms part of IFAC, the International Federation of Accountants. In Spain, it has been adapted by the ICJCE.

# III Supervision of sustainability information

## Review of the 2024 NFIS

Law 6/2023, of 17 March, on Securities Markets and Investment Services (LMVSI), empowers the CNMV to supervise the NFIS submitted by issuers, to the extent that it forms part of their management reports. Similarly, the additional sustainability information prepared voluntarily by issuers, which complies with the provisions of the CSRD and also forms part of the management report, has been subject to supervision. In carrying out this function, the CNMV may require issuers to publish additional information to supplement the disclosures provided, or to identify corrections and, where appropriate, accompany them with commitments to restate or reformulate previously published sustainability information.

As part of this process, the CNMV contacts certain issuers to request additional information in order to obtain clarifications or data on specific matters. These requests for information are made through written or verbal requests, by telephone or in meetings.

It is important to remember that these requests are a tool for investigating possible breaches, but that not all requests are ultimately related to a failure to observe the applicable regulations and, consequently, some responses given by entities do not lead to any corrective action by the CNMV.

The CNMV's enforcement work on the NFIS follows a similar approach to its work on financial disclosures, with two levels of review performed: formal and substantive. By analogy with the principles set out in ESMA's Guidelines on Enforcement of Financial Information (GLEFI)[32] and in line with those included in the GLESI, which have yet to enter into force, substantive reviews may, in turn, be full or partial, with the latter covering certain specific issues relating to non-financial information.[33]

All of the NFIS received are subject to a formal review of compliance with certain legal requirements. This type of review also entails other specific issues that are described in the following chapter.

Annually, a substantive review is carried out on a certain number of NFIS. To identify the entities subject to this review, a mixed selection model is applied, based on risk and random rotation, in line with the principles of ESMA's supervisory guidelines.

32 https://www.esma.europa.eu/sites/default/files/library/esma32-50-218_guidelines_on_enforcement_of_financial_information_en.pdf

33 Basically, the priorities defined by ESMA and the CNMV.

The concept of risk used in the model combines two factors:

– The probability that the financial statements and the non-financial information may contain a material error.

– The potential impact of any material errors on market confidence and investor protection.

Risk-based selection is supplemented, as mentioned above, by random sampling and rotation criteria to ensure that the financial and non-financial information of all issuers is reviewed at least once in each ten-year rotation cycle.

### Formal review

All NFIS received were subject to a formal review that involved, at least:

i) Verifying that both the NFIS and the verification report were included, where required, as part of the consolidated or individual management report, in accordance with Law 11/2018, and identifying the global frameworks used in their preparation.

ii) Analysing the content of any qualifications included, where applicable, in the verification reports, as well as the nature and scope of the verification.

iii) Following up on whether aspects formally requested in previous years' reviews have been corrected or properly disclosed.

The 2024 NFIS also included checks on whether the obliged issuers provided the information required under Article 8 of the Taxonomy Regulation.

As a result of this formal review, two entities were contacted by telephone to correct formal aspects relating to the inclusion of the NFIS in the annual financial report.

### Substantive review

During 2025, a total of 16 entities were subject to full or partial substantive review. In some cases, the substantive review of the NFIS focused primarily on the priorities defined by ESMA and the CNMV or on a specific significant aspect of each entity. In the other cases, selected on the basis of risk and taking the sector into account, a more in-depth and broader substantive review of the NFIS was carried out.

Of the 16 entities, 11 prepared their NFIS in compliance with the requirements of Law 11/2018 and also voluntarily submitted sustainability information in accordance with the CSRD criteria, applying the ESRS in their entirety. The remaining five entities complied exclusively with the requirements of Law 11/2018, either by applying selected ESRS (two entities) or by using the GRI framework as a reference (three entities).

By sector, 31% of these entities were in trade and services, 19% in energy, 6% in financial institutions and insurance companies, 38% in industry and 6% in construction and real estate.

By market capitalisation at 31 December 2024, 34% of these companies belonged to trade and services, 38% to energy, 13% to financial institutions and insurance companies, 14% to industry and 1% to construction and real estate.

During 2025, **additional information was requested** from a total of 17 entities[34] on various matters relating to sustainability information.

In addition, various **recommendations** were made to a total of 16 entities, for consideration in future NFIS.

### Information relative to the admission of entities' shares to trading (IPOs)

In addition, during 2025 the CNMV supervised the non-financial information of two entities in the context of the potential admission to trading of their shares.

One of these entities[35] completed the process in 2026 and was admitted to the continuous market, while the other decided to postpone the transaction.

## Most significant actions in 2025

This section explains the main actions carried out by the CNMV in relation to the priority areas identified in last year's annual report concerning the NFIS for the 2024 financial year, as well as other areas that gave rise to a larger number of supervisory actions involving entities.

In most cases, the explanations provided by the issuer in response to the CNMV's request for additional information adequately completed the disclosures required by law or those recommended by ESMA and the CNMV in their enforcement priorities for the 2024 NFIS, although there is still room for improvement in some areas, as can be seen in the comments below. However, in cases where the approach or disclosure used by the entity was not consistent with the standard and was significant, a commitment was required to correct one or more specific matters in the next NFIS.

The main findings from these CNMV supervisory actions are highlighted below:

– In 12 cases, corresponding to six issuers, the supervisory actions carried out on the 2024 NFIS resulted in a **future correction commitment of the sustainability information**. The main matters to which these commitments relate, which are discussed in the relevant sections of this chapter, were as follows:

  i) Materiality assessment: three issuers.

  ii) Scope/perimeter of the NFIS: one issuer.

  iii) Disclosures relating to internal control and sustainability risk management systems (ICSR): one issuer.

  iv) Climate change: three issuers.

34 These entities included 92% of the issuers subject to substantive review.

35 Arteche Lantegi Elkartea, S.A.

v) Other environmental matters: pollution: one issuer.

vi) Taxonomy Regulation policies and disclosures: two issuers.

vii) Own workforce: one issuer.

The matters covered by **requests for additional information** or recommendations to entities should be read in the context of the 2023 *Report on the CNMV's Supervision of Non-Financial Information*, which set out the areas on which the CNMV would focus its review of the 2024 NFIS.

ESMA established the following common **priority areas** for the review of the 2024 NFIS: i) materiality of reports under the ESRS; ii) scope and structure of the sustainability statement (SS); and iii) disclosures relating to Article 8 of the Taxonomy Regulation.

The CNMV also decided to include the disclosures provided by issuers in relation to ICSR as an additional priority.

Table 2 summarises the supervisory actions carried out in 2025:

**Supervisory actions on NFIS** TABLE 2

| | No. of entities on which actions were carried out[36] | | |
|---|---|---|---|
| Nature | Request for information | Recommendations | Conclusion of the actions[37] |
| **1 Cross-cutting areas** | | | |
| Business model and value chain | 7 | 5 | |
| Materiality **(priority review area)** | 8 | 13 | 3 future correction commitments |
| Scope **(priority review area)** | 6 | 3 | 1 future correction commitment |
| Structure **(priority review area)** | 3 | 7 | |
| Connectivity and coherence | 4 | 3 | |
| Key performance indicators (KPI) | 5 | 6 | |
| Internal control and sustainability risk management systems (ICSR) **(priority review area)** | 2 | 7 | 1 future correction commitment |
| **2 Thematic issues** | | | |
| Climate change | 6 | 7 | 3 future correction commitments |
| Disclosures relating to Article 8 of the Taxonomy Regulation (priority review area) | 5 | 10 | 2 future correction commitments |

36 Entities from which information was requested or to which recommendations were issued in relation to APMs are not included, nor are requests for information or recommendations in connection with IPOs. In those cases where an issuer was recommended to provide additional information about an aspect that, due to its nature, affects more than one area, it was generally considered in both (e.g. a personnel KPI). This includes aspects recommended as part of the formal review arising from follow-up of the issues raised in reviews of previous financial years.

37 Only actions that resulted in a restatement, re-expression, corrective note or commitment to make a future correction are highlighted.

**Supervisory actions on NFIS (*continuation*)** TABLE 2

| Nature | No. of entities on which actions were carried out[36] | | Conclusion of the actions[37] |
|---|---|---|---|
| | Request for information | Recommendations | |
| Other environmental issues | 1 | 0 | 1 future correction commitment |
| Social and employee matters | 3 | 4 | 1 future correction commitment |
| Consumers and end-users | 1 | 1 | |
| Business conduct | 1 | 2 | |
| Whistleblowing channel | 2 | 1 | |

Source: CNMV.

The following section describes in greater detail the main supervisory activities carried out during 2025 and sets out certain areas for improvement, taking into account the requirements established by the ESRS in force, which were voluntarily applied by a significant proportion of the issuers concerned.

> The boxes include certain issues identified during the review of non-financial information, generally accompanied by recommendations or good practices aimed at improving the quality of sustainability information.

Actions relating to ICSR disclosures are discussed in Chapter IV.

## Follow-up of cross-cutting areas

### Business model and value chain

The CNMV again stresses the importance of an adequate description of the entity's business model and value chain as a **starting point** for understanding its exposure to material impacts, risks and opportunities (IROs) relating to sustainability matters, as well as the policies and actions in place to manage them, thereby providing context for the rest of the information in the NFIS. This is also relevant for understanding the financial information, with which it must be **consistent**.

There is still room for improvement in this area, and for this reason additional information was requested and recommendations were made to several entities, mainly in relation to:

– The **description of the** group's activities and **business model-products** and services, significant facilities, geographical markets, types of customers and suppliers, business environment, etc. – including details of the main **stages** and activities **of the value chain.**

> Several entities were asked to describe their activities and the different stages of their value chain in greater detail and more clearly. It is recommended that the explanations be supplemented with **schematic illustrations** to help users understand them.

In some cases, it is unclear how far third-party participants in the value chain have been included, for example, whether the supply chain includes Tier 1 and Tier 2 suppliers, or whether customers include end consumers.

Some entities have more than one value chain and should explain all relevant value chains and how they interrelate.

– **The extent of the issuer's involvement**, and that of significant third parties, in the main stages or activities of the value chain.

For some activities of the issuers reviewed, it is often unclear whether they relate to the group's own operations or to the operations of other relevant participants in the value chain, upstream or downstream. This is particularly the case where activities are partly carried out by the entity itself and partly outsourced to third parties, such as manufacturing, storage, transport or marketing.

Greater clarity is recommended by showing the relationship between the activities and the parties involved, and by describing the business actors, such as key suppliers and distribution channels to customers and end-users.

It is important to specify when the term "value chain" is used in a broad sense, including own operations in line with the definition set out in the ESRS,[38] and when it is limited to third-party activities. EFRAG has published Implementation Guidance IG-2 on the value chain.

A lack of clarity on this issue may also affect the disclosures in the double materiality assessment (DMA), where it is not always clear which IROs arise from the entity's own operations and which arise from its business relationships. It is recommended that explanations be included to help users understand how IROs have been assigned.

– **Consistency** between the information provided on this matter in different sections of the NFIS, and between the business model described in the NFIS and the related information included in the notes to the financial statements and other parts of the management report, for example, information relating to the description of the entity's activities, segment information, or developments in the business environment or the entity's business during the financial year.

In recent years, significant changes have commonly occurred in the business or regulatory environment, for example changes in tariff policies, or in the businesses of some entities, for example as a result of divestments. It should be made clear whether these changes have led to **modifications** to the business model or to the entity's medium- and long-term sustainability targets.

38 Annex II to the ESRS states that a value chain encompasses the activities, resources and relationships that the undertaking uses and relies on to create its products or services, from conception to delivery, consumption and end-of-life. These include activities, resources and relationships in the undertaking's own operations and along its supply, marketing and distribution channels.

### Materiality of reports under the ESRS (priority review area)

Materiality assessment is the cornerstone for determining which information is relevant to stakeholders and helps avoid both the omission of material information and the excessive inclusion of irrelevant data. This analysis must therefore be properly disclosed in the NFIS, as a basis for understanding the rest of the report.

The reports for the 2024 financial year were the first in which some issuers voluntarily applied the ESRS and therefore adopted the double materiality approach, as set out in ESRS 1 and 2, to determine the material IROs on which information should be disclosed. As this approach was being applied for the first time, it gave rise to uncertainties over interpretation and differences in issuers' analyses and disclosures, despite the EFRAG having published guidance on materiality assessment (IG-1) in May 2024. In some cases, although entities continued to report exclusively under Law 11/2018, using the GRI framework or selected ESRS, they stated that they had already implemented double materiality assessment under the ESRS.

In October 2025, ESMA published the results of an analysis of 2024 materiality disclosures carried out with the support of national supervisors,[39] identifying a series of recommendations that served as the basis for setting ESMA's priorities for 2025.

The main areas for improvement identified by the CNMV are as follows:

- The information **describing the process** followed to determine material IROs should be expanded and made more specific, particularly by:

  - Indicating whether the prevention, mitigation or remediation measures established by the entity have been taken into account and, where applicable, explaining how, in line with the transparency requested by ESMA in its priority for 2025 SS.

    > Several entities were asked to expand the information on this matter, as the SS did not clearly set out their approach or the impact on the IROs resulting from their analysis. One of the entities included in its response a **future commitment** to provide more detailed information in its 2025 SS.
    >
    > Although FAQ 23 of IG-1 addresses this issue, its practical application has proved difficult. In addition, the terms "gross" and "net" have not been used consistently by all issuers.

  - Completing the information on the methodology and assumptions used to determine which IROs are material, in particular:

    - How they prioritised negative impacts – based on their scale, scope, irremediable character and likelihood – and positive impacts – based on their scale, scope and likelihood – and how they assessed the effects of risks and opportunities, by evaluating their likelihood, the magnitude of their financial effects and their nature.

39 ESMA32-846262651-5288_Fact_finding_on_materiality_disclosures_in_sustainability_statements.pdf

- More explicit information on the qualitative or quantitative thresholds used in the process for assessing IROs and other input parameters used, indicating which are relevant, such as data sources, the scope of operations covered and the values assigned to the parameters used to set the thresholds.

- Distinguishing the process used for impacts from that used for risks and opportunities.

> It is recommended that entities include information on the internal and external sources considered, whether they have taken sector-specific matters into account, and non-generic information on how they determined the thresholds above which an IRO is considered material.

- The information on the main **stakeholders** should be expanded, including how they are identified and prioritised, the communication channels used with them, and how their needs and expectations have been integrated into the process.

> In general, the disclosures describing the process for determining relevant IROs are broad and mainly qualitative. Although entities state that these are complex processes that are difficult to reflect in the sustainability report, they should make an effort to comply with the disclosure requirements (DRs) of ESRS 2 IRO-1 and provide more entity-specific disclosures.
>
> Some indicate that this is a dynamic and ongoing process that must be reviewed periodically to reflect relevant changes in the regulatory context, the business model and the environment in which they operate. One of the entities that received a request stated in its response the new elements to be included in its 2025 DMA and related disclosures, including the redefinition of certain thresholds.

– **Identification of IROs**

- The results of mitigation or remediation actions for negative impacts should not be considered positive impacts, nor should mere compliance with regulations.

> Examples include paying taxes or having fewer workplace accidents as a result of implementing a safety or health system.

- Information on countries or geographical areas must be included where relevant for impacts or risks, as required by the social topical standards, particularly in relation to human rights.

- The information on the materiality assessment of impacts or risks that have not been identified as material should be expanded where they may raise questions for users of the report for various reasons, such as the sector in which the entity operates or the information included in other sections of the SS, for example on management policies or procedures.

It is considered good practice to compare the material IROs resulting from the DMA with those of other companies in the sector and with those identified in previous years – even using a different methodology – to challenge the results obtained with the new methodology.

These questions arose mainly in relation to IROs concerning business conduct and, in particular, corruption and bribery, or those relating to pollution or human rights.

One entity that received a request had omitted a material risk in error, but included in its response a **future commitment** to include it in its 2025 report.

Some entities state that certain matters are not material because of their business model, and it is recommended that this be supported by explanations.

In some cases, the change in methodology has led to additions and removals of material IROs. Where there are changes, it is recommended that they be explained, even if the standard does not expressly require this.

– Complete the **information** required by Disclosure Requirement SBM-3 of ESRS 2 **on material IROs:**

- Expand or improve their description and indicate where the material IROs are concentrated in the entity's business model, in its own operations or in the upstream or downstream stages of the value chain (ESRS 2, Disclosure Requirement SBM-3, paragraph 48, letter a).

In line with the comments in the section on the business model, it is not always clear whether material IROs are concentrated in the entity's own operations or in those of third parties in the value chain. Entities should make an effort in this respect to comply with ESRS 2, Disclosure Requirement SBM-3, paragraph 48, letter a).

It should be recalled that, even where an activity is outsourced to third parties, the associated IROs and how they are managed must be considered, specifying that they do not arise in the entity's own operations.

- The reasonably foreseeable time horizons of the impacts must be specified.

In some cases, although they are specified, the criterion used to classify them as short, medium or long term is unclear.

- The way issuers have addressed the disclosure requirement on the current and anticipated financial effects of risks and opportunities has varied. In general, they do not provide information on **anticipated** financial effects, relying on the transitional provision allowed under the ESRS, among other reasons because of the difficulty of determining them due to the lack of maturity of the methodologies. As regards **current** financial effects, the information is limited, or consists of generic statements or unclear references to the notes to the financial statements.

– Information on the DMA must be consistent with other sections of the NFIS, bearing in mind that this analysis should serve as the basis for determining the information to be disclosed.

It is recommended that the risk information included in other sections, particularly information on physical and transition risks related to climate change, be consistent with the IROs resulting from the materiality assessment.

One of the entities that received a request included a **future commitment** to improve the clarity, consistency and understandability of the information disclosed on the DMA.

## Scope and structure of the sustainability statement (priority review area)

ESMA considered matters relating to the scope and structure of sustainability statements to be a priority for the review of the NFIS for the 2024 financial year and, following the supervision carried out, various actions were taken.

### Scope of the sustainability statement

As a result of the review carried out, the following areas for improvement have been identified in relation to the scope or perimeter of the report:

– The **scope** of the sustainability statement must be **the same as that of the consolidated financial statements**, and an express **confirmation** to this effect must be included in the report (ESRS 1, Section 5.1, and ESRS 2, Disclosure Requirement BP-1). When a metric or indicator is material for the group, data for the entire group must be included (FAQ 22 of IG-1).

**Any exclusion from the financial reporting perimeter** must therefore be **exceptional** and duly explained and justified, indicating: i) the **reasons**, such as immateriality or lack of access to the necessary data using reasonable effort, and any **measures** to be taken to address them, together with the expected **timetable**; ii) **the type** of exclusion, such as subsidiary, geographical area, segment or certain professional categories, **and its scope**, such as one or more KPIs or policies; and iii) **the relevance** of the information excluded.

The **description of the perimeter** of sustainability statements is not always sufficiently **clear**. Several entities have been asked to clarify aspects relating to the actual scope of the information reported, including discontinued operations, joint ventures and the treatment of companies over which significant influence is exercised.

The alignment generally established by the ESRS between the perimeter of the sustainability statement and that of the consolidated financial statements helps ensure consistency, comparability and traceability between financial and non-financial information. However, in some cases, certain entities were found to have **excluded a specific company or subgroup** from the sustainability statement, with exclusions also occurring in some cases **in specific thematic areas or for certain indicators**.

In addition to the disclosures already mentioned, where these exclusions are significant, the entity should explain whether they were taken into account in the **double materiality assessment**, specifying, where applicable, whether any associated relevant IROs were identified.

If **there have been no exclusions**, it is recommended that this be stated explicitly in the report.

It should be recalled that sustainability information must be presented on **an aggregated basis for the entire group,** without prejudice to the entity voluntarily including a greater level of disaggregation.

– The sustainability statement must include explanations of the **scope or extent of the value chain** in the report (ESRS 2, Disclosure Requirement BP-1).

Entities have not always explicitly indicated whether they have made use of the **transitional provision** set out in the ESRS for the phased implementation of reporting requirements in this area. This lack of clarity makes it difficult to interpret the actual scope of the information disclosed and limits comparability between entities.

Following the actions taken, one of the issuers included in its response a **future commitment** to expand the disclosures on the perimeter in forthcoming sustainability statements.

### Structure of sustainability statements

Regarding the structure of the sustainability statement, additional information has been requested and recommendations have been made to several entities, primarily in relation to:

– The **structure of the report,** which must be in accordance with Section 8 of ESRS 1, as illustrated in Appendix D. Appendix F of that standard provides a non-binding example that may serve as a reference.

It has been particularly recommended that the sustainability statement be structured into the following four parts, as set forth in paragraph 115 of ESRS 1: general information, environmental information (including the information provided for in Article 8 of Regulation (EU) 2020/852), social information and governance information.

– The **comprehensibility and accessibility of the sustainability information,** taking into account the provisions of ESRS 1, paragraph 111, letter b), must be ensured, especially where **cross-references** are used between sections of the report or where **information is incorporated by reference** (ESRS 1, paragraphs 115, 119 and 122).

The information included in the sustainability statement must be presented **clearly, comprehensibly and without unnecessary repetition,** avoiding duplication between its various sections and with other corporate documents (annual accounts, NFIS and SS, and the rest of the management report). Similarly, repetition within the NFIS and SS themselves should be avoided, promoting the internal consistency of the document.

**Cross-references** within the report can be used to avoid unnecessary duplication and to highlight the connections between the various disclosures. However, a balance must be struck to ensure that the information does not become overly dispersed throughout the report.

In some cases, the references included by issuers in the content index tables refer to overly lengthy sections, making it difficult to identify the specific information. It is therefore recommended to indicate the specific page or pages on which each requirement can be found, thereby improving traceability.

As **good practice**, issuers are encouraged to include direct references to the **paragraphs or data points** of the corresponding disclosure requirement in the body of the report, thereby facilitating traceability, in line with ESMA's recommendations in its enforcement priorities for 2025.

Issuers are reminded that, pursuant to paragraph 119 of ESRS 1, the documents that may be **incorporated by reference** are restricted, and that paragraph 120 sets out the conditions that referenced information must meet in order to be valid.

– The **connectivity** between the information in the sustainability statement and other data disclosed by the company in other parts of its corporate reporting (ESRS 1, paragraph 118).

It is essential that companies provide users with a **clear understanding of the connections** between the various items of information, indicating precisely where the information from the financial statements or other documents can be found, particularly where these involve monetary amounts or quantitative data, in order to ensure traceability.

Connectivity within the annual financial report is addressed under the heading "Consistency between the NFIS and the financial statements and within the NFIS itself".

– The application of the **transitional provisions** set out in Chapter 10 of ESRS 1, permitted under specific circumstances.

It has been observed that some entities have either not explicitly disclosed whether or not they have made use of these provisions, or have not explained this with sufficient clarity, which has led to requests for additional information or the issuing of specific recommendations.

## Consistency between the NFIS and the financial statements, and within the NFIS itself

The importance of **consistency and connectivity between financial information and sustainability information** is highlighted, as ESMA has stressed on repeated occasions, as well as **within the NFIS itself**.

- **Consistency and connectivity between financial information and sustainability information.**

  This refers to the consistency between the information provided in the sustainability statement and that set out in the various notes to the financial statements or the management report regarding, among other things, the following: the description **of the business model** – addressed above – the **scope, provisions or contingencies,** and **climate-related** matters. To facilitate understanding, it is recommended that these be properly cross-referenced.

  It must be verified, in particular, that financial and non-financial information **is presented in an integrated manner and without contradictions.**

  With regard to the **monetary amounts or quantitative data** included in the sustainability statement, issuers are reminded of the need to incorporate cross-references to the financial statements or, where applicable, reconciliations-for example, in relation to taxonomy KPIs.

  It has been observed that the sustainability statement did not always disclose the litigation or legal proceedings recorded in the **provisions or contingencies** note to the financial statements that related to sustainability matters. Additionally, depending on their materiality and relevance, these proceedings should be taken into account in the **process of identifying and assessing IROs.** One entity was specifically recommended to review and strengthen this process, in order to ensure that governance-related risks reflected in the financial information are adequately captured in the NFIS.

  The need for **transparency regarding the financial resources** committed to sustainability **and how they are reflected in the financial statements** is also emphasised. This is particularly relevant in relation to **climate-related matters,** including transition plans, the resources required for their implementation, the investments made and the associated commitments.

  Issuers are recommended to verify their internal preparation and review processes to ensure a **coherent, aligned presentation that is free of contradictions,** in compliance with the connectivity and consistency principles of the ESRS framework.

- **Consistency within the NFIS itself.**

  It is also essential to ensure internal consistency across the different sections of the sustainability statement, avoiding contradictions or inconsistent messages that could prevent users from gaining a clear and complete understanding of the information presented.

In particular, it is recommended that consistency be strengthened between the climate information section and the EU Taxonomy section.

## Key performance indicators (KPIs) or parameters

To monitor the effectiveness of their policies and actions in the management of IROs of relative importance, entities establish associated parameters and targets, which they must disclose in their sustainability statements.

It is a key cross-cutting issue. This section focuses on the main areas for improvement identified from the supervision of the 2024 NFIS, from a general perspective of the quantitative indicators used by entities:

– **Comparative information** must be included for all relevant KPIs and, to help users understand it, must be supplemented with sufficient qualitative explanations of any changes, indicating the context in which they occurred.

Although the ESRS contain a transitional provision on the presentation of comparative information, it must be included at least for the KPIs required by Law 11/2018 currently in force.

The actions on this matter mainly concerned KPIs relating to the carbon footprint and taxonomy information.

– In the most relevant KPIs for understanding the entity's performance, issuers are recommended to provide a **definition** of the indicator and of the calculation **methodology**, in addition to the sources or origin of the data used, including the scope of application.

In some cases, the definition of an indicator, such as the pay gap, was not aligned with that included in the ESRS, or the methodology had been modified without the impact of the change being adequately explained.

These aspects should remain consistent over time or, where changes are made, restated comparative figures should be provided, if possible. Alternatively, any changes that may have occurred between periods should be clearly explained so that users can understand their implications.

– Additional information on certain KPIs must be included in accordance with estimates, both in Scope 3 emissions and in other KPIs.

Transparency must be emphasised as good practice with respect to the source of the data used in the KPIs, whenever estimates are used in the calculations, indicating the percentage obtained through estimates and the reasons for which reliable data could not be collected, in addition to the estimation method used.

– As regards the non-financial **objectives** established, where applicable, by issuers, the following aspects should be taken into account in particular:

- Targets are more useful when they are measurable and their time horizon is specified, providing information on the methodologies and assumptions underlying these targets.

- The targets must be linked to the most relevant corresponding KPIs.

  When reporting objectives, issuers are recommended to be concrete and consistent with the KPIs provided, allowing them to measure their performance and identify the relevant matters for them.

  The relationship between IROs, metrics and targets is not always clear, especially where a metric and its target relate to several IROs. Explanations should be included to help users understand these relationships and identify the IROs that have associated targets.

- The degree of achievement during the financial year should be explained by comparison with the target set in the base year, together with the measures adopted to achieve it and the likelihood of achieving it within the timeframe set.

  Some entities state that they have set targets for certain sustainability matters and even mention measures they will take to achieve them, but do not provide quantitative information on all of them or do not set deadlines for achieving them. Others state that they will include them in future financial years. They were asked to specify the timeframe, reporting on progress made and the measures planned to set them.

  If the entity does not plan to set such targets, it must indicate the reasons and describe whether, and how, it monitors the effectiveness of its policies and actions.

- Issuers must detail how they monitor the achievement of the targets and the management bodies or departments to which this information is reported.

- Disclosures on targets should make it possible to assess their consistency with the issuer's strategic ambition.

Issuers are also recommended to compare their non-financial objectives with external benchmarks, if any.

The actions on this matter mainly concerned KPIs relating to climate or other environmental matters.

## Follow-up of thematic matters

### Climate change (ESRS E1)

As in previous financial years, this is an area of disclosure in which numerous actions were carried out, even though, for the first time in recent years, climate-related matters were not included among the review priorities for the 2024 NFIS. During 2025, supervisory actions focused on two main areas: the carbon footprint and decarbonisation targets and, where applicable, transition plans.

– The following should be highlighted in relation to **disclosures of greenhouse gas** (GHG) emissions:

  - **Data must be provided on Scope 1 and 2 GHG emissions** and, at least for larger entities, those with more than 750 employees, on **Scope 3 emissions and total GHG emissions.** These data must be provided in **gross terms**; in other words, offsets such as carbon credits, GHG emission allowances or avoided emissions must not be taken into account and must be disclosed separately in accordance with ESRS E1-7.

    > Explanations were requested from one issuer that did not comply with the ESRS, as the information provided on the carbon footprint across all scopes was incomplete and it was unclear whether it was consistent with its business model.

  - Sufficient detail should be provided on the **perimeter** or scope of these metrics, and on the **methodologies**, the most significant assumptions and the emission factors used to prepare them. Information on the degree of uncertainty associated with these metrics must be provided in accordance with ESRS 2, paragraph 11, particularly for Scope 3 emissions.

    Methodological changes from one financial year to the next and their impact must also be detailed.

    > The calculation must take into account the principles, requirements and guidance provided by the GHG Protocol Corporate Standard and ensure that the main activities are represented in accordance with the company's business model. The quality of the emission factors used is fundamental. Issuers must explain whether they have used estimates and the limitations encountered in calculating them; this is particularly relevant for Scope 3 emissions.
    >
    > In accordance with ESRS E1-6, GHG emissions are to be consolidated using the approach based on consolidated financial statements plus assets/entities under operational control. In other words, the reporting undertaking must account for 100% of all GHG emissions from the consolidated accounting group, the parent company and its subsidiaries, and from operations over which it has operational control, a term defined in Annex II to the ESRS.

Several issuers applying the ESRS were asked or recommended to clarify the approach used to calculate the footprint and whether they had operational control over investees not fully consolidated in the financial statements or over contractual arrangements not structured through an entity. They were reminded that, in such cases, their Scope 1 and 2 emissions must be disclosed separately from those of the consolidated accounting group (ESRS Disclosure Requirement E1-6, paragraph 50).

- Clear **comparative information** must be provided for all KPIs, together with an explanation of their evolution where relevant.

Entities that voluntarily prepare their sustainability statement in accordance with the CSRD and the ESRS must carefully assess the application of the transitional regime set out in ESRS 1, Section 10, and ensure that this does not result in any relevant requirement of Law 11/2018 not being met.

Some issuers still do not provide explanations for significant changes in gross emissions compared with the previous financial year, particularly Scope 3 emissions.

- For **Scope 2** emissions, the figure provided must be explained, detailing the approach used to calculate it, in particular whether the market-based or location-based approach has been used. Companies applying the ESRS must provide both (ESRS Disclosure Requirement E1-6 AR 45, letter d)).

- For **Scope 3** emissions, the emissions corresponding to each significant category for the company must be detailed, considering the 15 categories described in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the GHG Protocol, 2011 version, and taking into account the entity's business model and its entire value chain.

  The boundaries used to calculate these emissions should be described. Where categories are omitted, in whole or in part, it is important to indicate whether this is because they are not material, describing the judgements used to reach this conclusion, or because it is not practicable to calculate them. In all cases, qualitative information should be provided.

Explanations were requested for the exclusion of certain categories. Where complete data could not be provided, entities were urged to provide qualitative information on potentially significant categories and their relevance. It is also important to detail the ongoing efforts to collect this information and to provide an indicative timetable for when it is expected to become available.

For financial institutions in particular, category 15 of the above-mentioned standard is especially relevant, as it covers emissions associated with their financing and direct investment activities: financed emissions.

As a result of the supervisory actions on the carbon footprint, two issuers submitted **future commitments** relating to: i) reporting market-based Scope 2 emissions data, as they stated that they complied with the ESRS; and ii) completing the footprint information provided.

– For **transition plans** for climate change mitigation or, failing that, **decarbonisation targets** and the measures and progress made towards achieving them, the following areas for improvement should be highlighted:

- In order for objectives to be credible and effective they must form part of the strategy, the policies and specific actions. An effective way to link strategies, policies, actions and targets, and to show progress towards achieving them, is to establish climate transition plans. Otherwise, it is important to indicate whether their adoption is planned and within what timeframe.

  A significant proportion of the entities that stated that they had a transition plan either did not address all the requirements set out in ESRS E1-1, or some of the information they provided could be improved, as indicated in the following points of this section. Some of the companies supervised stated that they did not have a climate transition plan aligned with the 1.5°C limit of the Paris Agreement and, although they sometimes disclosed their measurable GHG emission reduction targets and other related ESRS E1 disclosure requirements, these disclosures also left room for improvement.

- Companies must report their GHG emission reduction targets for each scope – 1, 2 or 3 – or on a combined basis, over a **defined timeframe and in absolute terms**. If they are disclosed in intensity terms, the corresponding conversion to absolute values must also be reported.

  One way to ensure the credibility and monitoring of the transition plan or decarbonisation targets is to establish interim targets in addition to the target set for 2030 and, where available, for 2050.

- It is considered essential to clearly define the **perimeter** of the GHG emission reduction targets for each of the scopes.

  In particular, it should be stated whether these targets cover the entire group for Scopes 1 and 2 and, for Scope 3, whether they include all categories or only certain categories, also indicating whether any activities are excluded.

  For financial institutions, it is especially important to provide details of the decarbonisation targets associated with their loan portfolio, given its significant contribution to financed emissions.

- It is essential to explain how these targets **are aligned** with commonly accepted European and international climate commitments – in particular, the target of **limiting global warming to 1.5 °C** above pre-industrial levels – indicating whether they are science-based, the framework and methodology used, the climate and regulatory scenarios applied, and the data sources used. It should also be stated whether they have been externally assured and how possible future developments, such as commercial, regulatory and technological factors, have been considered, describing the associated uncertainty.

Similarly, any **significant changes** to the targets or to previous related disclosures should be explained and justified, together with their impact on comparability.

- Issuers should explicitly specify whether the targets disclosed refer to gross emissions. Where an issuer discloses **net-zero emissions targets,** it is essential to clearly describe the role of non-residual gross emission reductions – consistent with the reduction needed to achieve net zero globally under 1.5 °C pathways – compared with other measures to neutralise the impact of residual GHG emissions, such as GHG removals or carbon credits, in a manner consistent with the disclosures provided in response to ESRS E1-7.

  In the context of climate neutrality strategies, reference was made to ESMA's priorities for the 2022 financial year and to the definition of "net-zero target" included in Annex II to the ESRS.

- The **decarbonisation levers** identified to achieve the targets for each scope must be explained. This includes explaining the actions carried out during the financial year, detailing any reductions achieved and performance against the targets set, and the actions planned for each lever, specifying their scope in terms of activities, upstream and downstream stages of the value chain, geographical areas, etc., and their time horizon. Their expected quantitative contribution to the reduction targets must also be indicated, together with the associated uncertainty.

  > It was not always clear which scopes or which Scope 3 categories the decarbonisation levers described contributed to. In some cases, the decarbonisation levers described qualitatively related to unquantified categories of gross Scope 3 GHG emissions for which there were no measurable targets.

- Issuers were asked and recommended to provide information on significant current and planned **operating expenses (OpEx) and necessary investments (CapEx)** to implement the decarbonisation levers and, where feasible, to link them to specific line items or notes in the financial statements and to key performance indicators and, where applicable, the taxonomy CapEx plan.

  > The lack of information on the financial resources needed to implement the action plans linked to decarbonisation targets – including their amount, time horizon and planned sources of financing – as well as on other financial impacts, makes it difficult for users to assess the credibility of achieving the targets disclosed. The CNMV has set a priority in this area for next year.

The *Report on the CNMV's Supervision of Annual Financial Reports* includes the main supervisory actions carried out as a result of the priority set by the CNMV for the review of the annual financial report (AFR) for the 2024 financial year, relating to investment commitments. This includes consistency between the information included in the notes to the AFR on these commitments and the information included in the NFIS on the investments needed to achieve decarbonisation targets and transition plans.

- Additional information was requested on the qualitative assessment of potential **locked-in GHG emissions** from the company's key assets and products, the latter only where Scope 3, category 11, is considered relevant, including an explanation of whether and how they could jeopardise the achievement of GHG emission reduction targets and lead to transition risks.

- The importance was highlighted of disclosing climate-related targets in a way that allows users to understand their evolution, their consistency with the strategic ambition and the degree of achievement compared with the targets set in a base year.

In cases where any of the decarbonisation targets set for 2024 had not been met or the expected progress had not been achieved, an explanation was requested of: i) the reasons why they were not met; ii) whether the targets set for future years had been revised as a result and whether this affects their alignment, where applicable, with a 1.5 °C scenario; and iii) whether additional measures had been established to ensure that the planned targets are met, detailing those actions.

It is therefore important to specify how climate-related targets are monitored and reviewed, to detail the likelihood of achieving them and the existing uncertainties, and to periodically assess their consistency with pre-established policies and strategies.

As a result of the review process carried out on GHG emission reduction targets, one issuer **committed to improving future** disclosures explaining the reasons why its Scope 3 targets had not been met, reporting any methodological changes and explaining suppliers' decarbonisation initiatives.

### Some statistical data on the carbon footprint

The review of the data disclosed by the 99 issuers that submitted an NFIS/SS in 2024 found that, although very few entities do not report **Scope 1 and 2** emissions, almost 15% of issuers preparing an NFIS still do not provide information on Scope 3. This represents a significant improvement on 2023, when the omission rate was almost twice as high.

For **Scope 2**, almost 75% provide information on their emissions using both the market-based and location-based approaches. This represents a significant improvement on the previous financial year and shows the efforts made to comply with the ESRS. However, some entities still report their data using only the market-based method, 8%, while others use only the location-based approach, 7%. In addition, almost 10% do not specify which of the two calculation methods they have used.

Some entities have still not fully implemented the disclosure of **Scope 3 emissions**. In some cases, data are not provided separately for each significant category, or not all categories relevant to the company have been calculated. Almost 15% of issuers reporting Scope 3 emissions do not specify which categories they have included in their calculation or do not disclose the amounts corresponding to each category.

Of the remaining issuers that detail the categories considered in the Scope 3 calculation, just over 20% calculated emissions for only between one and five of the 15 categories provided for in the GHG Protocol. Conversely, just over 20% report more than 10 categories.

For **financed emissions**, greater efforts are being made to provide this figure, which in many cases appears in a different section from the rest of the gross emissions, although entities are still refining their measurement methods and the scope considered.

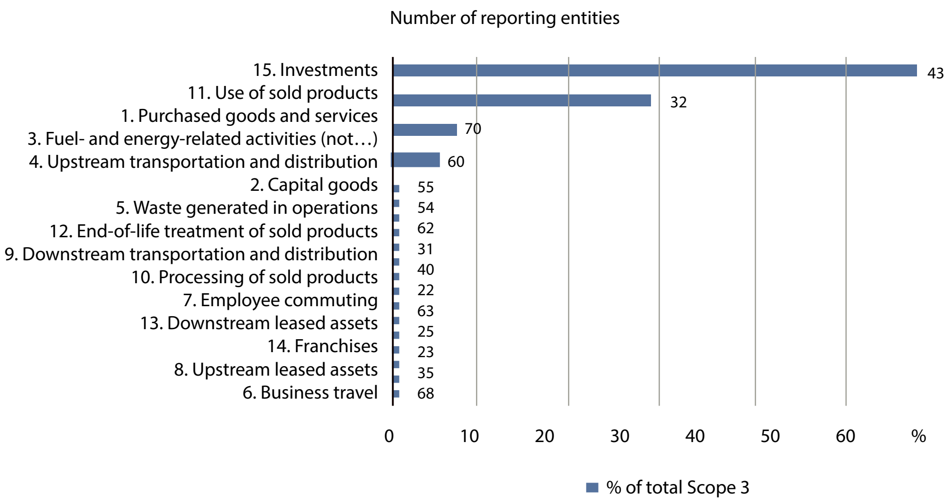
For **Scope 1**, the data indicate that the energy sector accounts for approximately half of total reported emissions, trade and services for almost one third, and industry for 12%.

For **Scope 3**, according to the data reported, financial entities and energy companies stand out significantly, with the former representing more than half of total emissions, including financed emissions, and the latter one third. The industrial sector follows some way behind, contributing 5%.

Among the reported Scope 3 emissions categories, category 15, "Investments", stands out, representing 57% of total Scope 3 emissions disclosed by category, mainly because it includes emissions financed by credit institutions.

The following figure shows the weight of each Scope 3 category and the number of entities that reported them.

**Scope 3 categories reported in 2024** FIGURE 6




Source: CNMV.

## Other environmental matters (ESRS E2 to ESRS E5)

In relation to the other environmental matters, the actions resulting from the review of the 2024 NFIS focused mainly on:

– The aspects highlighted in the cross-cutting areas. In particular:

  - Inconsistencies were detected between the environmental matters that are usually material in certain sectors and the results of the double materiality assessment of some of the companies supervised. The same applies to the taxonomy indicators reported for the **pollution** prevention and control objective and the material IROs disclosed.

  - Recommendations were made to set measurable targets, improve disclosures on their scope and their relationship with the metrics and IROs they address, and improve the explanations provided when targets relating to **water footprint, circular economy or pollution were not met.**

– One entity was asked to expand the information on possible **pollution** incidents and their financial effects.

As a result of the review process, one issuer **committed to improving future** pollution-related disclosures on materialised impacts and risks and the measures adopted to manage them.

## Disclosures relating to Article 8 of the Taxonomy Regulation (priority area for review)

The information required under Article 8 of the Taxonomy Regulation is a key element in assessing the contribution of economic activities to the European Union's environmental objectives. These disclosures make it possible to identify the degree of eligibility and alignment of entities' activities with the taxonomy, and to understand the technical and methodological basis used in that assessment. The information must therefore be presented in a complete and structured manner, accompanied by qualitative explanations that help users interpret the indicators and assess their consistency with the rest of the report.

In the 2024 NFIS, non-financial undertakings reported, for the first time, alignment indicators for the new activities linked to the climate objectives and to the four remaining environmental objectives. Financial undertakings continue to report alignment indicators for the climate objectives, and eligibility for the new activities linked to the climate objectives and to the four remaining environmental objectives.

Numerous supervisory actions have been carried out in this area, as ESMA identified it as a priority area in the review of the 2024 NFIS. Specifically, recommendations, requests and other supervisory actions were addressed to 12 entities. The main areas for improvement identified were as follows:

### Qualitative information

- Expand the explanations of the most relevant eligible activities beyond merely reproducing the regulatory text, ensuring that their nature can be clearly understood, and describe the process followed to assess compliance with the technical screening criteria (TSCs) – both those relating to substantial contribution and those relating to the absence of substantial harm, or "do no significant harm" (DNSH) – and compliance with the minimum safeguards. Explicitly indicate the criteria that have not been met, the justification for this, and the expected deadlines and actions and investments needed to meet them.

  In the review of the 2024 NFIS, cases were observed in which certain activities remained eligible but non-aligned, for example due to insufficient evidence on DNSH or safeguards, or partial compliance with other TSCs, and where reference was made to measures to be adopted, but without implemented plans, time horizons or committed amounts.

- Include an explanation of significant changes in alignment and eligibility indicators compared with the previous financial year, as well as any restatement of the values for the comparative financial year. This information should help users understand the differences and, where applicable, clarify the changes in criteria applied.

  In the review of the 2024 NFIS, cases were observed in which the 2024 indicators differed from those reported in the 2023 NFIS, without explaining the changes in criteria. It is recommended that the change and the reasons justifying it be explained, reconciling, where possible, the differences between the 2024 indicators under the new criteria and those applicable in the previous financial year.

- Explain the reasons for the difference between eligibility and alignment percentages. Where relevant, details should be provided of why certain activities are eligible but do not meet the requirements to be considered aligned, and whether there are targets or plans to align them with the taxonomy criteria, the expected timeframe, the actions planned to achieve this and the main difficulties in doing so.

  The review of the 2024 NFIs shows that some entities report certain eligible activities as non-aligned, even though they meet the technical criteria for substantial contribution. In these cases, the result of the analysis of the "do no significant harm" criteria and the minimum safeguards should also be included or, failing that, the absence of such an analysis should be explicitly stated, together with the reasons for this and the plan to complete it, in order to make the information presented clearer, more traceable and more transparent.

- Review the consistency between the strategic taxonomy targets set and the results reported in the eligibility and alignment KPIs.

Where the targets envisage a significant increase in eligible or aligned CapEx and OpEx, but the values reported remain low or zero, the entity should explain the reasons for this gap and present a roadmap showing how the planned investments will progressively affect eligibility and alignment. It is also advisable to check that the targets are realistic, verifiable and consistent with the applicable regulations and the actual investment timetable.

The review of the 2024 NFIS shows that some entities set a target for a significant proportion of their CapEx and OpEx to comply with the taxonomy regulation. However, at the end of the 2024 financial year, they report low eligibility percentages and zero alignment levels.

– Describe how the investments, milestones and actions linked to the climate transition plan are reflected in the turnover, CapEx and OpEx KPIs. Any lack of correlation and its causes should also be detailed, for example, investments that have not yet had an impact on the taxonomy technical criteria, activities outside the regulatory scope or different implementation timeframes.

– Where inclusion in the numerator of the indicator is based on "CapEx plans", the conditions, amounts, milestones and deadlines should be specified and linked to the transition strategy and the rest of the report, to help users understand the expected alignment pathway.

– Include cross-references to the corresponding line items in the financial statements for net turnover, CapEx and OpEx, as well as a reconciliation of the denominators of the three KPIs where these cannot be directly reconciled.

In the review of the 2024 NFIS, it is frequently observed that the amounts used as the CapEx denominator in the taxonomy tables cannot be reconciled with the additions to fixed assets shown in the fixed-asset movement tables in the notes to the consolidated financial statements.

– Detail the measures adopted to avoid double accounting when there are economic activities that contribute substantially to various objectives, including the judgements and estimates used.

In the 2024 NFIS, some entities state that, to avoid the risk of double counting, they choose to attribute their activities to the climate change mitigation objective rather than to other objectives, citing the capital markets' greater interest in decarbonisation. However, the choice of the objective or objectives to which each activity contributes should not be based on opportunity-driven criteria or market interest, but on a technical analysis in accordance with the requirements established in the Taxonomy Regulation and its delegated acts.

**Templates**

- The templates set out in Delegated Regulation (EU) 2021/2178 – and updated by Delegated Regulation (EU) 2023/2486 – must be presented without modification or adaptation, with all fields duly completed.

  In the review of the 2024 NFIS, cases were detected in which not all mandatory fields had been completed, such as comparative information.

- Where the same activity may contribute to several environmental objectives, the templates must include specific information for each of them and indicate the main objective, in accordance with the regulations.

**Financial institutions**

- Taxonomy indicators should be accompanied by a narrative explanation clarifying the differences between results in stock terms, at year-end, and flow terms, new production or activity during the period, as well as their evolution compared with the comparative financial year.

  In the review of the 2024 NFIs, cases were detected in which the GAR[40] in flow terms – for both turnover and CapEx – had decreased compared with the comparative financial year and was lower than the GAR in stock terms, without any explanation being provided for this trend.

- Where previously reported figures are modified, for example the coverage ratio over total assets, the modification and its cause should be indicated, and a reconciliation linking the original figure to the restated figure should be included.

**Results of the supervisory actions**

As explained in Chapter III, the supervisory actions carried out in this area on the 2024 NFIS resulted in **two future correction commitments of the non-financial information**. The main reasons were:

i) Reviewing and completing the items included in the construction of the CapEx indicator, in accordance with Delegated Regulation (EU) 2021/2178.

ii) Expanding the information on the most relevant activities, clearly describing: i) the assessment of the TSCs on substantial contribution and verification of DNSH with respect to the remaining environmental objectives and compliance with the minimum safeguards, identifying criteria met and not met; and ii) the determination and allocation of amounts to the Capex and OpEx numerator.

40 Green Asset Ratio.

## Social and governance

Set out below are some issues identified in relation to social and governance matters that should be improved.

### Own workforce (ESRS S1) and other social standards (ESRS S2 to S4)

The following should be highlighted:

– Some issuers had difficulties interpreting the definition of own workforce under ESRS S1, **employees and non-employees**, and **workers in the value chain** under ESRS S2, particularly in the case of joint operations and subcontracting.

> Issuers should provide sufficient information to make the nature of their relationship with the various parties involved understandable, so that the criteria for classifying workers as employee or non-employee own workforce are clearly supported, and to determine whether subcontractor workers should be classified as own workforce or as workers in the value chain.
>
> The ESRS define these terms. For the concept of "employees", the existence of an employment relationship with the undertaking under national law or practice is decisive. The questions on these aspects included in EFRAG's ESRS Platform Q&A should also be taken into account.[41]

– For the **gap in the pay between women and men amongst the undertaking's employees**, hereinafter the "gap" or "pay gap", the areas for improvement identified were:

- The need to expand the disclosures on the **methodology** and **remuneration items** used to calculate it.

  > Although the ESRS specify the methodology for determining the pay gap and detail the items to be considered in the average gross remuneration used in the calculation, some issuers reporting under this standard did not follow it or did not provide sufficient information to understand whether they had done so. In the first case, this was justified by the lack of data with the necessary level of granularity, and it was recommended that the explanations be supplemented, indicating when they expect to be able to apply the methodology in full and the measures taken to that end.

- It is recommended that the **contextual information** needed to understand the data provided be included, together with the consistency and relationship between the different remuneration metrics reported, including those required by Law 11/2018.

41 The ICAC published the Spanish translation of the aforementioned document on its website, which can be consulted at https://www.icac.gob.es/sostenibilidad/normativa.

> Contextual information is often needed to properly understand remuneration metrics.
>
> To calculate the two metrics required by Disclosure Requirement S1-16, namely the pay gap and the annual total remuneration ratio of the highest-paid individual, all employees must be included and the same remuneration items must be taken into account.

– The main areas for improvement identified in relation to respect for **human rights** were: i) lack of clarity around the specific commitments assumed and the processes implemented to manage IROs; ii) their geographical scope; iii) the identification of the most exposed groups; and iv) the description of monitoring and control mechanisms that make it possible to understand the extent to which international and European instruments and conventions are complied with.

> The information on countries with the highest human rights risks should be expanded, indicating whether these risks are concentrated in the entity's own workforce, third parties in the value chain or other potentially affected groups.

– For **consumers and end-users** (ESRS S4), the relationship between the actions described and the associated objectives or targets was sometimes unclear.

### Business conduct (ESRS G1)

Some areas for improvement relate to the following matters:

– Some issuers did not consider **corruption and bribery** to be material despite operating in high-risk sectors, without providing explanations that could help users understand this. Specific information must be provided on material IROs, taking into account the highest-risk countries, as well as on their management and the metrics used to assess their effectiveness.

– For **supplier management**, it is recommended that information be strengthened on corrective action plans for incidents detected, as well as on payment practices.

### Whistleblowing channel and other communication channels

All social ESRS require information to be disclosed on the channels available to own workforce, workers in the value chain, affected communities and consumers and end-users to raise concerns and receive a response. Similarly, ESRS G1 requires a description of the mechanisms for detecting, reporting and investigating concerns about unlawful behaviour, and whether they are accessible to internal or external stakeholders. The main actions carried out in this area were as follows:

– It was recommended that the description of reporting mechanisms be improved, including their accessibility, operational independence and measures to protect against retaliation, as well as the processes in place to assess their effectiveness, especially where they relate to labour, human rights or corporate integrity matters.

– Issuers were asked to provide or complete explanations of the results obtained through reporting channels, as well as any incidents detected outside those channels, mainly in relation to own workforce, consumers and business conduct. In particular, issuers were asked to improve information on metrics relating to the number of complaints received and resolved, the number of cases or incidents detected, and the amount of fines, penalties and compensation arising from them, together with the contextual information needed to understand the data.

> Providing adequate information on the consequences of the cases detected – in terms of fines, disciplinary sanctions, corrective measures, specific training actions, organisational changes or reputational impacts, etc. – helps demonstrate the effectiveness of the existing reporting and remediation mechanisms and helps users better understand the remediation of material negative impacts.

As a result of the supervisory actions in the area of social matters and business conduct, one issuer submitted a **future commitment** to review and clarify the definitions of employee and non-employee own workforce, recalculate the metrics and expand the related disclosures accordingly, and improve disclosures on the number of complaints/reports received from own workforce in relation to human rights violations.

## Other actions in 2025

### Third-party submissions and publications related to sustainability information

Submissions from third parties and other publications enabled the CNMV, in some cases, to take additional action to clarify the issues raised. In the 2025 financial year, various actions were carried out, notably requests for additional information from two entities.

The most significant issues in the complaints and reports received related to the following matters: i) business conduct: corruption and bribery; and ii) pollution, and employee health and safety.

# IV Special analyses carried out in 2025

## Disclosures on internal control and sustainability risk management systems

In addition to ESMA's supervisory priorities for the 2024 financial year[42] relating to sustainability information, **the CNMV included, as an additional priority**, the review of the disclosures provided by issuers on internal control and sustainability risk management systems, in line with the importance that ESMA and national authorities have been attaching to the quality of sustainability statement data and the need to strengthen these systems.

**ESMA** had already included data quality and transparency around that quality as one of the supervisory priorities for the 2022 NFIS and, in 2023, highlighted the role of administrative bodies and audit committees in ensuring internal control and due diligence procedures over the data used. In addition, in its publication of **5 July 2024** on the first application of the ESRS, ESMA identified governance procedures and internal controls as a key area for producing a high-quality sustainability reporting.

For this analysis, the disclosure requirements set out in Section 2 of **ESRS 2**, on governance, and, in particular, in **Disclosure Requirement GOV-5**, have been used as a reference. Under this requirement, companies must disclose in their sustainability reporting the main characteristics of their **risk management and internal control system in relation to the sustainability reporting process (ICSR)**.

The Spanish Institute of Internal Auditors (IAI) published a **guide on ICSR**, on 7 February 2025, prepared with the collaboration of a group of experts, whose main objective is to support the development and implementation of these systems.

In the representative **sample** of issuers whose ICSR disclosures in the 2024 sustainability reporting were reviewed by the CNMV, around 64% prepared their sustainability reporting by voluntarily following the ESRS. The remainder limited themselves to the mandatory requirements of Law 11/2018, using other frameworks (22%), or applied the ESRS only partially (14%).

Although some of the issuers in the sample did not follow the ESRS and were therefore not required to comply with ESRS 2 Disclosure Requirement GOV-5, the review considered whether they had included certain information on their control systems for sustainability information, taking into account the emphasis ESMA has placed on this matter for several years.

42 ESMA32-193237008-8369_2024_ECEP_Statement.pdf

The **following points** should be highlighted:

– Around 70% of the issuers in the sample provided information on their ICSR, in varying levels of detail. Although some entities have not fully developed a specific ICSR, they refer to controls over sustainability reporting included in their general control systems.

> One entity, which was asked for information because it did not refer to ICSR, stated that it had developed it and included in its response a **future commitment** to complete the information in its 2025 report.
>
> Some companies, although they do not describe ICSR, consider it important for the sustainability statement to be robust or refer, among sustainability risks, to reporting-related risks.

– Some entities state that they are analysing the implementation of ICSR or are already working on implementing or strengthening it, in some cases as part of multi-year projects.

> It is recommended that they indicate the expected implementation timetable and any progress made, such as risks already identified and controls already in operation.

– On the disclosure of the scope and **main characteristics of their processes and control systems** linked to sustainability reporting:

i) Of the issuers that describe their ICSR, 50% explain the process in fairly general terms.

> Some issuers, although referring to Disclosure Requirement GOV-5, refer to their general risk and control systems or to their sustainability systems, without specifically mentioning those related to sustainability reporting or, for the latter, focusing on identifying the departments involved in the process and the bodies responsible for the information.

ii) On the **scope** of the process:

– Only some entities make explicit reference in the ICSR section to its correspondence with the **perimeter** of the sustainability statement or to its extension to value chain data.

> Although explicit references to ICSR for value chain information are generally lacking, some entities mention obtaining these data from third-party information.

– Some entities refer, within ICSR processes and controls, to the **process for determining and assessing material IROs,** which determine the scope of the information to be disclosed.

> As discussed in the relevant section of this report, the description of the materiality assessment process is often fairly general, and several entities have been recommended to provide more detailed information in the future.

iii) Some entities state that their control systems are aligned with internationally recognised **frameworks** such as the Institute of Internal Auditors' Three Lines Model, the COSO Internal Control-Integrated Framework[43] or COSO ERM, although they do not always refer to the specific COSO ICSR framework for sustainability information.

iv) Among the **characteristics and components** of their control processes and systems, entities refer, in varying levels of detail, to the following, among others:

- **Procedures** for collecting and managing sustainability data, including the use of IT tools, reporting manuals with guidelines, and the definition of policies and criteria for recording, communicating and controlling sustainability information, with roles designated or responsibilities assigned.

  > In some cases, these policies or manuals are shared with those used for financial reporting, which can help ensure consistency.
  >
  > Some highlight the importance of using reliable sources and recognised metrics, or refer to the retention of the data collected and the key metrics reported.

- **Internal audits** to check that the process operates in accordance with the Annual Plan, and procedures for reporting any incidents identified.

- Involvement of **experts** in reviewing the reports.

- Some entities refer to the **use of certifications** from each person involved in preparing part of the sustainability information and from their managers, as well as from those responsible for information systems, as a step prior to the preparation of the sustainability statement.

- **Bodies or individuals responsible** for ICSR, sometimes in relation to the general internal control system for sustainability risks or the group's general risks.

  > The IAI document highlights the key roles in the governance and oversight of ICSR: management, control and evaluation functions, the latter corresponding to internal audit.

- **On the specific risks of sustainability reporting:**

i) There is room for improvement in **the explanation of the approach used to assess risks** related to sustainability information. In some cases, this is explained in general terms, without being tailored to sustainability information. Few entities refer to the methodology used to prioritise risks, or they do so in very general terms.

43 Internal Control-Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Entities refer to the processes and methodologies used to identify and assess risks, the use of risk matrices or risk maps, or support from experts.

Some entities explain that, when assessing the risks identified, they take into account indicators such as the existence of documented processes and controls and whether they are automated, the occurrence of past incidents, or the need to apply judgement when making estimates.

The IAI guide states, in section 4.2, letter c), that for the sustainability statement to reflect the fundamental and qualitative characteristics of the information, ICSR must ensure a series of assertions, such as completeness, accuracy and presentation.

ii) Only 50% of the sample discloses **specific risks** related to sustainability reporting, although in some cases reference is made to ESG risks or sustainability reporting risks. In other cases, entities state that they have identified these risks, but do not disclose them.

In this regard, AR 11 of ESRS 2 states that: "The undertaking may consider risks such as the completeness and integrity of the data, the accuracy of estimation results, the availability of upstream and/or downstream value chain data, and the timing of the availability of the information".

One of the entities from which information was requested **committed** to including information in its 2025 sustainability statement on the risks associated with collecting and reporting sustainability information, such as errors in the calculation or disclosure of indicators, and on the strategies to mitigate them.

Some entities, although they do not include a specific section on this matter, indirectly highlight the risk associated with the uncertainties and estimates relating to certain data, or refer to limitations in obtaining some of them.

Other entities classify these risks, for example, as quantitative, qualitative or relating to the double materiality assessment, but do not specify them.

Strategies and controls to mitigate these risks include, for example, policies and procedures for reporting, documentation and approval of assumptions for estimates, and reconciliation of data with external sources.

iii) The **risks identified** by some entities in their NFIS or in their responses include the following:

- Failure to identify material matters.
- Errors in quantitative data due to incorrect calculations or unreliable data.

- Integrity of the information collected.
- Application of common criteria across the different companies in the group.
- Errors in the presentation of disclosures.
- Fraud, such as greenwashing or socialwashing.
- Risk relating to the security or retention of information.
- Regulatory changes.
- Disclosure of confidential information.

– **There is room for improvement in the description of how ICSR is integrated into the company's general** internal control system, although around 64% include some information on this matter. In some cases, they indicate that ICSR forms part of the general sustainability controls, or that they use the same methodology for ICSR as for general risk management.

Although ICSR is commonly integrated into the entity's general control system, entities must provide information on this integration and on the characteristics of the controls over sustainability information.

One entity refers to integration at the information technology level.

In its response, another entity indicates that in 2026 the ICSR controls will be integrated into the group's internal audit control tool. It will make progress on the project once there is certainty over the metrics applicable to the company, after the simplification process resulting from the Omnibus Project has been completed and transposed into national law.

The IAI indicates in its report that synergies should be used in the design and implementation of ICSR, promoting integrated controls.

– **The information on administrative, management and supervisory bodies, their conclusions on ICSR and periodic notifications to them** is the area best covered in the sample, as 71% refer to the responsible bodies and to internal reporting within the organisation, although the frequency is not always disclosed. Examples include the following matters:

i) The conclusions of the evaluation and oversight work carried out by the **internal audit** area are presented to the **audit committee**, which meets periodically with it and, in some entities, with management.

Some entities provide greater detail on the oversight activities carried out by the audit committee during the financial year.

ii) The audit committee – or the Board of Directors – meets with the **external auditor** so that it can report the weaknesses identified and, where appropriate, establish a corrective action plan.

iii) The audit committee reports to the **Board of Directors** on the findings, recommendations on ICSR and plans to remedy the weaknesses identified.

The governance section of issuers' sustainability statements commonly includes detailed information on the governance system for sustainability matters, which includes the reporting of the associated information.

The frequency of notifications or meetings is not always specified.

The **main conclusions** of this analysis are as follows:

– Additional information was requested from two entities, and recommendations were made to seven on this matter.

– The issuers in the sample that do not follow the ESRS, or follow selected ESRS only, provide fewer disclosures on this matter. Issuers that follow the ESRS in full generally refer to Disclosure Requirement GOV-5, although most do not provide all the required disclosures or do so in terms of controls in general.

– There is room for improvement in the description of ICSR, and the quality and level of detail of the disclosures vary among the issuers in the sample. This is understandable, given that this is the first year of application of the ESRS, which introduce a specific Disclosure Requirement on ICSR. Best practices are expected to become more widespread and consistent in the coming financial years, but entities need to make an effort to develop ICSR and disclose its characteristics, bearing in mind that **ICSR must ensure the quality and reliability of sustainability information** so that it faithfully reflects the group's impact on the environment and society.

– One area requiring improvement is the description of controls relating to value chain information.

– Many issuers have already stated that they are in the process of implementing ICSR or strengthening their internal control systems to comply with the new regulatory requirements.

# V Main enforcement areas for sustainability information in relation to the 2025 NFIS

In October 2025, ESMA published the common enforcement priorities for annual financial reports for the 2025 financial year,[44] distinguishing between financial information, sustainability information and the European Single Electronic Format (ESEF).

ESMA, together with the national supervisors of the European Union, will pay particular attention to these matters when monitoring and assessing the application of the relevant requirements, as well as reviewing such matters as may be important for the various issuers examined.

**ESMA enforcement priorities for 2025** TABLE 3

| Priorities relating to IFRS financial statements | Priorities relating to NFIS/SS | Priorities relating to ESEF |
|---|---|---|
| Geopolitical risks and uncertainties | Materiality in reporting under ESRS | Common errors in the statement of cash flows |
| Segment information | Scope and structure of the sustainability statement | |

Source: ESMA.

The CNMV will also include the disclosures provided by issuers on climate transition plans as an additional priority for sustainability information.

In the same document, although not as part of the supervisory priorities, ESMA also sets out a series of **general considerations and reminders** on annual financial reports and sustainability statements.

In accordance with the guidelines issued by ESMA on the supervision of financial information and sustainability information, the national authorities will inform ESMA about the actions carried out in 2026 and the measures adopted in response to detected non-compliances, including those related to non-financial information. ESMA will then publish a summary of the supervisory actions carried out in its *Activity Report.*

The most relevant aspects of ESMA's document relating to sustainability information are highlighted below, together with the additional matters on which the CNMV will focus its attention. However, it is recommended that the ESMA statement be read in full.

44 https://www.esma.europa.eu/sites/default/files/2025-10/ESMA32-2064178921-9254_Public_Statement_-_2025_European_Common_Enforcement_Priorities.pdf

## Priority 1: Materiality in reporting under ESRS

The double materiality assessment plays a key role in sustainability reporting under the ESRS, as it determines which disclosures the company must make and acts as a filter to ensure that the information is useful to all users.

ESMA stresses that companies need to explain precisely how they carry out their materiality assessment. Although disclosure under the current ESRS 2 Disclosure Requirement IRO-1 has led to detailed methodological descriptions, many disclosures remain too generic and reproduce the concepts defined in ESRS 1 or the approach suggested in the EFRAG's IG-1 guidance, without showing how each entity adapts the process to its specific circumstances.

### Materiality assessment process and related disclosures

ESMA highlights the following aspects of ESRS 2 Disclosure Requirement IRO-1:

– The **input parameters** used should shed light on the basis for determining whether an IRO is material. These parameters include sources of information, the scope of operations covered, for example geographical areas or specific activities, and other considerations, such as the key assumptions on which they are based.

– Companies must clearly explain the **thresholds** used to determine which sustainability matters are material, especially in cases that raised the most doubts during the assessment. This can be done by detailing the severity scale for **negative impacts** and, for **risks**, indicating the indicator or even the quantitative threshold used.

– ESMA expects **transparency on how gross impacts, i.e. before any prevention, mitigation or remediation action, have been considered** in the materiality assessment.

– ESMA recalls that information on consultations with internal and external stakeholders for the purposes of the materiality assessment refers to **affected stakeholders.** This group must be identifiable, and the disclosures should help users understand how their interests and perspectives have been integrated, where applicable, into the materiality assessment.

### Results of the materiality assessment

ESMA highlights the importance of the ESRS 2 disclosures, Disclosure Requirements SBM-3 and IRO-2, which:

– Must provide an overall view of material IROs and how they relate to the entity's strategy and business model.

– Must guide users to the topical section where their management is discussed, including entity-specific matters, through disclosure of the policies, actions and targets-or their absence-and the related metrics.

ESMA highlights the following matters:

- For the **description of IROs,** ESMA recalls the disclosures in ESRS 2 Disclosure Requirement SBM-3, which include the **time horizon** and whether the IROs arise in the entity's own operations or in the value chain. It also recommends explaining the interdependencies between material IROs, where relevant, and avoiding any confusion between positive impacts and the mitigation of negative impacts.

- Comparability between issuers improves when **IROs are linked to the ESRS topics and sub-topics and ESRS** terminology is used to describe them, where relevant. This mapping, together with the tables in Disclosure Requirement IRO-2 and the EFRAG's explanations on the matter,[45] helps users navigate the topical disclosures more easily and identify the IROs addressed through entity-specific disclosures, whose systematic signposting is considered good practice.

Finally, ESMA recalls that non-material information, where permitted by the ESRS, must be clearly identified and must not obscure material information.

## Priority 2: Scope and structure of the sustainability statement

### Scope of the sustainability statement

ESMA highlights the following:

- In the consolidated sustainability statement, confirmation is required that the same scope of consolidation has been used as for the consolidated financial statements (ESRS 1, paragraph 62, and ESRS 2 Disclosure Requirement BP-1).

- The information included in the sustainability statement must extend its coverage to include material IROs linked to the entity's value chain (ESRS 1, paragraph 63). Where there are scope limitations relating to the entities that make up the value chain, ESMA stresses the need for full transparency and for any consequences of those limitations to be reported (ESRS 1, paragraph 133).

- If the scope of the targets has changed compared with the previous year, issuers must be transparent about any adjustments made to the baseline for those targets.

### Structure of the sustainability statement

On this matter, ESMA:

- Urges issuers to present their sustainability statements in a structure that makes them easy to use and understand, in accordance with the **general presentation requirement** in ESRS 1, paragraph 111, letter b).

45 04-02 ID 177 draft explanation.pdf

- Recalls the **four-part structure** stipulated in ESRS 1 – general, environmental, social and governance – but also notes that the ESRS allow some **flexibility** in the presentation of the different elements. **Cross-references** may be included within the report, for example to avoid unnecessary duplication and to emphasise connections between disclosures, and hyperlinks may be used for this purpose. **Incorporation by reference is permitted under certain conditions.** However, issuers need to strike a balance to ensure that the information is not too dispersed, as this would run counter to the overall objective of clarity and readability.

- As a practical way to increase the accessibility and readability of their annual financial reports, ESMA **points to the inclusion of references to disclosure requirements**, for example "E2-5" or "S1-5", when disclosing information related to them. This helps ensure that disclosures are complete and prepared for future digital tagging of the information.

### Connectivity with other parts of the issuer's corporate reporting

Under the ESRS 1 requirement to describe connections with other elements of corporate reporting, ESMA highlights the connection with monetary amounts or other quantitative information included in the sustainability statement that also appears in the financial statements, i.e. direct connectivity.

## General considerations and reminders from ESMA about sustainability statements

### Connectivity and consistency between financial information and sustainability information

There must be consistency between disclosures on climate-related matters included in the financial statements and those contained in the sustainability statement or management reports. ESMA highlights six **illustrative examples from the draft published by the IASB,** one of which shows how financial and sustainability information are connected.[46]

Although these examples refer to climate-related matters, the principles and requirements illustrated apply equally to other areas of material uncertainty in financial reporting.

The ESMA statement also sets out supervision priorities and certain considerations relating to financial information, ESEF and alternative performance measures (APMs), which are addressed in the *Report on the CNMV's Supervision of Annual Financial Reports* for the 2024 financial year.

46 Issued on 24 July 2025.

## CNMV priority: Transition plans

Main enforcement areas for sustainability information in relation to the 2025 NFIS

For the supervision of sustainability statements for the 2025 financial year, the CNMV has included the review of the quality of disclosures relating to climate transition plans as a priority, given their relevance in assessing the credibility of issuers' climate strategy. Particular attention will be paid to the setting of climate and emission reduction targets, the time horizons for achieving them, the measures and resources planned for their achievement, and investments in fixed assets.

# VI Annexes

## List of verifiers that issued reports on the NFIS/SS of issuers of securities or companies with securities admitted to trading on official secondary markets in 2024

ANNEX 1

| VERIFIER | COMPANY |
|---|---|
| A WORLDWIDE AUDIT ASSURANCE, S.L. | COMPAÑÍA LEVANTINA DE EDIFICACIÓN Y OBRAS PÚBLICAS, S.A. |
| | LIWE ESPAÑOLA, S.A. |
| | SQUIRREL MEDIA, S.A. |
| AENOR CONFÍA, S.A.U. | EROSKI SOCIEDAD COOPERATIVA |
| | FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. |
| | GRUPO EMPRESARIAL SAN JOSÉ, S.A. |
| | INMOCEMENTO, S.A. |
| | INSTITUTO DE CRÉDITO OFICIAL |
| AUREN AUDITORES SP, S.L.P. | CLÍNICA BAVIERA, S.A. |
| BDO AUDITORES, S.L.P. | AMPER, S.A. |
| | GRUPO EZENTIS, S.A. |
| | LABORATORIO REIG JOFRE, S.A. |
| BUREAU VERITAS CERTIFICATION | ERCROS, S.A. |
| CROWE ACCELERA MANAGEMENT, S.L. | MINERALES Y PRODUCTOS DERIVADOS, S.A. |
| DELOITTE, S.L. | ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A. |
| | ALANTRA PARTNERS, S.A. |
| | CELLNEX TELECOM, S.A. |
| | GRIFOLS, S.A. |
| | IBERPAPEL GESTIÓN, S.A. |
| | INDRA SISTEMAS, S.A. |
| | LINGOTES ESPECIALES, S.A. |
| | MELIÁ HOTELS INTERNATIONAL, S.A. |
| | NEINOR HOMES, S.A. |
| | TALGO, S.A. |
| | TÉCNICAS REUNIDAS, S.A. |
| ERNST & YOUNG, S.L. | AEDAS HOMES, S.A. |
| | AMADEUS IT GROUP, S.A. |
| | AZKOYEN, S.A. |
| | BANCO BILBAO VIZCAYA ARGENTARIA, S.A. |
| | CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. |
| | DEOLEO, S.A. |
| | DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A. |
| | EBRO FOODS, S.A. |
| | EDREAMS ODIGEO, S.A. |
| | ENAGÁS, S.A. |

## List of verifiers that issued reports on the NFIS/SS of issuers of securities or companies with securities admitted to trading on official secondary markets in 2024 *(continuation)*

| VERIFIER | COMPANY |
|---|---|
| ERNST & YOUNG, S.L. | FLUIDRA, S.A. |
| | GESTAMP AUTOMOCIÓN, S.A. |
| | GRENERGY RENOVABLES, S.A. |
| | INDUSTRIA DE DISEÑO TEXTIL, S.A. |
| | LOGISTA INTEGRAL, S.A. |
| | NICOLÁS CORREA, S.A. |
| | OBRASCÓN HUARTE LAIN, S.A. |
| | PRIM, S.A. |
| | PROSEGUR CASH, S.A. |
| | PROSEGUR, COMPAÑÍA DE SEGURIDAD, S.A. |
| | PUIG BRANDS, S.A. |
| | REDEIA CORPORACIÓN, S.A. |
| | SOLTEC POWER HOLDINGS, S.A. |
| | TUBACEX, S.A. |
| | TUBOS REUNIDOS, S.A. |
| | VIDRALA, S.A. |
| GRANT THORNTON, S.L.P. | PROMOTORA DE INFORMACIONES, S.A. |
| KPMG ASESORES, S.L. | ACCIONA, S.A. |
| | NATURGY ENERGY GROUP, S.A. |
| KPMG AUDITORES, S.L. | AENA, S.M.E., S.A. |
| | ALMIRALL, S.A. |
| | ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. |
| | ATRYS HEALTH, S.A. |
| | AUDAX RENOVABLES, S.A. |
| | BANCO SABADELL, S.A. |
| | CIE AUTOMOTIVE, S.A. |
| | CORPORACIÓN ACCIONA ENERGÍAS RENOVABLES, S.A. |
| | CORPORACIÓN FINANCIERA ALBA, S.A. |
| | DURO FELGUERA, S.A. |
| | ENCE ENERGÍA Y CELULOSA, S.A. |
| | ENDESA, S.A. |
| | GENERAL DE ALQUILER DE MAQUINARIA, S.A. |
| | IBERDROLA, S.A. |
| | INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. |
| | LABORATORIOS FARMACÉUTICOS ROVI, S.A. |
| | MAPFRE, S.A. |
| | PHARMA MAR, S.A. |
| | RENTA 4 BANCO, S.A. |
| | UNICAJA BANCO, S.A. |
| MAZARS AUDITORES, S.L.P. | ADOLFO DOMÍNGUEZ, S.A. |
| | AIRTIFICIAL INTELLIGENCE STRUCTURES, S.A. |
| | MIQUEL Y COSTAS & MIQUEL, S.A. |

## List of verifiers that issued reports on the NFIS/SS of issuers of securities or companies with securities admitted to trading on official secondary markets in 2024 *(continuation)*

ANNEX 1

| VERIFIER | COMPANY |
|---|---|
| PKF ATTEST SERVICIOS EMPRESARIALES, S.L. | NUEVA EXPRESIÓN TEXTIL, S.A. |
| PWC AUDITORES, S.L. | ACERINOX, S.A. |
| | AMREST HOLDINGS, SE |
| | BANCO SANTANDER, S.A. |
| | BANKINTER, S.A. |
| | CAIXABANK, S.A. |
| | CEMENTOS MOLINS, S.A. |
| | COX ABG GROUP, S.A. |
| | EDP RENOVAVEIS, S.A. |
| | ELECNOR, S.A. |
| | FAES FARMA, S.A. |
| | GLOBAL DOMINION ACCESS, S.A. |
| | GRUPO CATALANA OCCIDENTE, S.A. |
| | LÍNEA DIRECTA ASEGURADORA, S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS |
| | MERLIN PROPERTIES, SOCIMI, S.A. |
| | MINOR HOTELS EUROPE & AMERICAS, S.A. |
| | REPSOL, S.A. |
| | SACYR, S.A. |
| | TELEFÓNICA, S.A. |
| | VISCOFAN, S.A. |
| | VOCENTO, S.A. |
| CENTIUM AUDITORES, S.L. | IZERTIS, S.A. |

Source: CNMV.

## Glossary of acronyms



**APM:** Alternative Performance Measures.

**AFR:** Annual financial report.

**AR:** ESRS application requirements.

**BP:** ESRS disclosure requirements relating to basis for preparation

**CAPEX:** Capital Expenditure.

**CDP**: Carbon Disclosure Project.

**CNMV**: National Securities Market Commission.

**COESA:** Committee of European Auditing Oversight Bodies.

**COSO:** Committee of Sponsoring Organizations of the Treadway Commission.

**CSDDD or CS3D:** Corporate Sustainability Due Diligence Directive.

**CSRD:** EU Corporate Sustainability Reporting Directive 2022/2464

**DMA:** Double materiality assessment.

**DNSH:** Do No Significant Harm.

**DR:** ESRS disclosure requirements.

**EC:** European Commission.

**EEA:** European Economic Area.

**EFRAG:** European Financial Reporting Advisory Group.

**ESAP:** European Single Access Point.

**ESEF:** European Single Electronic Format.

**ESG:** Environmental, social and governance.

**ESMA:** European Securities and Markets Authority.

**ESRS:** European Sustainability Reporting Standards.

**EU:** European Union.

**FS:** Financial statements.

**GAR:** Green asset ratio.

**GHG:** Greenhouse gases.

**GLEFI:** Guidelines on Enforcement of Financial Information.

**GLESI:** Guidelines on Enforcement of Sustainability Information.

**GOV:** ESRS disclosure requirements relating to governance.

**GRI:** Global Reporting Initiative.

**IAASB:** International Auditing and Assurance Standards Board.

**IAI:** Institute of Internal Auditors.

**ICAC:** Institute of Accounting and Accounts Auditing.

**ICFR:** Internal control over financial reporting.

**ICJCE:** Institute of Chartered Accountants.

**ICSR:** Internal control over sustainability reporting system.

**IFAC:** International Federation of Accountants.

**IFRS:** International Financial Reporting Standards.

**IG:** Implementation Guidance.

**ILO:** International Labour Organization.

**IRO:** Incidents, impacts, risks and opportunities. Also refers to ESRS disclosure requirements relating to information on the materiality assessment process.

**ISAE:** International Standard on Assurance Engagement.

**ISSA:** International Standard on Sustainability Assurance.

**ISSB:** International Sustainability Standards Board.

**iXBRL:** Inline eXtensible Business Reporting Language.

**KPI:** Key Performance Indicators.

**LMVSI:** Securities Markets and Investment Services Act 6/2023, of 17 March.

**MITECO:** Ministry for Ecological Transition and the Demographic Challenge.

**NFIS:** Non-financial information statement (it will be renamed Sustainability Report when the CSRD is transposed)

**NFRD:** Non-Financial Reporting Directive 2014/95/EU.

**OECD:** Organisation for Economic Co-operation and Development.

**OJEU:** Official Journal of the European Union.

**OPA:** Takeover bid.

**OPEX:** Operating Expenses.

**PSF:** Platform for Sustainable Finance.

**Q&A/FAQ:** Questions and Answers/ Frequently Asked Questions.

**REA:** Register of Economists and Auditors.

**SASB:** Sustainability Accounting Standards Board.

**SBM:** ESRS disclosure requirements relating to strategy.

**SDG:** Sustainable Development Goals.

**SFDR:** Sustainable Finance Disclosure Regulation.

**SME:** Small and medium-sized enterprises.

**SS:** Sustainability statement (see NFIS).

**Tier 1 suppliers:**[47] Suppliers that provide products or services directly to the entity, with which they have a direct contractual or commercial relationship.

**Tier 2 suppliers:**[48] Suppliers that provide products or services to the entity's Tier 1 suppliers, without a direct relationship with the entity.

**TSC:** Technical selection criteria.

**VSME:** Voluntary Small and Medium Enterprises.

47 Definition based on terminology commonly used in supply chain management and industry practice.
48 Definition based on terminology commonly used in supply chain management and industry practice.