



Get ready for the ESG reporting

CFO Lunch – 4th of May



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01

Setting the scene

By **Michael Wagemans** Partner Head of Sustainability/ESG

KPMG Belgium

Around the table



There has been an evolution in the way companies engage sustainability

RISK MITIGATION



Avoiding downsides due to cost increases, market share loss or fines driven by regulation or market consensus.

Example

Risk of non-renewal of operating license in case of non compliance to environmental concerns.

COST REDUCTION



Improving cost position through operational efficiency with company's internal scope (e.g. energy, waste, water, ...).

Example

Using IoT devices and software to monitor real-time data about buildings for cost-efficient property management.

NEW MARKETS



Creating value from product / service innovations, new markets, and commercial validation of sustainability efforts (e.g. charge premium, preferred partner position).

Example

*Real Estate as a Service;
Local Energy Communities;
Service offices and co-living.*

REPUTATION & OTHER BENEFITS



Capturing extended reputation benefits from sustainability (e.g. employee engagement, brand enhancement, ...).

Example

"Sustainability is an increasingly important factor in attracting and managing talents. With top talent in short supply, more companies take sustainability seriously, yielding better business results" – Harvard Business Review.

We can serve as a 360 partner on your journey towards sustainability and ESG

Our offering is built around four areas of expertise that can support the development of your strategy, (data) needs, reporting, regulatory compliance, and beyond.

Regulatory Know-How

KPMG have established regulatory knowledge and are used to working within the complexity of international & national regulatory frameworks.

Global Reach

KPMG runs a high collaborative model within our global network structure. We cover all important geographies in the world and can leverage international subject matter experts from other KPMG offices.



Tech and Data Expertise

KPMG can support organisations with strong technological know-how and data analytics expertise. Next to our own tech & data capabilities, we have an established collaboration with major technology and data (analytics) providers.

Green Transition & Transformation

KPMG is keen to support organisations in their transition towards the EU's stated ambitions in the Green Deal. Through Our Impact Plan, we have set and manage our own targets to become a sustainable professional services firm.

We invest heavily in developing our ESG capabilities:

1.5 billion USD

invested in sustainability and ESG by KPMG Global over the next 3 years

ESG Team in

Belgium is dedicated to support clients in their sustainability journey

KPMG is experienced in working holistically with ESG matters, for integration at all levels of your organisation

We can support your end-to-end ESG journey adapted to your specific needs.

Setting direction

Assess your current ESG needs, risks, opportunities and level of performance. Develop an appropriate ESG strategy (incl. targets and KPI's) and integrate it with the business strategy. Finally, hone the organization's operating model for ESG and managing progress measurement.

Making it happen

Take action transversally across your organisation with our dedicated teams:

- Finance Management
- Tax & Legal
- Technology & Data
- Procurement & Supply Chain
- People
- Innovation
- Marketing & Sales Management, ...

Reporting on progress

Understand your level of readiness to report on ESG-related disclosures and help you prepare for and conduct ESG reporting to meet regulatory and stakeholder expectations with new internal processes, controls and structures.

Assuring you are right

Determine whether the necessary preconditions are present to allow us to assure your ESG reporting and help you navigate this continuously evolving regulatory landscape. Provide recognized certification to increase stakeholder confidence.

Enabling value creation

Support you in leveraging ESG strategies to access capital and drive wider business value (incentives, subsidies & grants). Assist you with ESG Due Diligence. Support you in shaping a sustainable portfolio to capture ESG opportunities and drive positive change.

Leveraging data solutions

Leverage technology and data solutions to solve complex problems linked to core ESG themes (e.g. energy optimization) and automation of ESG data.



Renewables



Sustainable finance



Inclusion, diversity & equality



ESG risk management



Circular economy



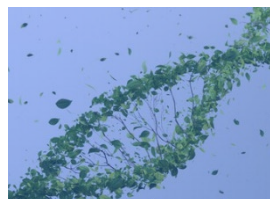
E-Mobility



Biodiversity



Human Rights



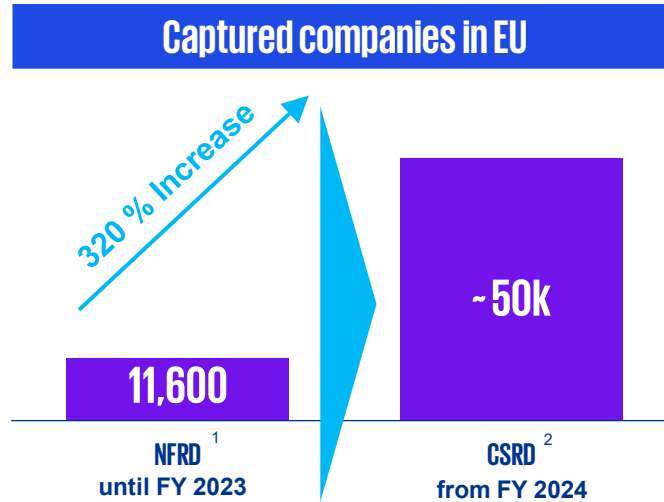
Decarbonization

02

CSRD and ESG reporting

By **Steven Mulkens** Executive Director ESG Reporting & Assurance
KPMG Belgium

The CSRD revolutionizes ESG Reporting in the EU



NFRD¹⁾ Non-Financial Reporting Directive

- **Base** the sustainability reporting on an international recognized framework
- **Free choice** of sustainability reporting frameworks, standards (e.g., GRI, SASB), and non-financial KPIs
- Management report **OR** attached as separate report
- **No assurance requirements**, only consistency and completeness check

13 months preparatory phase 2022-2023

Companies meeting at least two of the following:

- > 250 employees (annual average)
- > €40M in net turnover
- > €20M in total assets

Listed SMEs from 2026 onwards, with deferral option

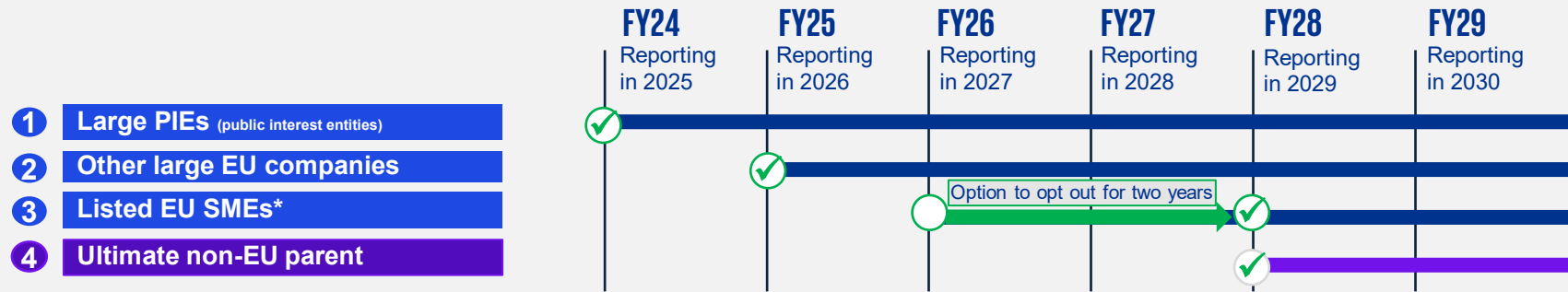
CSRD²⁾ Corporate Sustainability Reporting Directive

- 12 binding final draft sector-agnostic **EU Sustainability Reporting Standards (ESRSs)** + sector-specific standards under development
- Reporting as **part of the management report**
- **Mandatory limited assurance** required
- **Mandatory double materiality** assessment (financial materiality + impact materiality)

1) Non-Financial Reporting Directive 2014/95/EU
2) Corporate Sustainability Reporting Directive 2022/2464/EU entered into force at 5 January 2023

Who is in scope of CSRD?

The scope of reporting entities over the years



EU-based companies (general scoping)

<p>1</p> <p>Companies subject to the existing Non-Financial Reporting Directive (NFRD) and other large listed entities</p> <p>i.e. large public-interest companies with more than 500 employees</p>	<p>2</p> <p>All large companies not currently subject to the NFRD</p> <p>Meeting at least two of the following:</p> <ul style="list-style-type: none"> > 250 employees (annual average) > €40M in net turnover > €20M in total assets 	<p>3</p> <p>Listed SMEs* and small and non-complex institutions and captive insurers</p> <p>*Option to opt out until FY29 (effective date of FY28)</p> <p>Meeting at least two of the following:</p> <ul style="list-style-type: none"> > 10 employees (annual average) > €700K in net turnover > €350K in total assets
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Non-EU parent scoping

4

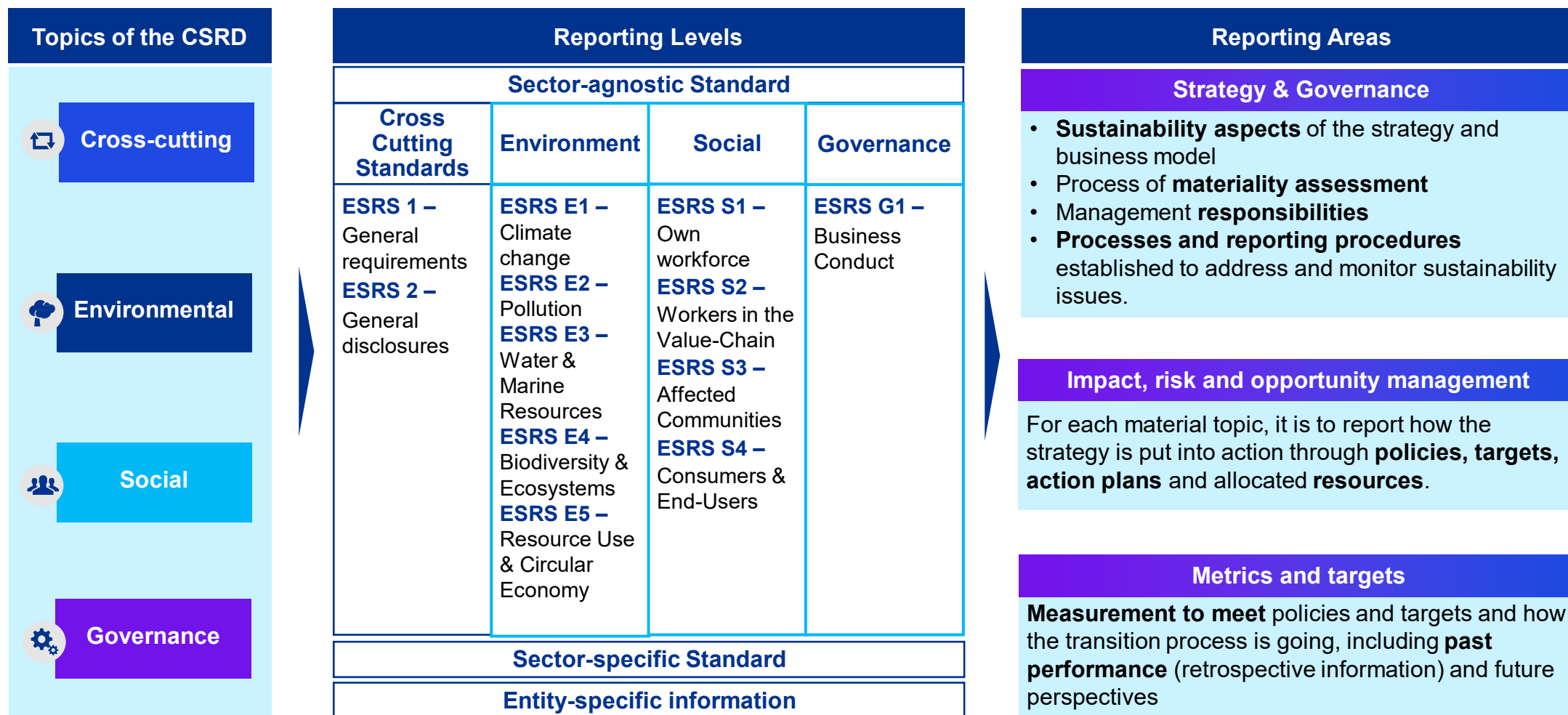
Non-EU parent companies which have substantial activities in the EU will be obliged to report in accordance with non-EU parent company standards on a consolidated basis.

Reporting requirements in accordance with non-EU parent company **ESRS** (currently under development – expected to be slightly reduced)

An ultimate non-EU parent company would be subject to the CSRD if it has:

- Substantial activity in the EU – i.e. it generated net turnover > €150M in the EU for each of the last two consecutive years; and
- at least:
 - one subsidiary that meets the general scoping of the CSRD; or
 - one branch (in general, a physical presence) that generated net turnover > €40M in the preceding year

EU Sustainability Reporting Standards (ESRS) architecture

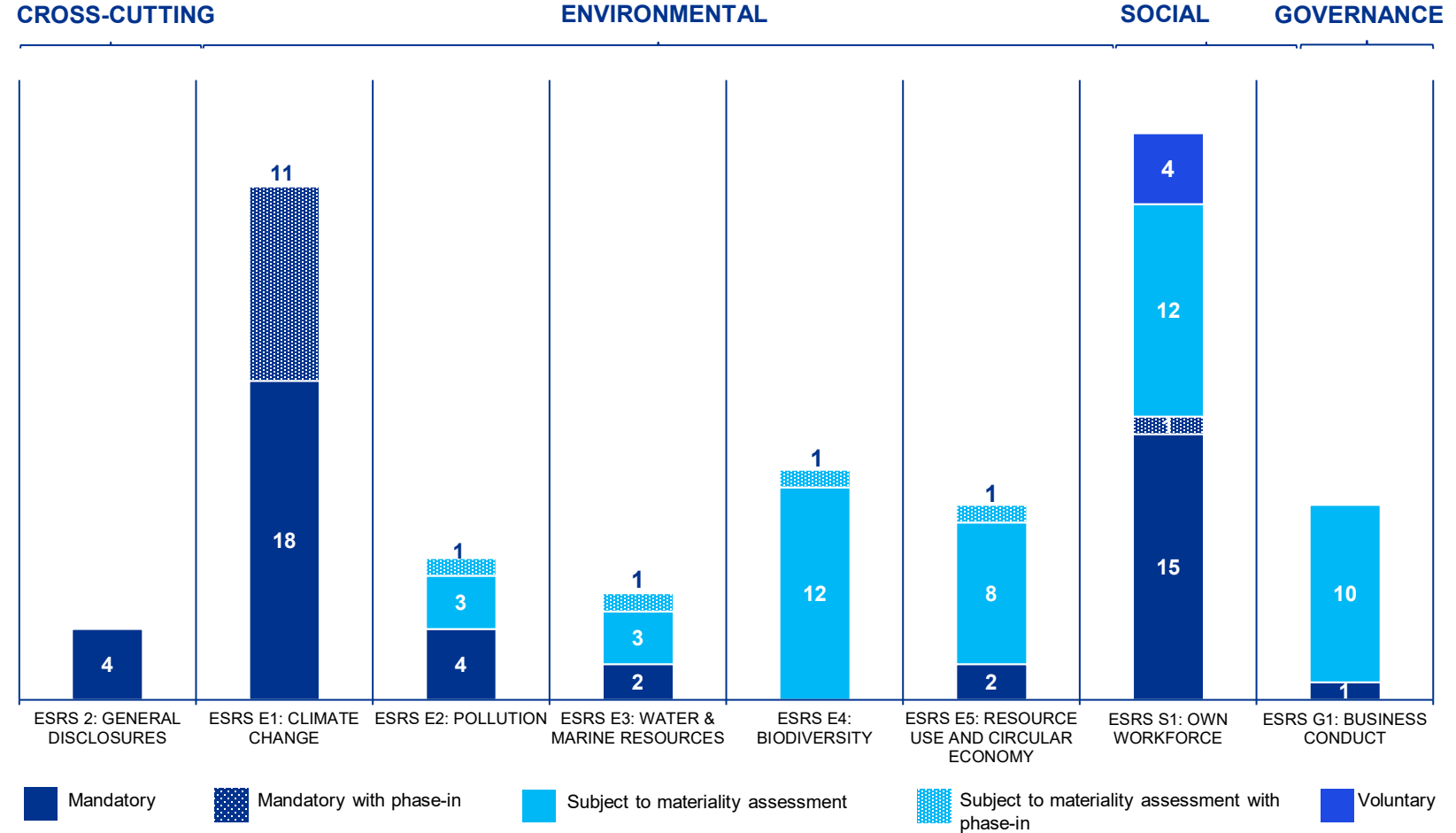
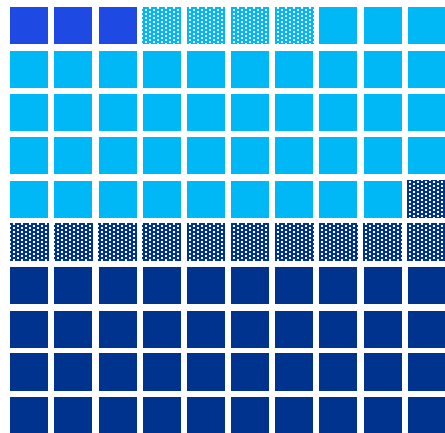


CSRD requires a high number of sector agnostic KPIs

Sector agnostic KPIs can be categorized in different types. The relevant KPI set mostly depends on the materiality assessment.

Quantitative metrics in ALL STANDARDS

- 3% Voluntary
- 46% Subject to materiality assessment (4% with phase-in)
- 51% Mandatory (11% with phase-in)



N = 114

ESG reporting is becoming a higher priority on the agenda of the CFO

Which of the following statements best describes your approach to include ESG data in your management reporting?

11% answered with "Don't know"

8%

Do not plan to integrate ESG

17%

Plan to integrate ESG in the coming 2 years

38%

In the process of defining KPIs on ESG

26%

Already integrated ESG data

To which extent are you making use of specific technologies and/or tools for ESG reporting purposes?

We have no reporting available yet

50%

We solely rely on spreadsheets

33%

We use a specific reporting tool

17%

Source: CFO Advisory Survey Results November 2022



Overview of ESG reporting building blocks



Key activities:

<ul style="list-style-type: none"> Gap analysis of the current Sustainability reporting Identify gaps with the upcoming Corporate Sustainability Reporting Directive (CSRD) Identification of legislative trends and focus areas 	<ul style="list-style-type: none"> Current state assessment and peers benchmarking with focus on ESG reporting Identify long list and short list of relevant ESG topics Facilitate process with stakeholders to select material ESG topics 	<ul style="list-style-type: none"> Future state visioning – determine the vision and ambition level for ESG - workshop Articulating commitments and targets for the material ESG topics De/refining the overarching ESG framework and narrative 	<ul style="list-style-type: none"> Asses availability of data in the business (where/how?) Collect, curate and structure data sources Create ESG dashboards to monitor progress Train business owners in the use of the dashboards 	<ul style="list-style-type: none"> Introductory workshop Mapping of EUT eligibility Establish CapeX & OpeX KPIs Conduct readiness assessment Conduct a pre-defined alignment exercise on the basis of selected activities / projects 	<ul style="list-style-type: none"> Map internal initiatives at business unit level Identify relevant KPIs for material ESG topics Link KPI's to material topics and stakeholder expectations Prioritize views on KPI's 	<ul style="list-style-type: none"> Conduct readiness assessment of KPI Conduct interview with process owners Inspection of systems and documentation Identify internal controls, procedures and information Review data on the KPI 	<ul style="list-style-type: none"> Develop an ESG action plan to guide the ESG transition Provide insights into the areas of improvement identified from the previous activities Support the creation of the ESG report (structure, content, process, ...)
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Key deliverables:

<ul style="list-style-type: none"> Identification of required information and reporting Gap CSRD analysis report 	<ul style="list-style-type: none"> Documented materiality process and workshop Materiality report, incl. matrix 	<ul style="list-style-type: none"> ESG vision, ambition level and commitments Tailored ESG framework with supporting narrative 	<ul style="list-style-type: none"> ESG dashboards for each target in Power BI Data repository 	<ul style="list-style-type: none"> Mapping table of eligible activities Implementation plan EUT Readiness assessment report 	<ul style="list-style-type: none"> KPI linking analysis KPI linking report Structured inventory and mapping of initiatives 	<ul style="list-style-type: none"> Readiness assessment report providing key observations and recommendations 	<ul style="list-style-type: none"> ESG roadmap including key insights and recommendations identified Backbone of the ESG report
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	Analyze & provide report	Prepare, facilitate & summarize	Prepare, facilitate & summarize	Collect data & develop dashboards	Analyze & provide report	Identify, prioritize and linking of KPI's	Recommendations reporting process and data KPI	Recommendations on sustainability reporting
Company	Provide input regarding requested information	Active participation in workshop	Active participation in workshop and provision of inputs	Providing data inputs regarding requested information	Provide input regarding requested information	Provide input	Provide input regarding processes and data	Validation and road ahead



03

What does EU Taxonomy mean for companies

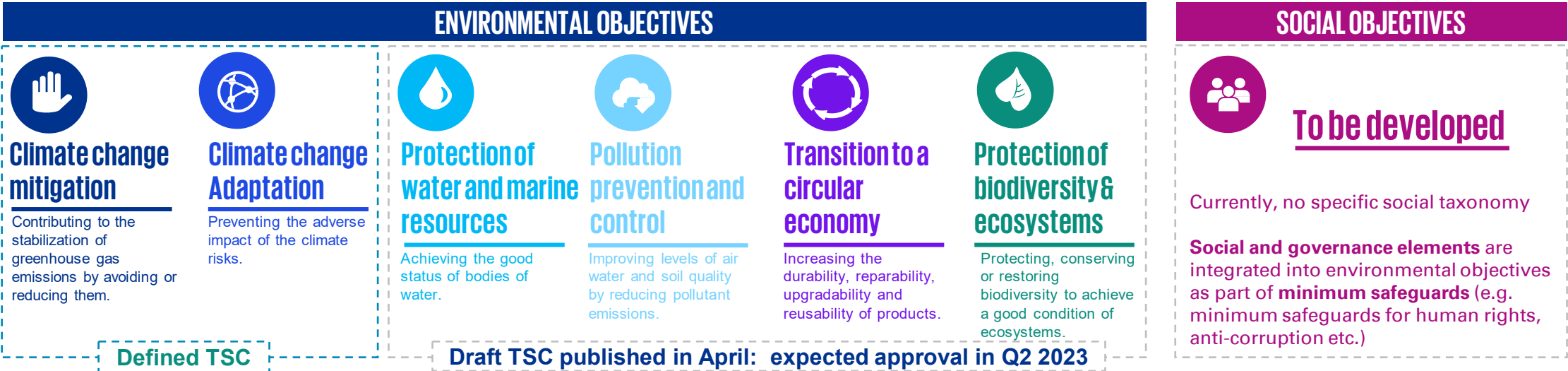
By **Walter Jacob** Senior Counsel, KPMG Law
KPMG Belgium

Scope and purpose

The EU Taxonomy is a **classification system** that **defines** which economic activities are considered as **environmentally sustainable**. The European Commission started with the **most polluting sectors** and has indicated that it is a **‘living document’** and more sectors and activities will be included in the future. The EU Taxonomy **applies to three categories** of organizations:

- 01 Financial market** participants offering financial products in the EU
- 02 Large companies** required to provide a non-financial statement under the NFRD/CSRD
- 03 The EU and Member States**, when setting public measures, standards or labels

The EU Taxonomy has **six environmental objectives** (mentioned below) and the European Commission has elaborated the **Technical Screening Criteria (TSC)** which define the **scientific requirements and thresholds** for an activity to be considered as significantly contributing to an environmental objective. An economic activity is **Taxonomy-aligned** if it **contributes substantially** to at least one of the environmental objectives, **do no significant harm (DNSH)** any other objectives and it conducts the activity in **compliance with minimum safeguards**.





Timeline for compliance

Evolving character of the EU taxonomy

In Q2 2023, the final technical screening criteria for remaining four environmental objectives is expected to be released.

2022
(FY 2021)

Disclose **taxonomy-eligibility** and non-eligibility for climate change mitigation (**CCM**) and climate change adaptation (**CCA**).

2024
(FY 2023)

Eligibility and alignment for the CCM and CCA and **eligibility of the four environmental objectives**



2023
(FY 2022)

Disclose the full KPI's on **taxonomy-alignment** under art. 8 Taxonomy Regulation Delegated Act

→ Reporting of the eligibility and alignment for the remaining four environmental objectives is not expected.

2025
(FY 2024/CSRD)

Eligibility and alignment for all six environmental objectives.

Reporting Key Performance Indicator's

Non-financial undertakings KPI's to disclose are a different set compared to the KPI's for financial undertakings. In addition, the EU Taxonomy makes a **distinction between eligible and aligned activities**.



An **'eligible activity'** could make a potential contribution to one or more of six environmental objectives



An **'aligned activity'** is considered to be environmentally sustainable if it meets the relevant technical screening criteria (TSC) included in the EU Taxonomy delegated acts (i.e. substantial contribution, DNSH, comply with minimum safeguards).



Non-financial undertaking KPI's

% Eligible and Aligned

▶ **Turnover**

▶ **CAPEX**

Intangible assets, Tangible assets, CapEx plan.

▶ **OPEX**

Research and development, Building, Renovation measures, Short-term lease, Plant and equipment, maintenance and repair, and direct expenditures related to the day-to-day servicing of assets of property.



Financial undertaking KPI's

% Eligible and Aligned

01

Credit institutions

Green Asset Ratio (GAR) and other KPIs

02

Insurers & reinsurers

KPI's related to investments & underwritings (non-life insurance)

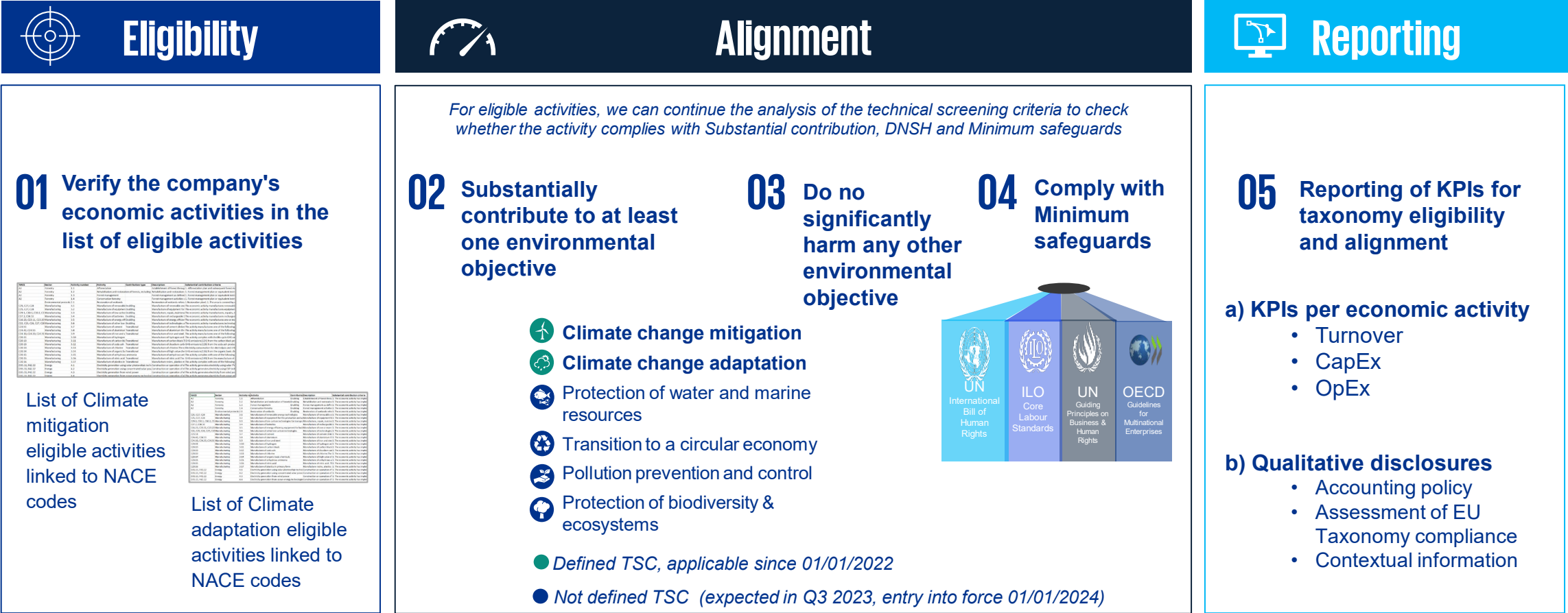
03

Asset managers

Green Investment Ratio (GIR)

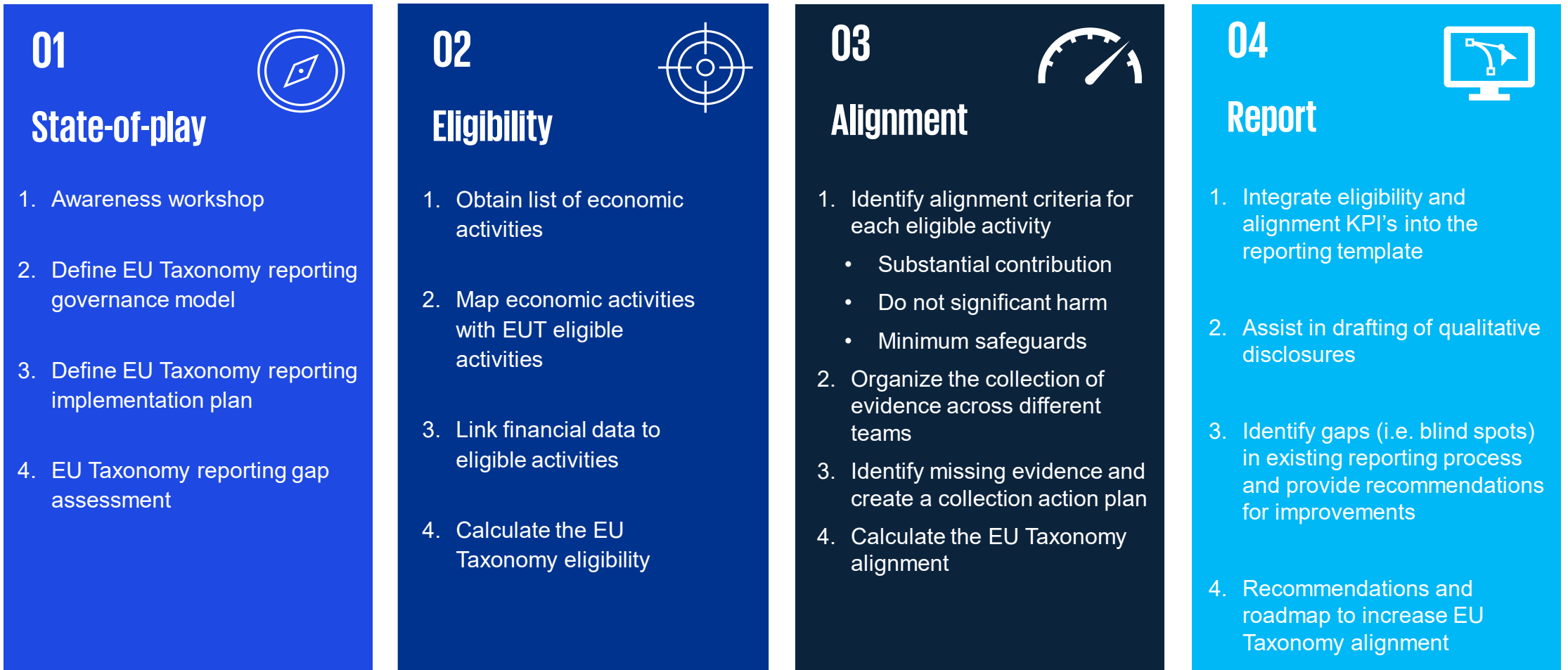
How to calculate taxonomy alignment?

The EU Taxonomy helps investors identify environmentally sustainable activities, and **prevents greenwashing** by employing a **data-driven, scientific approach**. Ultimately, the information related to **taxonomy-alignment** (i.e. ‘how green is your company’) is what investors look at. In order to arrive to that, **eligibility and alignment assessments** need to be performed.



Our approach to complete the EU Taxonomy report

With our well established and tested approach we are able to support you along the reporting journey wherever your starting point and needs are.



We offer the possibility to perform these phases with the support of **proprietary tooling** or **external tooling's** which we partner with.

Main implications of EU Taxonomy for organizations

Sustainability

- Integration with existing sustainability frameworks
- Becoming a strategic focus area

Finance

- KPIs definition and calculation
- Alignment with current financial reporting

Investor relations

- EU Taxonomy as support in your change story
- Increased Board level involvement



Systems & Processes

- System readiness
- Non financial data collection
- ERP integration

Operational impact

- Administrative burden
- Future process design
- Management reporting

Other impacts

- Investment agenda
- Green funding opportunities
- Training

Discussion Points

- 1. Materiality Considerations:** What (if any) threshold will be used to identify all (material) economic activities to test eligibility?
- 2. Governance:** How to ensure an effective internal control framework on EU Taxonomy reporting?
- 3. Building capability:** What roles and responsibilities need to be delegated, and to whom?

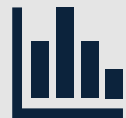
KPMG insights in 275 European corporates

The report brings insights from **275 European** large public-interest entities' EU Taxonomy disclosures that could further **refine and strengthen your EU Taxonomy reporting for the coming year**. For this analysis, companies having a corporate seat in the EU and that are part of the STOXX Europe 600 Index were selected. Thus, the sample contains large, mid and small capitalization companies across 14 countries in the EU, covering **17 sectors**.



EU Taxonomy linked to ESG strategy

Most companies have not made an explicit link between their broader ESG strategy and the EU Taxonomy yet but could leverage (elements of) the EU Taxonomy to strengthen the strategy. This is expected to be more aligned and interconnected over time.



Qualitative and non-comparable information

Due to limited guidance and no existing best practice, the level of qualitative disclosures greatly differs between companies.



Sector insight

The **highest** EU Taxonomy-eligible turnover is reported by the sectors:

- Real Estate
- Automobiles
- Parts sectors

The **lowest** EU Taxonomy-eligible turnover is reported by the sectors:

- Healthcare
- Retail
- Travel and Leisure

04

ESG Taxation Implications

By **Kris Eeckhout** Executive Director, KPMG Tax, Legal & Accountancy
KPMG Belgium

The EU Green Deal & “Fit for 55”

- Europe intends to become the first climate-neutral continent by 2050
- The EU Green Deal is roadmap of both tax and non-tax policy initiatives designed to achieve the 2050 target
- Milestone target: reduce greenhouse gas emissions by 55% by 2030
- Fit for 55 package: Legislative proposals designed to align the EU’s climate, transport, land use, energy and taxation policies with its 2030 milestone target



General action plan to fight climate change.
Offers the preparatory path to meet the targets of the European Green Deal.

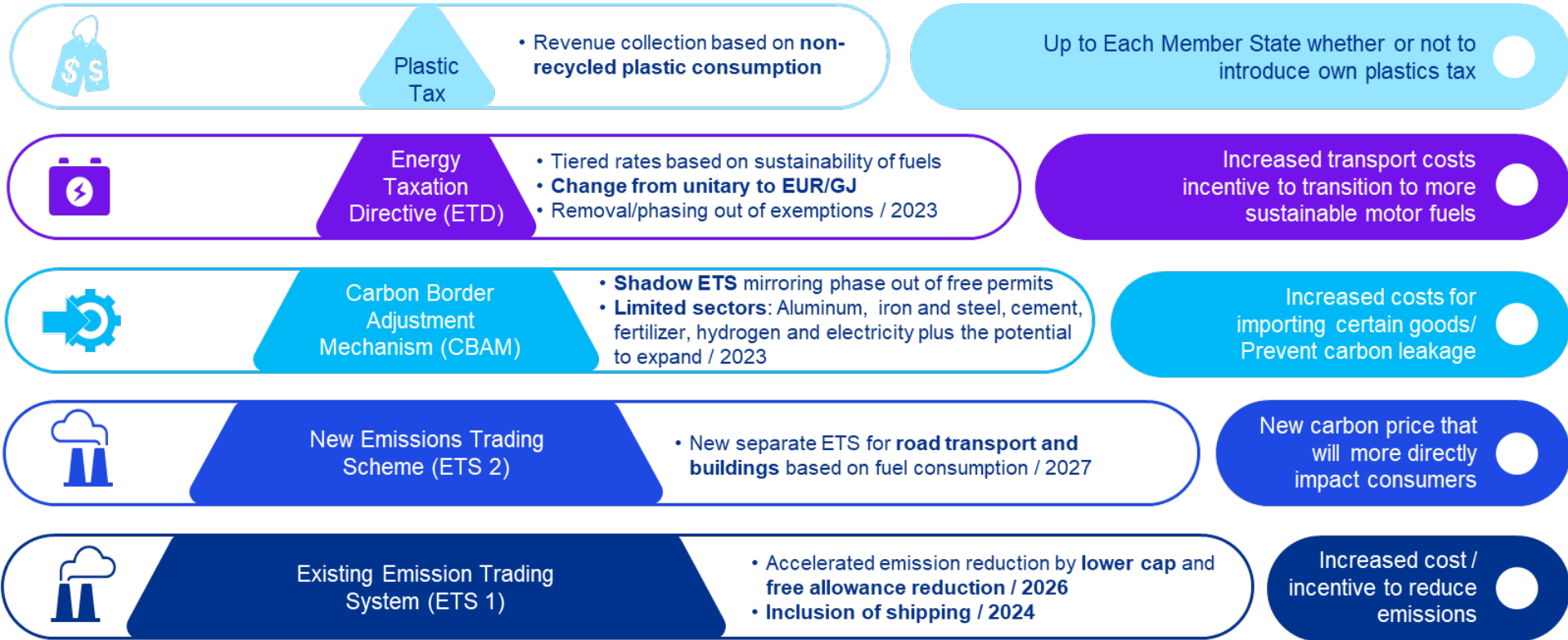



Fit for 55 Package



The EU Green Deal from a tax perspective

Fit for 55
Package components



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What is CBAM? How will it work?

What is CBAM?

EU Carbon Border Adjustment Mechanism (CBAM)



What's the objective?

- Fight carbon leakage and close the gap to Non-EU trading parties in regards of different levels of ambition for greenhouse gas reduction.
- Direct and indirect CO₂ emissions embedded in imported goods.
- Incentivize Non-EU trading parties to increase their level of ambition for greenhouse gas reduction.







What's the scope?

- By October 2023 energy intensive products like cement, electricity, fertilizers, hydrogen, iron, steel, aluminium and primary products thereof are in scope of the EU regulation.
- EU intends to extend the scope to products of all sectors covered under the EU Emission Trading System (including chemicals and plastic).

What's the requirements?

- Import of CBAM goods will be only enabled to authorised declarants any more.
- For CO₂ emissions embedded in imported goods the authorised declarant has to purchase CBAM certificates.
- An annual declaration has to be lodged by the authorised declarant to the Commission via CBAM Registry containing the quantity of imported CBAM goods, the CO₂ emissions embedded, the CBAM certificates to surrender and copies of the verification reports issued by accredited verifiers.

CBAM - Target Sectors

	2716 00 00	Electricity
	2601 12 00, 7301, 7302,...	Iron and Steel
	2507 00 80, 2523 10 00, 2523 21 00 ,...	Cement
	7601, 7603, 7604,...	Aluminium
	2808 00 00, 2814, 2834 21 00,...	Fertilisers
	2804 10 00	Hydrogen

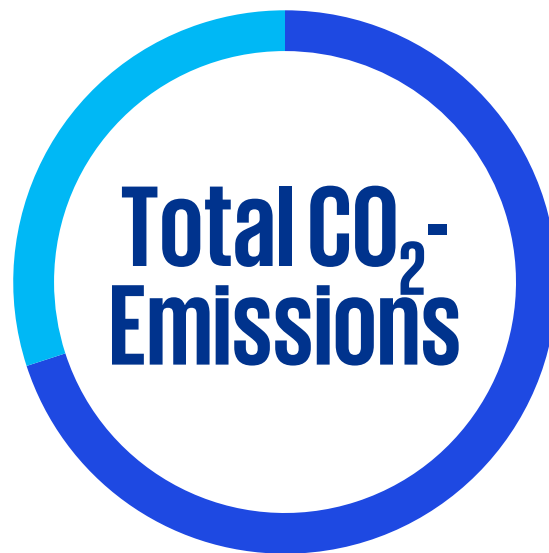


What kind of emissions does the CBAM cover?



Indirect CO₂-Emissions

Emissions from the production of electricity consumed during the production processes of goods



Direct CO₂-Emissions

Emissions from the production processes of goods including emissions from the production of heating and cooling consumed during the production processes

CBAM – 1 October 2023 – 31 December 2025 *(transitional phase)*

REPORTING OBLIGATIONS ONLY

WHEN

From
1st Oct 2023
on a quarterly basis.

WHAT

A **CBAM report**, including the following information:

- The total quantity of each type of imported goods.
- The actual total embedded emissions.
- The total indirect emissions.
- The carbon price due in country of origin for the embedded emissions in the imported goods taking into account any rebate.

HOW

Through **submission of a report ('CBAM report')** containing information on the goods imported during that quarter, no later than one month after the end of each quarter.

WHO

Each **importer** having imported goods during a given quarter of a calendar year (indirect customs representative).

WHERE

Submissions towards the **Commission**

CBAM – Impact as of 1 January 2026

Register as an authorised declarant

Goods can only be imported into the customs territory of the Union by an authorized CBAM declarant.

Any importer shall, prior to importing goods that are in scope, apply to the Competent Authority at the place where it is established for an authorization to import those goods into the customs territory of the Union (indirect customs representative)

From 31 December 2024
Via CBAM registry

Certification by an accredited verifier

Declared embedded emissions in imported products must be verified by an independent, authorized third party.

Verification can be done by exporting third country producers (per production facility/ installation) by requesting to be included in the CBAM registry. Such a registration is valid for 5 years.

Exporting third country producers should provide authorised declarants with embedded emissions information and accept the verification of an accredited verifier.

Authorized declarants must hold at the end of each quarter certificates equivalent to at least 80% of the emissions embodied in goods imported since the beginning of the calendar year.

CBAM certificates

Authorized declarants can purchase EU CBAM certificates throughout the year, with reconciliation taking place once a year.

CBAM account in CBAM registry

Not tradable

Excess CBAM certificates (limited to 1/3) can be repurchased upon request of authorized declarant

Validity limited in time

The price of CBAM certificates will be equivalent to the average ETS auction price of the previous week.

CBAM declaration

By 31 May of each year (from 2027), each authorized declarant shall submit a CBAM declaration for the calendar year preceding the declaration, to the Commission.

By 31 May of each year, surrender corresponding number of CBAM certificates

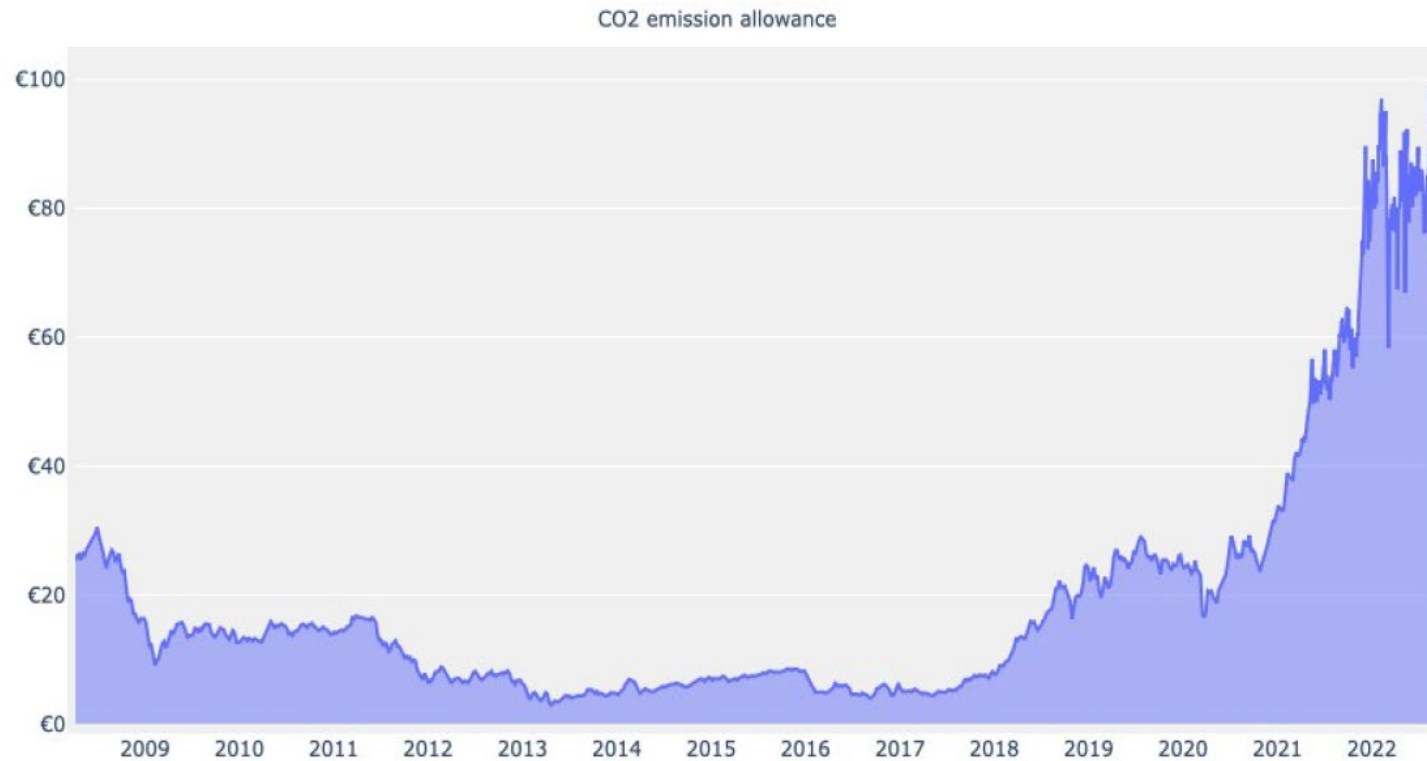
Via CBAM registry

The CBAM declaration shall contain:

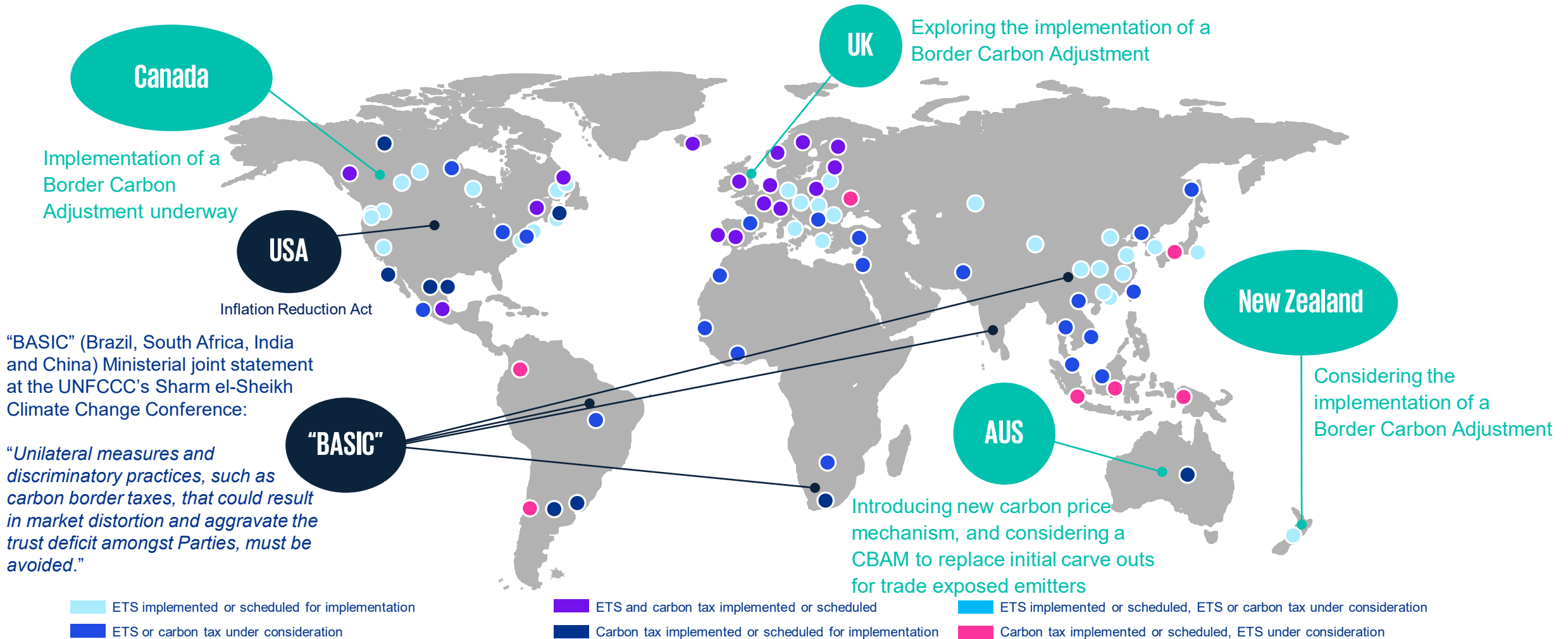
- The total quantity of each type of goods imported during the calendar year
- The total verified embedded emissions, expressed in CO₂ tonnes
- The total number of CBAM certificates corresponding to the total embedded emissions to be surrendered (after the carbon price paid in a country of origin reduction and adjustment on the ETS quotas allocated free of charge for comparable goods produced in the EU).
- copies of the verification reports issued by accredited verifiers

What will a CBAM certificate cost?

EU ETS prices: €100 per ton CO₂ (21/2/2023)



Global reaction to EU's CBAM



Source: Carbon pricing dashboard, World Bank, Accessed 05/07/2022, https://carbonpricingdashboard.worldbank.org/map_data

Note: Australia was added to take into account recent AUS announcements

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Document Classification: KPMG Confidential



**What actions should I take
and how to prepare?**

The image features a central purple gradient rectangle containing the text. A thick, wavy purple line runs horizontally across the middle of the frame, passing behind the rectangle. The background is a light, pale blue gradient.

CBAM impact assessment through six-lenses

Depending on your business setup, industry and product portfolio, CBAM can have an impact on various business functions within your organisation.

For a successful CBAM impact assessment, an interdisciplinary and cross-function approach is advisable.



Customs & Global Trade



Sourcing and procurement



Sustainability



Supply chain and logistics



Legal and contractual considerations



IT



How to prepare for CBAM now?

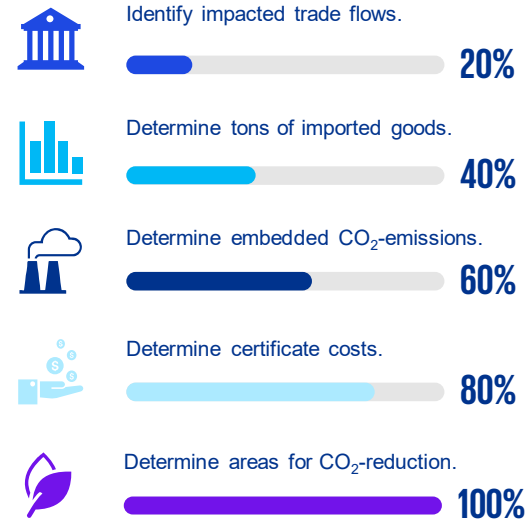
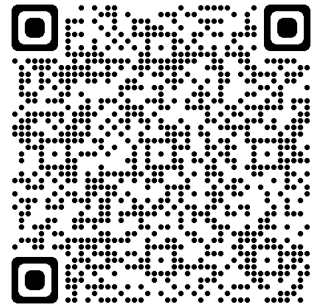


- **Conduct an impact assessment**
- **Define responsibilities in your organisation**
- **Set up a CBAM management process incl. CO₂ calculations**
- **Prepare your supplier network (incl. contract review)**
- **Authorize a registered declarant**

KPMG can support you with expertise and technical solutions

KPMG Trade Data Check

Technological solution for an impact assessment and a compliant CBAM management process on the basis of official customs import data.



Home Database Chapter 1 Executive Summary KPIs
Carbon Border Adjustment

Chapters

3

Headings

15

Sub Headings

26

Comodity Codes

52

Nett Weight

2 Mrd.

Imported actual CO₂-Emissions (in tons)

3 Mrd.

Imported default CO₂-Emissions (in tons)

3 Mrd.

Potential Emission Certificate Cost

€ 6 Mrd.

Paid Emission Certificate Cost in Third Country

€ 2 Mrd.

Total Emission Certificate Cost

€ 4 Mrd.


Classifications Table

Goods Description	Chapter	Nett Weight	Imported actual CO ₂ -Emissions (in tons)	Imported default CO ₂ -Emissions (in tons)	Potential Emission Certificate Cost	Paid Emissions Certificate Cost in Third Country
- Profile	73 Articles of iron or steel	90	3.131	196.868	€ 199.998	€ 96.868
95275498Rohaluminium, legiert, in Barren oder Bolzen, hier: Legierte Aluminium Walzbarren	76 Aluminium and articles thereof	105.040	206.867	193.131	€ 399.998	€ 6.869
95292259Rohaluminium, legiert, in Barren oder Bolzen, hier: Legierte Aluminium Walzbarren	76 Aluminium and articles thereof	93.560	238.734	161.264	€ 399.998	€ 38.736
Alu-Bänder/Bleche, legiert, blank, 0,20 - 2,99 mm Dicke (keine Aluminium Magnesium-Legierung und nicht zur Verwendung als Karosserieteile in der Automobilindustrie oder zur Verwendung bei der Herstellung von Flugzeugteilen), hier: 0,240 mm	76 Aluminium and articles thereof	40.980	61.468	338.530	€ 399.998	€ 138.530
Alu-Bänder/Bleche, legiert, blank, 0,20 - 2,99 mm Dicke (keine Aluminium Magnesium-Legierung und nicht zur Verwendung als	76 Aluminium and articles thereof	52.080	171.362	628.634	€ 799.996	€ 228.634

Ranking Commodity Codes

Top 5 Countries of Origin by CO₂-Emissions

Plastic tax & eco-contributions

The image features a large purple gradient rectangle on the left side, containing the text 'Plastic tax & eco-contributions'. To the right of this rectangle, a thick, wavy purple line curves across the page. The background is a light, neutral color.

EU Plastic "Tax" - EU Green Deal - NextGeneration EU

Council Decision 2020/2053 of 14 December 2020 on the system of own resources of the EU (2021-2027)
As of 1 January 2021

National contribution to EU Budget

Application of an uniform rate to the weight of plastic packaging waste generated in each Member State that is not recycled that shall constitute an own resource of the EU Budget

0,80

EUR/Kg



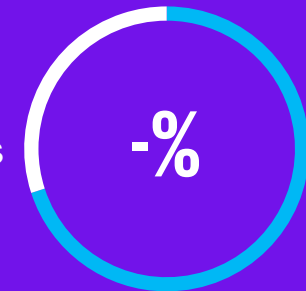
EU strategy for plastics

Reduce consumption of single-use plastics, foster recycling, boost circular economy



Annual lump sum reductions

For specific EU Member States with GNI per capita (2017) below EU average.

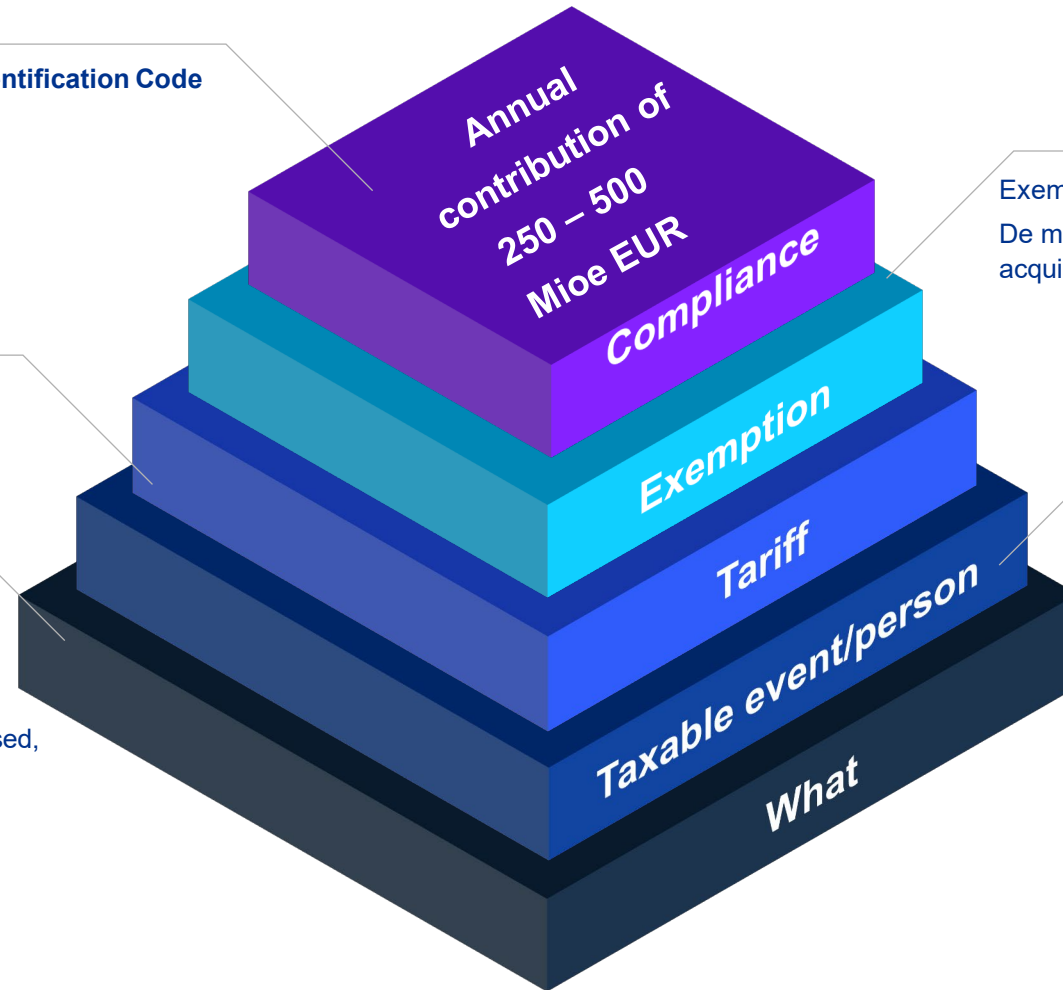


EU Plastic Tax - Belgium



Spain: excise tax on non-reusable plastic packaging

1 January 2023



Registration obligation + Plastic Identification Code
 Tax representative
 Bookkeeping
 Return
 Invoice statements

Exemptions (social, economic, technical reasons)
 De minimis rule: 5 kg/month (imports and intra-community acquisitions)

0,45 EUR/kg non-recycled plastic

In scope

- non-reusable packaging containing plastic
- semi-finished plastic products intended for the manufacture of packaging
- plastic products which enable the packaging to be closed, marketed or presented

Outside scope

Recycled plastic in packaging

Manufacturing (first delivery), importation and intra-community acquisition of non-reusable packaging containing plastic in Spain

EU recovery package – Plastic Tax Country overview (selection)

Jurisdiction	Regulation	What does it mean	When	Contact person
Europe	EU plastic contribution / own resource	<ul style="list-style-type: none"> As of 1 January 2021, a new national contribution based on the quantities of non-recycled plastic packaging waste was introduced as a source of revenue of the EU budget, part of the EU Green Deal. The sum resource is calculated by the weight of non-recycled plastic packaging waste with a uniform rate of EUR 0.20 per kilogram. 	1 January 2021	Ulric, Martin, Gofjes, Merijn, Oj, Jager, Nicole
United Kingdom	Plastic Packaging Tax	<ul style="list-style-type: none"> UK manufacturers and importers of liable plastic packaging are to be treated as tax debtors, but also business customers of manufacturers, importers and consumers who buy plastic packaging or goods in plastic packaging in the UK are likely to be affected. The tax is £200 per tonne (0.20 per kilogram). 	1 April 2022	Boil, Barbara, Dhoni, Sojyan
Italy	Tax on single-used plastic items	<ul style="list-style-type: none"> Plastic tax on the consumption of manufactured single-use items, which have or will have the function of containing, protecting, handling or delivering goods or food products. The tax rate has been set at EUR 0.45 per kilogram of plastic. 	1 January 2024	Fabio, Massimo, Marocco, Andrea, Santabarbara, Vittorio
Spain	Tax on non-reusable plastic packaging	<ul style="list-style-type: none"> The new tax on non-reusable plastic packaging levies the manufacturing, import and intra-community acquisition of products consists of non-reusable plastic. The tax base will be determined by the amount of non-recycled plastic, expressed in kilograms, contained in the products subjected to the tax, and the tax rate is EUR 0.45 per kilogram. 	1 January 2023	Blanco Martín, Juan José, Soto Plaza, Elvira, Fernández de Buján, Antonio



Eco-contributions – Extended Producer Responsibility

Belgium



...

France





...

Netherlands







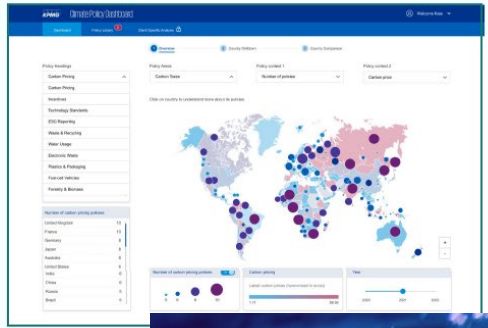
...

KPMG Climate Policy Dashboard – Plastic scan






A regulatory intelligence self-service platform, providing oversight and updates on global climate policies, incentives and grants opportunities, layered with KPMG insights.

-  Simple and visual global navigation of policy and incentives data – not client specific
-  Drawing from existing KPMG databases & networks – Tax Database, Incentives etc.
-  Curation and layers of KPMG insights with key policy metrics and ability to compare & segment
-  Visualising data relevant to the context of policy areas – clients can 'favourite' policies



Intended to Pull Through Advisory Projects

-  Deep technical information and analysis of relevant policies in relevant markets
-  Qualitative/quantitative analysis of anticipated impact of policies on clients

Plastic Regulation Scan

DRAFT

March 31, 2023

EU recovery package – Plastic Tax

Country overview (selection)

Jurisdiction	Regulation	What does it mean	When	Contact person
 Europe	EU plastic contribution / own resource	<ul style="list-style-type: none"> • As of 1 January 2021, a new national contribution based on the quantities of non-recycled plastic packaging waste was introduced as a source of revenue of the EU budget, part of the EU Green Deal. • The own resource is calculated by the weight of non-recycled plastic packaging waste with a uniform rate of EUR 0,80 per kilogram. 	1 January 2021	Urso, Mario; Beltes, Merijn; de Jager, Nicole
 United Kingdom	Plastic Packaging Tax	<ul style="list-style-type: none"> • UK manufacturers and importers of liable plastic packaging are to be treated as tax debtors, but also business customers of manufacturers, importers and consumers who buy plastic packaging or goods in plastic packaging in the UK are likely to be affected. • The rate is £200 per tonne (0.20 per kilogram). 	1 April 2022	Bell, Barbara; Bhatti, Sufyan
 Italy	Tax on single-used plastic items	<ul style="list-style-type: none"> • Plastic tax on the consumption of manufactured single-use items, which have or will have the function of containing, protecting, handling or delivering goods or food products. • The tax rate has been set at EUR 0.45 per kilogram of plastic. 	1 January 2024	Fabio, Massimo; Marocco, Aurora; Santabarbara, Vittorio
 Spain	Tax on non-reusable plastic packaging	<ul style="list-style-type: none"> • The new tax on non-reusable plastic packaging levies the manufacturing, import and intra-community acquisition of products consists of non-reusable plastic. • The tax base will be determined by the amount of non-recycled plastic, expressed in kilograms, contained in the products subjected to the tax, and the tax rate is EUR 0.45 per kilogram. 	1 January 2023	Blanco Martín, Juan Jose; Siles Prieto, Efrém; Fernandez de Buján, Antonio

Questions?



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