



**Corporate Sustainability  
Reporting Directive  
(CSRD).**

**AVISI**

# Avisi Managed Environment' Comprehensive Approach

Applicable:

1. **All large companies that are public interest entities (PIEs)**, which include listed companies, banks, and insurance companies, regardless of their size. Under the NFRD, this applied only to large PIEs with more than 500 employees.
2. **Large companies that are not public interest entities.** This includes large companies that meet at least two of the following three criteria:
  - A net turnover of more than €40 million,
  - Total assets of more than €20 million,
  - More than 250 employees.
3. **Listed SMEs (Small and Medium-sized Enterprises)**, except for micro-enterprises, are also subject to the CSRD, but they will have lighter reporting requirements compared to larger companies.
4. **Non-EU companies generating a net turnover of €150 million or more in the EU**, if they have at least one subsidiary or branch in the EU that meets certain criteria.
5. **Companies** that provide services to the above companies will also need to be prepared for the CSRD, as they may be required to provide information that contributes to the larger companies' sustainability reports

**When:** January 5th 2023, 2024 Companies already reporting under the Non-Financial Reporting Directive (NFRD), 2025 large companies (> 250 employees, turnover >€40 million, assets > €20 million)

## Introduction

The Corporate Sustainability Reporting Directive (CSRD) is a new EU law that significantly expands and strengthens the sustainability reporting requirements for companies. These reporting requirements are based on common standards and aim to improve transparency and accountability, moving away from a focus on short-term profits to a broader consideration of a company's social and environmental impact.

## CSRD (ESG) Compliance and Beyond with the Avisi Managed Environment (AME)

AME can provide the infrastructure and tools necessary to support CSRD compliance, actual compliance will require a cross-functional effort involving legal, sustainability, and reporting teams to ensure that the company meets all directive requirements. Below you will find a summary of functionalities that cover certain directives:

1. **Data Management and Reporting:** AME can facilitate the management and processing of large volumes of sustainability data that companies need to collect, process, and report. It can automate the aggregation and transformation of this data for reporting purposes.
2. **Automation of Compliance Workflows:** Companies can use AME to automate workflows related to data collection, monitoring, and reporting, ensuring they meet the directive's timelines and requirements more efficiently.
3. **Scalability and Reliability:** As CSRD reporting can involve complex data from various sources, AME's ability to scale resources as needed can help manage the increased load during the reporting period, ensuring that the IT infrastructure can handle the demands of compliance activities without disruption.
4. **Security and Data Protection:** Given that sustainability reports can contain sensitive data, AME's built-in security features can help protect this information and manage user access, contributing to compliance with data protection regulations.
5. **Integration of External Tools:** AME can integrate with external sustainability reporting and management tools that companies may use to prepare their CSRD reports, allowing for seamless data flow and management.
6. **Development of Custom Reporting Tools:** For companies that need custom solutions for sustainability reporting, AME can provide a platform for developing and deploying such applications.
7. **Supporting ESG Initiatives:** Companies can use AME to run applications that support broader Environmental, Social, and Governance (ESG) initiatives, such as [energy consumption monitoring](#) or supply chain analysis, which contribute to the data reported under CSRD.
8. **Traceability and Supply Chain Management:** For IT and software companies, AME can support applications that ensure traceability and sustainability within the supply chain, which is increasingly important under CSRD.

Corporate Sustainability Reporting Directive (CSRD).

## Conclusion

The Avisi Managed Environment (AME) can support compliance with the Corporate Sustainability Reporting Directive (CSRD) primarily through robust data management and reporting capabilities. AME can automate data collection and processing workflows, essential for the accurate and timely reporting of sustainability metrics. Its scalable infrastructure ensures reliability in handling the increased data volume required for detailed sustainability reports. Furthermore, AME's security features can help protect sensitive sustainability data, adhering to CSRD's transparency and data protection requirements. However, it is crucial to collaborate with sustainability and compliance experts to align AME's technical capabilities with the CSRD's legal requirements.

AME's scalable infrastructure ensures that the additional load from sustainability reporting processes does not disrupt other operations. Its security features will be vital for protecting sensitive sustainability data, which is crucial for compliance with the CSRD and other related directives and regulations.

Furthermore, AME's capability for automating workflows can be leveraged to ensure that sustainability reporting tasks are completed on time and in accordance with the CSRD's requirements. This can include automating data collection, monitoring, and reporting workflows, as well as ensuring that sustainability data is processed and stored in compliance with data protection regulations.

For IT and software companies, staying abreast of EU directives that affect their operations is critical. Other than the CSRD, important directives include the General Data Protection Regulation (GDPR), the NIS2 Directive (which is an upgrade to the initial Network and Information Systems Directive), and the proposed Artificial Intelligence Act, which will introduce a legal framework for AI across all sectors. Additionally, the Cyber Resilience Act aims to ensure that hardware and software products have fewer vulnerabilities when launched on the EU market. All these regulations emphasize the importance of cybersecurity, data protection, and transparency in the digital age.

It's also important that we will keep abreast of any updates or guidance from regulatory bodies regarding the implementation of the regulation within the boundaries of our platform.