

2026 CSR recommendations

Following its 2024 CSR (Corporate Social Responsibility) recommendations, Middlenext has decided to publish an update in 2026 to guide companies through the uncertain regulatory environment. These recommendations complement the existing Governance Code and Anti-Corruption Code.

To date, we have identified over 600 texts, totaling more than 10,000 pages, in the field of CSR.

We are aware that what we write in 2026 will evolve in the coming years, and some recommendations may become obsolete. These recommendations were developed with input from our members, partners, and stakeholders.

1 - Governance structure

- The Middlenext code¹ - which mentions CSR since 2009 - has recommended the establishment of a CSR committee since 2021. Companies that prefer to address all or part of CSR issues directly in the Board of directors or Supervisory board are free to do so.
- The scope of CSR issues requiring governance oversight creates a very heavy workload for this specialized committee. The European Green Deal currently comprises approximately 150 regulatory texts: fortunately, not all companies are affected by all of them. However, regardless of the industry, identifying which texts impact business models represents a very significant workload.
- We encourage companies to consider the number of meetings to be held. Four meetings per year do not seem sufficient to identify and prepare the issues to be presented to the Board. Six sessions per year seem to be the minimum required to address all CSR issues.
- **Composition of the CSR committee:** we reiterate the importance to have an independent Chair. We recommend that members be exclusively independent directors and that company representatives (CSR Director, HR Director, CFO, employee representatives, etc.) may be invited (non-permanent). Obviously, CSR committee members must have strong CSR and financial skills.
All members of the audit committee must also have solid CSR skills.
- To avoid redundancy between committees and ensure the integration of CSR issues into all strategic discussions of the Board, we recommend reflecting on the modalities and frequency of interactions between the CSR committee, the Board as a whole, and other committees if they exist.
- Each company is free to organize itself as it sees fit, as long as the issues are addressed. Whatever the chosen organizational model, it must be transparent in the corporate governance report and the sustainability statement.
- Consider the evolution of the Board's composition and the adaptation of directors' remuneration, taking into account additional tasks and new responsibilities.
- **Competences & skills of the Board and management bodies/executive committee:** Training for directors and the Executive Committee is at the heart of regulators', investors', and banking partners' expectations. Laws also emphasize CSR skills, particularly in Climate and Biodiversity/Nature. Given the constant developments of CSR issues, we recommend developing a training schedule and communicating it in the corporate governance report and sustainability statement.
- We remind you that all directors and Executive Committee members must have read the UN, ILO, and OECD texts. These documents are available (J9, J4, and J8). We recommend having each concerned person sign a certificate (J51).
- **Board self-assessment :** use documents C22, C32 and C33 – self-assessment questionnaires updated to incorporate CSR.

¹ All the documents cited in the text are part of the Middlenext documentation reserved for members of the CSR service. The exhaustive list (approximately 400 documents) is available on the [Middlenext](#) website. Governance-related documents will be updated in 2026.

2 – Business model vulnerability analysis

- Assessing the resilience of the business model is central to the Board's mission. We emphasize the importance of evaluating/assessing new sustainability risks, including physical risks, transition risks, and supply chain disruption risks,....
- We recommend building or updating the value chain mapping (upstream and downstream), particularly for critical suppliers or customers, to assess potential weaknesses and opportunities that could impact the resilience of your business model, at least in the following areas:
 - Water stress / drought
 - Major climatic events (floods, storms, etc.)
 - Critical raw materials and resources
 - Geopolitical risks, etc

3 - Points to include in the agendas of the CSR Committee and/or the Board

- As a reminder, we have published template agendas for the CSR Committee (document G7).
- Systematically include a regulatory watch on texts likely to have a significant impact on the company's business model, as well as on its main suppliers and customers.
- Organize joint meetings as needed between the various committees (audit, CSR, remuneration, etc.) to at least validate the sustainability risks map, the sustainability statement, and review the integration and weighting of ESG criteria in variable indicators (where they exist). Objectives should include quantitative elements, and we recommend reviewing the quantitative/qualitative weighting annually, as well as the percentage of variable remuneration allocated to CSR criteria. See document C37 for a remuneration overview.
- Review the depreciation policy for all assets to ensure alignment with their actual lifespan and thus identify potentially stranded assets in the short and medium term. Depending on the company and accounting standards, review certain depreciation, provisions, and/or impairment tests.
- Consider a method for evaluating the potential financial effects of sustainability risks.
- Progress on the implementation of an internal carbon price: unless the company has its own methodology justifying a different price, we recommend using a price of €100/t CO₂eq for simplicity's sake. This price should be adjusted based on the lifespan of each investment. We recommend working on the company's break-even point with a price of around €250/t CO₂eq in 2030 and around €750/t CO₂eq in 2050. If necessary, draw inspiration from the carbon score developed by Axylia.
- Continue to reflect on the company's Biodiversity policy: we strongly recommend not declaring it immaterial due to lack of knowledge or methodology. We have developed an initial step for mapping the biodiversity of company land with Lacen des territoires.
- Review the company's institutional and commercial communication policy in the Board to avoid any risk of controversy related to greenwashing.
- Ensure compliance with the Sapin 2 anti-corruption law, particularly the commitment of the management team, monitoring of alerts, training, and implementation costs.

4 – Sustainability reporting and Audit

- The law offers several options for choosing an auditor. Middlenext recommends issuing a call for tenders, even though this is not currently mandatory. We have drafted a template tender document (document J50).
- We remind you of our recommendations:
 - Use an audit firm different from the one that certifies your accounts
 - Do not choose an audit firm where a member of the Executive Committee has previously worked, as is the case when choosing a financial auditor.
 - Appoint the sustainability auditor for the shortest possible duration
 - Verify the skills of the proposed team
 - Request that the partner signing the sustainability report represents at least 10% of the total hours in the fee schedule
 - Keep a detailed record of the hours spent by auditors both in and out of the company
 - We find the partnership between the Fédération des Cabinets Intermédiaires (FCI) and Filiance, a professional association representing Independent Third-Party Organizations (OTI), very interesting, as it combines their expertise
- For companies not eligible for the CSRD, we recommend continuing to produce a voluntary CSR report, which is essential to meet the expectations of financial and commercial partners, especially for companies with more than 500 employees previously subject to the NFRD directive. Be transparent about the reporting framework used (all or part of VSME, CSRD, DPEF/NFRD, etc.). We recommend that the voluntary CSR report be subject to a contractual audit.

5 – CSR Costs

- We emphasize the importance of tracking the costs of implementing CSR regulations (internal costs and external services), distinguishing between reporting and compliance costs and those of actions. The resources allocated to CSR are a key element of credibility.

6 – Other

- Consider data management, which is necessary not only for the CSRD directive but also for most other directives of the European Green Deal (ESPR, EUDR, PPWR, Batteries, PFAS, EPDB, CS3D, etc.).
- We recommend presenting the CSR strategy and its implementation to the Annual General Meeting