

Deloitte.

Wave 1 Corporate Sustainability Reporting Directive Reports

Policies, actions, and targets in focus

Industry: Consumer Products

Material topics

The first Consumer Products Corporate Sustainability Reporting Directive (CSRD) reports reflect an effort to balance transparency that meets stakeholder expectations with reporting that adheres to new regulatory requirements to promote decision-useful information.

Deloitte Global's research reveals the complexity in the standards-driven materiality determination process in the Consumer Products industry. 65% of companies analyzed reported that either 9 or all 10 of the European Sustainability Reporting Standards (ESRS) topics were material.

These Year 1 sustainability disclosures may reflect:

- Managing stakeholder expectations**
Many companies have previously communicated through established voluntary standards (e.g., Global Reporting Initiative (GRI)) and may have built upon aspects of previous reporting while enhancing disclosures under ESRS. This can provide insight into balancing prioritization of stakeholder information expectations along with adherence to the double materiality principle.
- Consumer pressure and brand image**
Companies in Consumer Products note that stakeholders (e.g., customers, NGOs, retail partners) expect broad sustainability disclosure. Declaring topics “material” can signal accountability and proactive management, which can help reassure brand-conscious consumers.
- Complex supply chains**
With global sourcing (e.g., coffee, cotton, packaging), companies often find sustainability matters relevant somewhere in their value chain, leading them to often conclude many topics as material rather than risk omitting key matters.

The Consumer Products companies analyzed disclosed on average 48 impacts, risks and opportunities (IROs) per company, covering a spectrum of sustainability matters, mostly focusing on the negative impacts.

	Consumer Products total	Food and Beverage	Apparel and Footwear	Other
E1	100%	100%	100%	100%
E2	65%	38%	88%	75%
E3	95%	100%	100%	75%
E4	90%	88%	88%	100%
E5	90%	100%	88%	75%
S1	100%	100%	100%	100%
S2	100%	100%	100%	100%
S3	45%	25%	63%	50%
S4	95%	100%	88%	100%
G1	80%	63%	88%	100%
ES*	45%	38%	63%	25%

Table 1: Percentage of companies analyzed disclosing material IROs for each ESRS topic: total Consumer Products and a breakdown per sector

Policies, actions, and targets

Policies and action plans

- Environmental matters are often addressed in overarching sustainability policies rather than in separate policies per topic.
- Notably, all companies analyzed that consider S4 to be material have reported established policies and processes to address IROs related to consumers and end-users (e.g., consumer health and safety, responsible marketing).
- The level of detail in reporting on actions differ—while many companies analyzed disclose a list of initiatives undertaken during the year to address their material IROs, only a few present detailed forward-looking action plans specifying how they plan to achieve set targets.

Targets

Where a target for a material topic is not disclosed, companies analyzed mostly report that they are assessing impacts (e.g., via science-based frameworks or internal working groups) and plan to define quantitative targets in future reporting periods. In the interim, they often rely on:

- Qualitative commitments or aspirational goals (e.g., “aim to reduce negative impacts” or “achieve compliance” with certain regulations).
- Performance metrics used for monitoring progress.

Most companies analyzed have prioritized refining existing policies and introducing new ones to support material performance objectives, but development of action plans and measurable targets to manage material IROs may be needed.

	Policies	Actions	Targets
E1	100%	100%	100%
E2	100%	92%	69%
E3	100%	95%	79%
E4	89%	89%	78%
E5	100%	94%	89%
S1	100%	100%	85%
S2	100%	95%	70%
S3	100%	100%	44%
S4	100%	100%	79%
G1	100%	69%	13%

Table 2: Percentage of companies disclosing a policy, action plan, target per material ESRS topic

About CSRD Insights Research

Deloitte Global has conducted analysis of a sample of Wave 1 CSRD reports. A comprehensive report with more insights and observations per industry is coming soon.

About Industry series

For the Consumer Products Industry Card CSRD Reports, 20 companies were analyzed. Findings in this document are non-exhaustive in nature and are intended for information-only purposes.

Key assumptions and limitations

For the percentage of policies, action plans, and targets per material ESRS topic, the companies analyzed were included in the count if the company disclosed at least one sub-topic within the topic, including entity-specific sub-topics. This analysis was limited solely to the evaluation of whether disclosures were provided, without assessing their quality, and Deloitte Global expresses no judgment regarding the accuracy or completeness of these disclosures.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides leading professional services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our people deliver measurable and lasting results that help reinforce public trust in capital markets and enable clients to transform and thrive. Building on its 180-year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's approximately 460,000 people worldwide make an impact that matters at www.deloitte.com.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.