



Context

In line with Europe's push for greater corporate transparency on social and environmental impact, the Corporate Sustainability Reporting Directive (CSRD) mandates companies to disclose detailed sustainability information in their annual reports.

Belgium has transposed the CSRD into national law through the Act of 2 December 2024, imposing new reporting obligations on businesses.



New obligations

Companies must now integrate sustainability data into their annual management reports, covering:

- The company's impact on people and the environment.
- The influence of social and environmental factors on the company's operations.
- The entire value chain, from suppliers to end-users.



The Role of the Works Council

The works council plays a pivotal role in this process by reviewing, discussing, and, where necessary, issuing opinions on the sustainability data presented. If a works council is absent, the Committee for Prevention and Protection at Work assumes this responsibility. In the absence of both, the trade union delegation takes over.

To ensure transparency and meaningful dialogue, companies must also explain how sustainability data is collected and verified. A report of these discussions must be shared with the shareholders before the general meeting.



Key Timelines for Information Sharing and Consultation Meeting

- Sustainability reporting documents must be provided to the works council at least 15 days before the consultation meeting.
- The consultation meeting must take place within 3 months following the end of the financial year and before the general meeting where the annual accounts are approved.



Which companies are affected?

The new obligations apply to listed companies and large companies that meet at least two of the following criteria:

- Balance sheet total: €25 million or more.
- Net annual turnover: €50 million or more.
- Average annual workforce: 250 employees or more.

Deadlines for Compliance

- Large listed companies: compliance required from January 2025.
- Other large companies: compliance required from January 2026 (for the 2025 financial year).
- Listed SMEs: compliance required from January 2027 (for the 2026 financial year).

**Conclusion**

To ensure compliance with these new requirements, companies must adapt their internal processes and involve the competent employee representative body at an early stage. Effective preparation and clear communication with the employee representatives will be crucial to achieving high-quality and reliable sustainability reporting.

Our Employment & Benefits Practice is closely monitoring these developments. If you have questions or wish to discuss this topic in further, please contact our team.



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