



# Hungarian Sustainability Reporting Trends 2024

(How) are companies getting ready for CSRD reporting?

KPMG Advisory Ltd.

—

2025



# Executive summary

This report reveals key trends in sustainability reporting among the H100, i.e. the top 100 companies in Hungary based on market capitalisation. The majority of these companies are part of international corporations that may influence the results. Analyses of reporting characteristics are based on the performance of reporting companies. This report is based on global data and [KPMG Survey of Sustainability Reporting 2024](#).

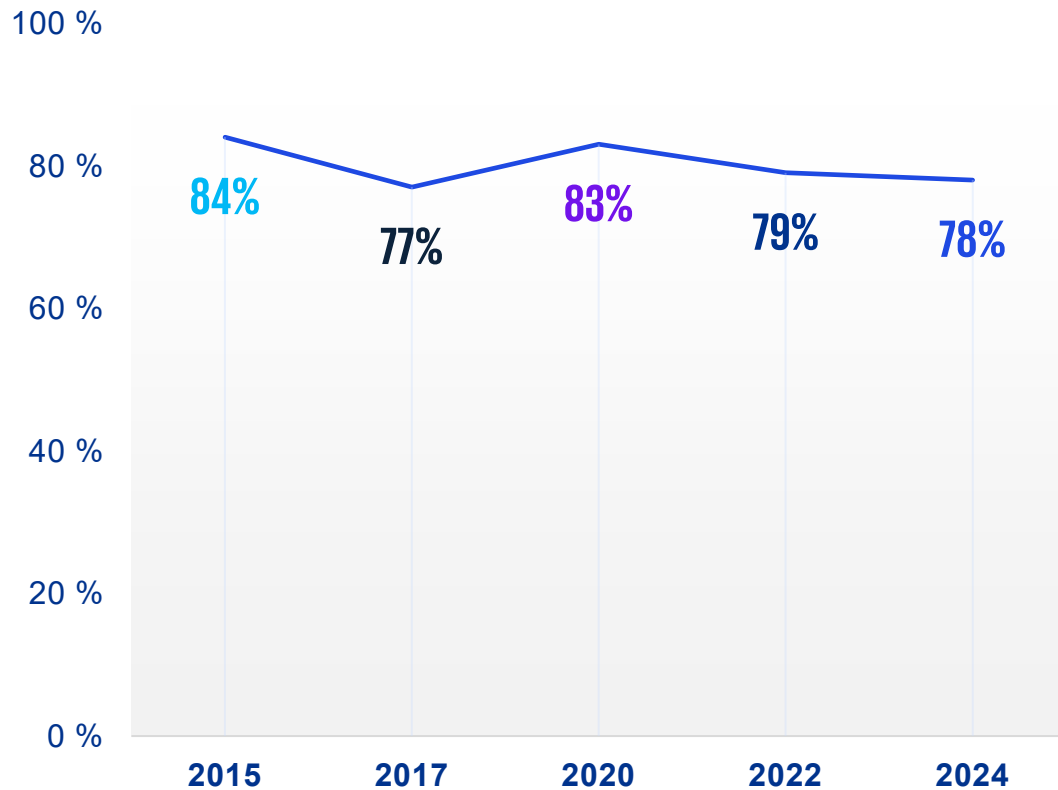
We have drawn primarily on reports published between 1 July 2023 and 30 June 2024. If a company did not report during this period we have used reports published since 1 July 2022 at the earliest. If a subsidiary company reports on sustainability only through its parent or group company, we leverage the KPMG network and apply the parent company results to the subsidiaries as well.

## Key findings

- 01 Sustainability reporting** – The rate of sustainability reporting remained steady in Hungary, where 78% of the top 100 companies disclosed sustainability reports in 2024. Most of these reports were prepared at group level on a consolidated basis. GRI remained the most widely adopted voluntary standard for sustainability reporting. However, this is expected to change in the coming years, as numerous companies will need to adapt their reporting to comply with the Corporate Sustainability Reporting Directive (CSRD).
- 02 Materiality assessment** – Nearly half of the companies which carry out materiality assessment went beyond impact analysis. These companies early adopt the double materiality concept which considers both impact and financial materiality.
- 03 Assurance** – The use of external assurance was slightly increased among reporting companies. However, the assurance of the whole sustainability is still not common practice, during 2024 companies mainly requested third party assurance over specific KPIs disclosed in the reports rather the sustainability statements as a whole.
- 04 Carbon reduction targets** – Nearly all reporting companies have carbon reduction targets in place, which are mainly driven by the Paris Agreement.
- 05 Biodiversity** – There has been a jump (+14%) among companies reporting on sustainability that acknowledge biodiversity loss as a business risk.

# Sustainability reporting remained steady in Hungary since 2022

## Reporting trends in Hungary (2015-2024)



Base: H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024



## Reporting rate of the eleven leading sectors in Hungary (2024)



Of the top 11 sectors in Hungary, the highest reporting rates were achieved in the Automobiles & parts, Pharmaceuticals & Biotechnology, and Nonlife Insurance sectors, where 100% of the companies reported on their sustainability performance.

Base: H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

# Most of the H100 reporting companies are foreign owned and report via their parent company

Since 2022 there was an increase in the disclosure of sustainability reports and/or sustainability information on websites or in annual reports of foreign owned subsidiaries in Hungary.

**Foreign owned companies mainly report via their group on a consolidated level**, a trend that is likely to stay due to CSRD exemption rules according to which the mother company can exempt local subsidiaries when disclosing a consolidated sustainability statement at group level.

**The percentage of foreign owned companies that report via subsidiary level remained low (18%) in 2024.**

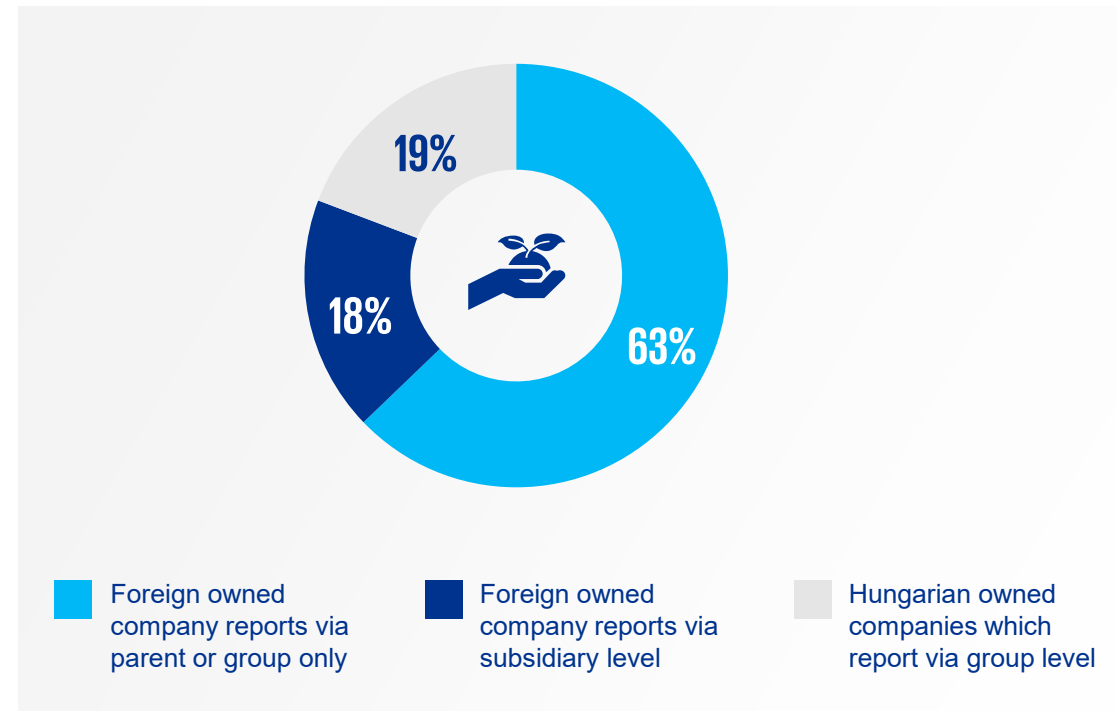


## The importance of local sustainability reporting

By publishing a local sustainability report, the company can deliver its sustainability efforts to its stakeholders in a more relevant and effective way.

The local sustainability report also reflects more closely the views of local stakeholders, the issues that directly affect the company and the areas for potential improvement and successful implementation of actions.

## The reporting level of companies operating in Hungary with a distribution of corporate ownership (2024)

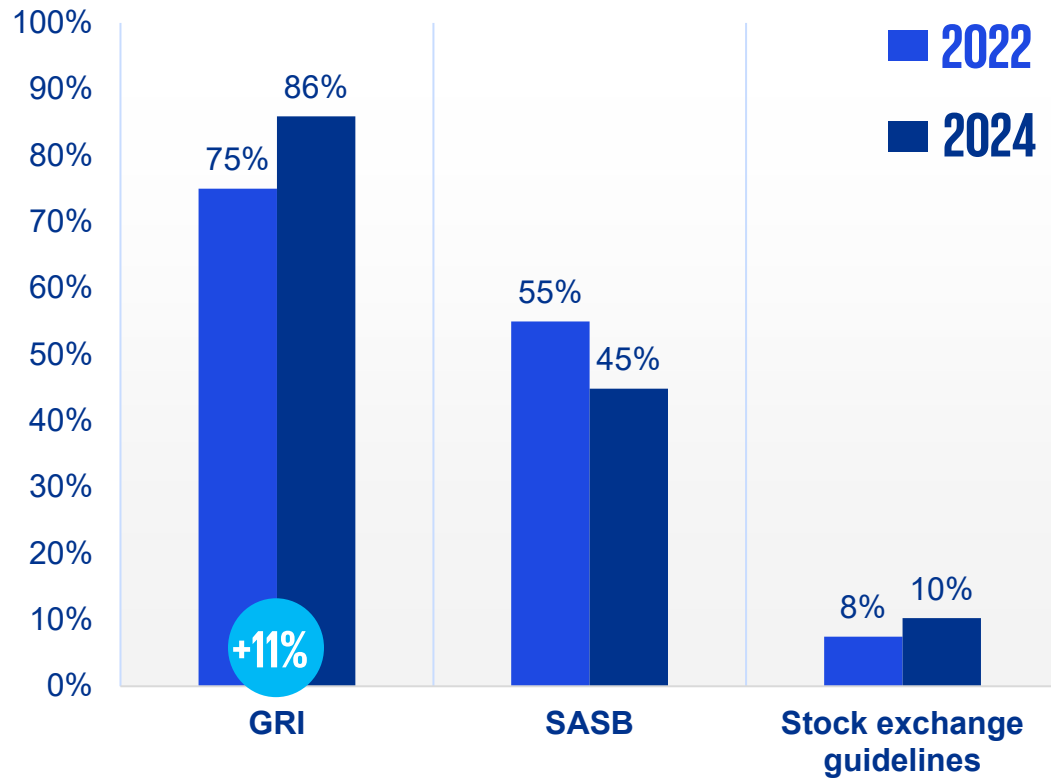


Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

# GRI as de-facto standard for sustainability reporting

## Use of different reporting standards within the Hungarian reporting companies in 2024



Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

The GRI Standards have remained the most widely adopted guidelines for sustainability reporting, with an 11% increase compared to 2022

Overall, 86% of the H100 companies reporting on sustainability referred to the GRI Standards. While the use of stock exchange guidelines has seen a slight increase, SASB appears to have declined in popularity.



### A new era of sustainability reporting standards: Transition to ESRS under CSRD

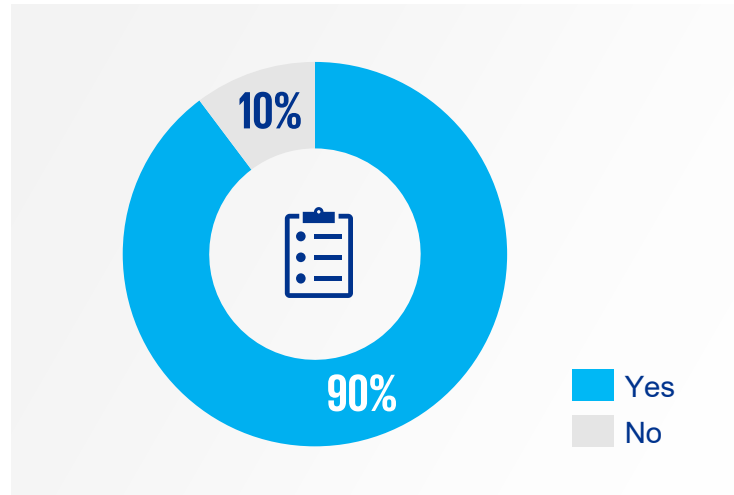
However the GRI Standards continue to be the de facto sustainability reporting standard in Hungary, the introduction of mandatory CSRD reporting will change this trend in the upcoming years. The implementation of the CSRD into the Hungarian Accounting Act requires companies to take significant preparatory steps in their reporting processes.

The CSRD introduces its own framework, the European Sustainability Reporting Standards (ESRS), therefore the application of voluntary guidelines and standards could change as mandatory reporting is expanding in the coming years.

# Materiality assessment

## Materiality assessment ratio of Hungarian companies (2024)

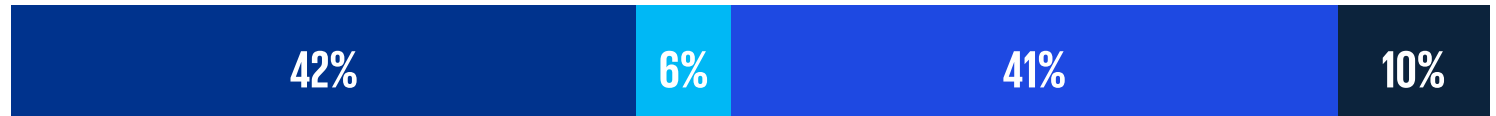
90% of the reporting H100 companies disclose sustainability report on material topics. This allows them to prioritize issues relevant to the company, its stakeholders, and broader society. This marks a significant increase (+23%) compared to 2022.



Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

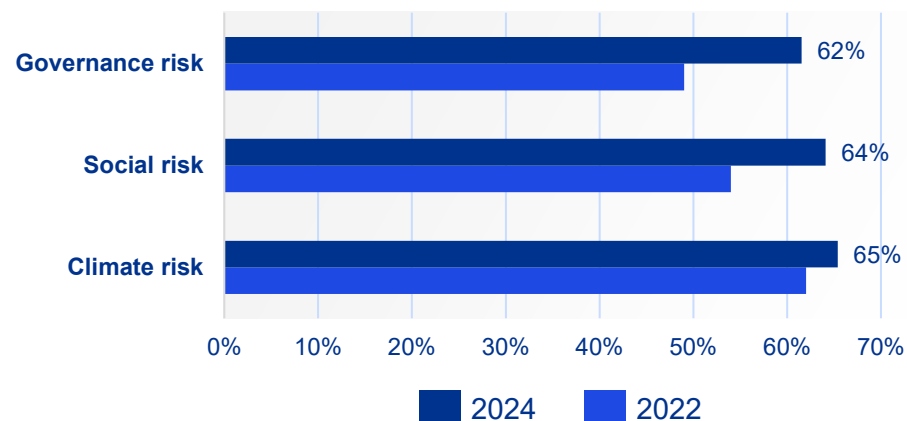
## Material topic disclosure by materiality concept within H100 reporting companies (2024)



- The company's impact on society and the environment (impact materiality only)
- Sustainability aspects impacting the company's financial performance (financial materiality only)
- Both (double materiality)
- The company's reporting does not identify material topics

**41 percent** of the H100 companies that report sustainability performance, considers both impact and financial materiality in their materiality assessment.

## % of H100 reporting companies that acknowledge:

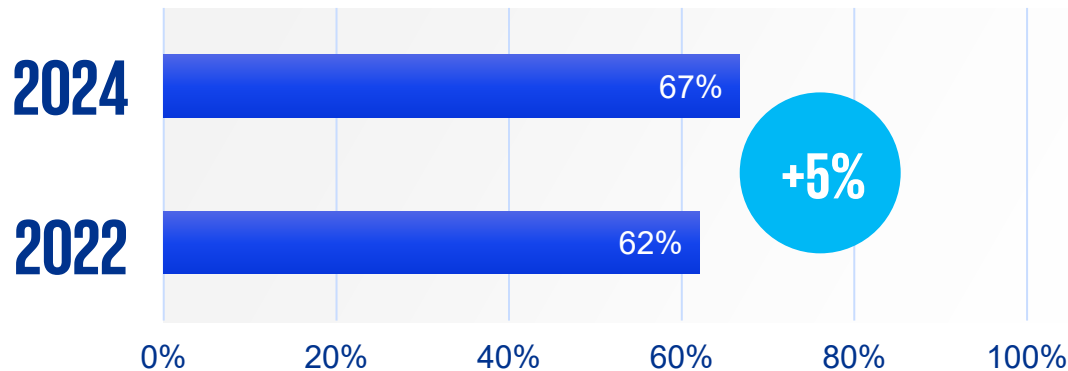


Among Hungarian companies that disclosed sustainability information, 65% identified climate change, 64% recognized social risk, and 62% highlighted governance risk as potential business risks in their annual or integrated reports. This represents an increase across all areas compared to 2022, that is likely to reflect on the upcoming mandatory ESG reporting under CSRD.

# Slight increase was observed in using external assurance for their sustainability report

67% of H100 companies that report on sustainability performance have their sustainability information externally assured. There was only a 5% increase in applying assurance on sustainability disclosures compared to 2022, indicating a gap in the preparedness for mandatory assurance. Among them, 40% obtain assurance on their entire report, while the majority still rely on partial assurance.

## Rates of assurance of sustainability reporting among the Hungarian companies (2022-2024)

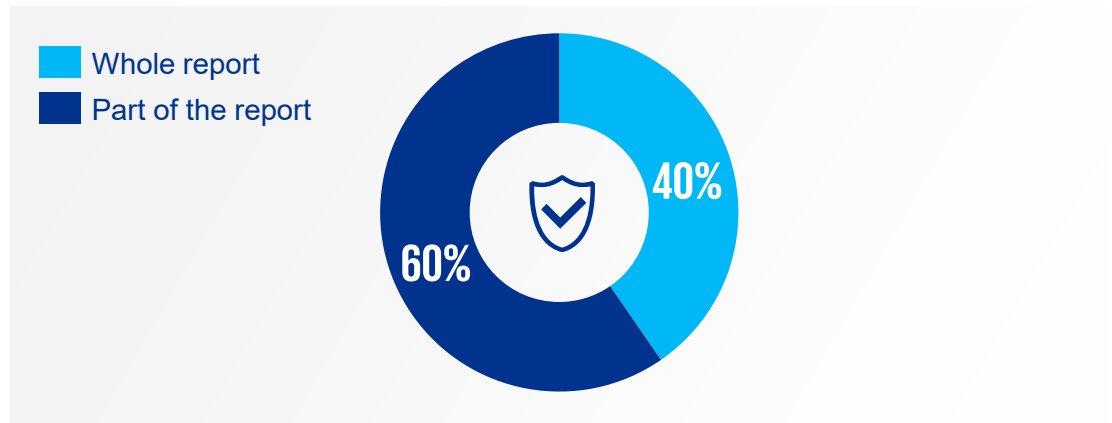


Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

**The assurance of the whole sustainability or annual report is still not common practice.**

## Assurance scope within the sustainability reports (2024)



The use of independent third party assurance helps companies prepare for the mandatory limited assurance requirements of the CSRD. This process enhances the credibility of the information presented in sustainability reports, making it more reliable for stakeholders.

Base: 65 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, September 2024

# There is a growing trend to report on carbon reduction target

## 92%

of the reporting Hungarian companies now have targets in place to reduce carbon emissions. GHG targets and decarbonisation strategies will play a prominent role in the CSRD, as ESRS E1 will be a relevant topic for almost all companies.



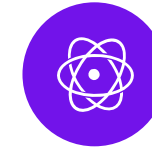
All companies that have carbon reduction target in place disclose how they intend to achieve their carbon reduction target

- Only emission reductions: → **45 companies**
- Only carbon credits: → **1 companies**
- Both emission reductions and carbon credits: → **26 companies**



Most of the companies link their targets to external targets

- Linked to global 2°C target (Paris Agreement) → **52 companies**
- Linked to regional targets (e.g. EU targets) → **5 companies**
- Linked to national targets (NDCs, INDCs, national decarbonisation targets, e.g. UK 2050 net zero target) → **3 companies**



38 companies have adopted or intend to adopt science-based targets

- Has adopted → **32 companies**
- Intends to adopt → **6 companies**

Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, November 2024



# Biodiversity in sustainability reporting

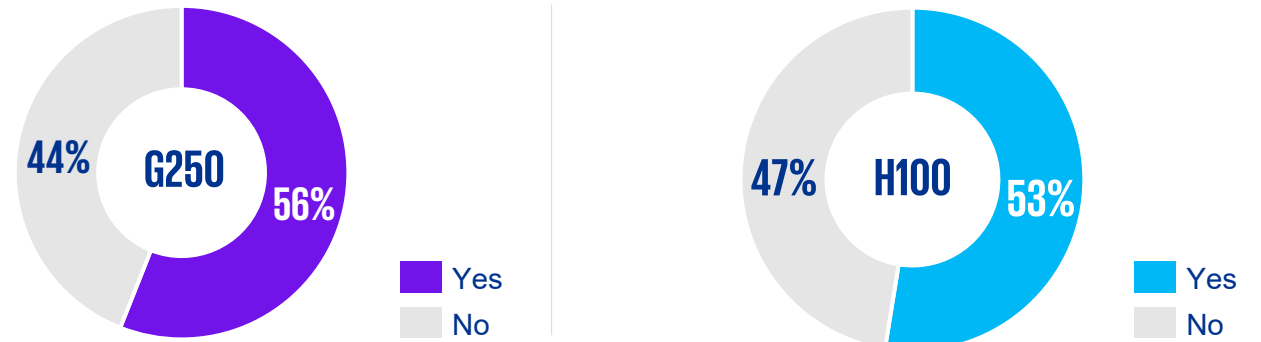
In line with the global trend, the number of Hungarian reporting companies that consider biodiversity in their sustainability efforts has increased compared to 2022. In 2024, 53% of Hungarian companies reporting on sustainability acknowledged biodiversity loss as a business risk.



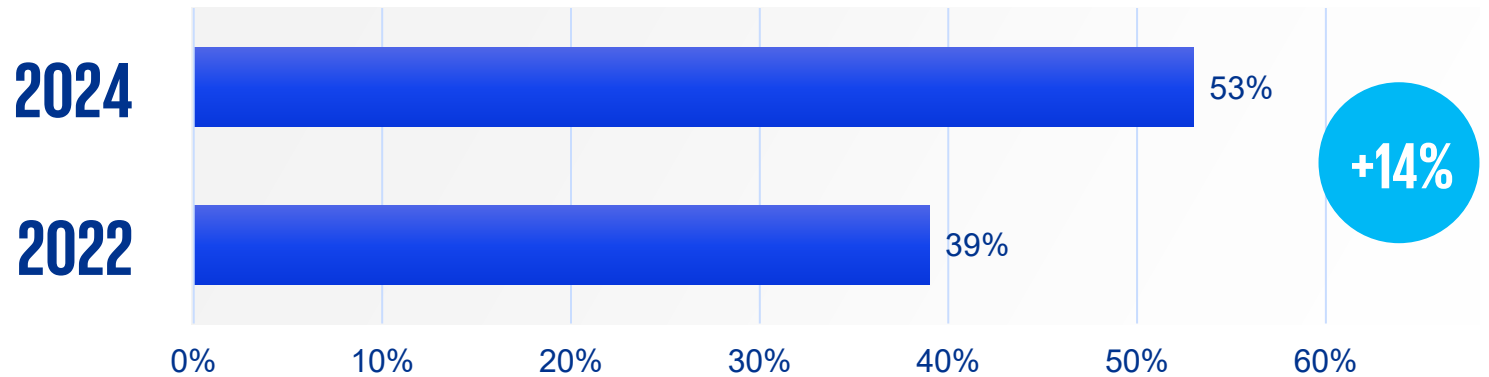
Base: 78 H100 companies

Source: KPMG Survey of Sustainability Reporting 2024, KPMG International, November 2024

## Percentage of global and Hungarian companies reporting the risk of biodiversity loss to their business (2024)



## Changing ratio of Hungarian companies reporting the risk of biodiversity loss to their business



# Contacts



**Gergő Wieder**  
Director

KPMG Advisory Ltd.  
1134 Budapest, Váci út 31.  
M: +36 70 333 1471  
E: Gergo.Wieder@kpmg.hu



**Julianna Nagy**  
Senior Manager

KPMG Advisory Ltd.  
1134 Budapest, Váci út 31.  
M: +36 70 978 7021  
E: Julianna.Nagy@kpmg.hu



**Adrienn Anga**  
Manager

KPMG Advisory Ltd.  
1134 Budapest, Váci út 31.  
M: +36 70 978 7095  
E: Adrienn.Anga@kpmg.hu



[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

[kpmg.hu](https://kpmg.hu)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG Advisory Ltd., a Hungarian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.



# KPMG