Docusign Envelope ID: 9C31C67E-24A4-83B1-80D4-ED504A69A080

Norges Bank Investment Management

EFRAG
35 Square de Meeûs
1000 Brussels
Belgium

Date: 30.10.2026

EFRAG's Consultation on European Sustainability Reporting Standards for Certain Non-EU Groups (ESRS-40a)

Norges Bank Investment Management (NBIM) is the investment management division of the Norwegian Central Bank (Norges Bank). We are responsible for investing the Norwegian Government Pension Fund Global. As of year-end 2025, we managed EUR 1.79 trillion in assets, invested in the shares of 7,201 companies across 67 countries. As a long-term, global investor, we believe our returns depend on sustainable development in economic, environmental and social terms.

We appreciate the opportunity to respond to the consultation by the European Financial Reporting Advisory Group (EFRAG) on the ESRS-40a Exposure Draft. This response builds on our engagement throughout the simplification of the European Sustainability Reporting Standards (ESRS).[1] ESRS-40a will apply from financial year 2028 to non-EU groups with significant activity in the EU, setting out the sustainability information they must report under the Corporate Sustainability Reporting Directive (CSRD). Unlike the ESRS that apply to EU companies, it covers only companies' impacts on people and the environment, not how sustainability matters affect the companies themselves (sustainability-related risks and opportunities). The CSRD does not require non-EU groups to report on the latter.[2]

Many of our largest holdings are non-EU groups likely to fall within the scope of ESRS-40a. A growing number of them report, or will soon report, on sustainability-related risks and opportunities under the standards issued by the International Sustainability Standards Board (ISSB), known as the ISSB Standards, either directly or through local standards based on them. We have long supported the ISSB Standards as the global baseline for sustainability reporting, given their focus on information that is material to investors.

For groups that already report under the ISSB Standards, ESRS-40a will add a further set of requirements. Although the two frameworks have different objectives, they overlap considerably, particularly on climate, where both require information on matters such as greenhouse gas emissions, targets and transition plans. As an investor, we therefore have two main interests in how they fit together. First, companies that report under the ISSB Standards should be able to meet ESRS-40a as efficiently as possible. Reporting the same information twice

[1] See our responses to EFRAG's calls for input on the revision of the ESRS (May and September 2025) and to the European Commission's consultation on the draft revised ESRS (June 2026).
[2] These requirements are set out in Article 40a of the Accounting Directive (Directive 2013/34/EU), which was added by the CSRD.

Norges Bank Investment Management
is a part of Norges Bank – the Central Bank of Norway

Postal address
P.O. Box 0179 Sentrum,
NO-0107 Oslo

Visiting address
Bankplassen 2,
Oslo

Tel: +47 24 07 30 00
Fax: +47 24 07 30 01
www.nbim.no

Registration of Business Enterprises
NO 937 884 117 MVA

Docusign Envelope ID: 9C31C67E-24A4-83B1-80D4-ED504A69A080

or in different ways would add to their burden and make companies harder to compare across markets. Second, the resulting report should remain understandable for investors such as ourselves, who rely on the financially material information it contains. Our response focuses on interoperability between ESRS-40a and the ISSB Standards with these two aims in mind.

Overall, we welcome EFRAG's proposals in this area, which already support both aims. They allow companies to build on their ISSB reporting and add the disclosures ESRS-40a requires (the "ISSB+" approach). Companies could do so either through a single report that meets both sets of standards, or by referring to information already published in other reports (incorporation by reference). This is in line with the ISSB's building-block approach, under which the ISSB Standards provide a global baseline that jurisdictions can add to. Because companies can reuse the reporting they already prepare, the proposals also encourage wider adoption of the ISSB Standards. As currently drafted, however, the approach would be available to fewer groups than intended. To help this approach work in practice, we would encourage EFRAG to:

- **Widen the reports companies can build on.** We would welcome confirmation that companies can base their reporting on the ISSB Standards as issued by the ISSB, including where they apply them voluntarily or instead of a local version. At present, companies can only incorporate by reference reports that are required by law. This excludes, for example, groups that report under the ISSB Standards, or local standards based on them, voluntarily or before their local requirements come into force, as well as groups that choose the ISSB Standards as issued over a local version. We therefore suggest allowing incorporation by reference even where the report is not legally required, whether it is prepared under the ISSB Standards as issued or under local standards based on them. The content table that companies must provide when a large part of the report is incorporated by reference could usefully apply to these reports as well.

- **Make the level of assurance visible**. As more types of reports become eligible, investors will need to be able to judge how reliable the referenced information is. Some of these reports may not be subject to the same level of assurance as the rest of the ESRS-40a report. Rather than excluding them, we would suggest that companies state clearly what level of assurance applies to each referenced source.

- **Allow ISSB disclosures to be used as they are.** ESRS-40a sometimes treats matters that the ISSB Standards also cover differently, such as time horizons.[3] Companies may then need to adjust their ISSB disclosures or report the same information twice. It would be helpful to confirm that companies applying the ISSB Standards as issued by the ISSB can use those disclosures unchanged wherever ESRS-40a requires information on the same matter. They would then add any other impact information that is material under ESRS-40a.

- **Simplify how the ESRS-40a information is identified.** As drafted, ESRS-40a appears to require companies preparing a single report to label each disclosure according to whether it meets both sets of standards, ESRS-40a only, or the ISSB Standards only. Neither framework requires this level of detail elsewhere and, in our view, it would add work for companies without making the report more useful to investors or other readers. Information for investors does need to be identifiable, but it should be sufficient for the

[3] ESRS-40a sets fixed time horizons for reporting purposes: the short term is the period covered by the financial statements, the medium term runs up to five years beyond that, and the long term is more than five years. The ISSB Standards instead require companies to explain how they define these time horizons themselves.

Norges Bank Investment Management
is a part of Norges Bank – the Central Bank of Norway

Postal address
P.O. Box 0179 Sentrum,
NO-0107 Oslo

Visiting address
Bankplassen 2,
Oslo

Tel: +47 24 07 30 00
Fax: +47 24 07 30 01
www.nbim.no

Registration of Business Enterprises
NO 937 884 117 MVA

Docusign Envelope ID: 9C31C67E-24A4-83B1-80D4-ED504A69A080

Norges Bank Investment Management

ESRS-40a information to be clearly identifiable, as the Exposure Draft already requires in line with ESRS. We would therefore suggest that companies should not be required to label ISSB-only information separately. An appendix to ESRS-40a listing the additional disclosures that companies starting from the ISSB Standards may need to provide would also help them apply the standard consistently and, where they use incorporation by reference, prepare the content table.

We believe that allowing companies to build efficiently on their ISSB reporting, while keeping the resulting report understandable for investors, would best serve both investors and companies. We value EFRAG's work on ESRS-40a and its ongoing cooperation with the IFRS Foundation, and we hope our perspective is helpful as EFRAG finalises its advice. Our answers to the relevant questionnaire questions are set out in the Appendix.

Thank you for considering our perspective. We remain available for further discussion.

Yours sincerely

Signed by:
Carine Smith Ihenacho
C28B267008BE42F...

Carine Smith Ihenacho
Chief Governance and Compliance Officer

Signed by:
Shilpi Nanda
045DFA68D762485...

Dr Shilpi Nanda
Senior Policy Advisor

Norges Bank Investment Management
is a part of Norges Bank – the Central Bank of Norway

Postal address
P.O. Box 0179 Sentrum,
NO-0107 Oslo

Visiting address
Bankplassen 2,
Oslo

Tel: +47 24 07 30 00
Fax: +47 24 07 30 01
www.nbim.no

Registration of Business Enterprises
NO 937 884 117 MVA

Docusign Envelope ID: 9C31C67E-24A4-83B1-80D4-ED504A69A080

Norges Bank Investment Management

Appendix: NBIM responses to selected questionnaire questions

Topic 3 – Interoperability, presentation and incorporation by reference

Q66. Do you agree with the presentation requirements in ESRS-40a ED?

No.

Q67. If "No", please explain why.

As an investor, we welcome the possibility for companies to meet both the ISSB Standards and ESRS-40a in a single report, and we consider that the presentation requirements largely support this. However, three aspects are unclear or could reduce the efficiency of this route.

First, it is not explicit that a company can base a single report on the ISSB Standards as issued by the ISSB, particularly where it applies them voluntarily or in place of local standards.

Second, ESRS-40a sometimes treats matters that the ISSB Standards also cover differently, such as time horizons. A company may then need to adjust its ISSB disclosures or report the same information twice, reducing the efficiency a single report is meant to deliver.

Third, as drafted, ESRS-40a appears to require companies preparing a single report to label each disclosure according to whether it meets both sets of standards, ESRS-40a only, or the ISSB Standards only. Neither framework requires this level of detail elsewhere and, in our view, it would add work for companies without making the report more useful to investors or other readers.

Q68. If "No", please provide suggested amendments.

We suggest that EFRAG:

- Confirm that a company may base a single report on the ISSB Standards as issued by the ISSB, whether it applies them voluntarily or as a permitted alternative to local standards.
- Confirm that a company applying the ISSB Standards as issued by the ISSB can use those disclosures unchanged wherever ESRS-40a requires information on the same matter, and then add any other impact information that is material under ESRS-40a.
- Provide that companies are not required to label ISSB-only information separately, and that it is sufficient for the ESRS-40a information to be clearly identifiable, as the Exposure Draft already requires in line with ESRS.
- Add an appendix to ESRS-40a listing the additional disclosures that companies starting from the ISSB Standards may need to provide. This would support consistent application and, for companies using incorporation by reference, the preparation of the content table.

Norges Bank Investment Management
is a part of Norges Bank – the Central Bank of Norway

Postal address
P.O. Box 0179 Sentrum,
NO-0107 Oslo

Visiting address
Bankplassen 2,
Oslo

Tel: +47 24 07 30 00
Fax: +47 24 07 30 01
www.nbim.no

Registration of Business Enterprises
NO 937 884 117 MVA

Docusign Envelope ID: 9C31C67E-24A4-83B1-80D4-ED504A69A080

Norges Bank Investment Management

Q69. Do you agree with the provisions in Chapter 9.3 on incorporation by reference, including as a possible way to achieve efficient reporting and to deal with double reporting?

No.

Q70. If "No", please specify if you disagree with:

☒ Examples of sources (paragraph 120)
☒ Conditions for incorporation by reference (paragraphs 121–123)
☐ Additional flexibility when incorporating by reference a substantial part of the ESRS-40a reported information (paragraph 124)
☒ Requirement to add a content table (paragraph 125)

Q71. If "No", please explain and, if applicable, provide suggested improvements.

We support incorporation by reference as a way to avoid duplicate reporting, particularly on climate, where the two sets of standards overlap most. We answer "No" in order to propose some improvements.

Eligible sources. At present, only information reported under a legal or regulatory requirement can be referenced. This would exclude, for example, groups that report voluntarily, groups whose local requirements are not yet in force, and groups that choose the ISSB Standards as issued by the ISSB over a local version. We recommend that incorporation by reference be permitted even where the source report is not legally required, and that reports prepared under the ISSB Standards as issued by the ISSB be expressly included as a permitted source.

Level of assurance. Some of the newly eligible reports may not be subject to the same level of assurance as the rest of the ESRS-40a sustainability report. Rather than excluding them, we suggest that companies state clearly what level of assurance applies to each referenced source, so that investors can judge how reliable the information is.

Content table. We suggest that the content table required by paragraph 125 also apply to these newly eligible sources. The appendix proposed in our response to question 68 would also help companies prepare this table.

ISSB disclosures. Information incorporated by reference from reports prepared under the ISSB Standards should also be usable unchanged where it covers the same matter as an ESRS-40a requirement, as set out in our response to question 68.

Norges Bank Investment Management
is a part of Norges Bank – the Central Bank of Norway

Postal address
P.O. Box 0179 Sentrum,
NO-0107 Oslo

Visiting address
Bankplassen 2,
Oslo

Tel: +47 24 07 30 00
Fax: +47 24 07 30 01
www.nbim.no

Registration of Business Enterprises
NO 937 884 117 MVA