

Interview_11

Random information

- 1 0:0:0.0 --> 0:0:3.560
Interviewee_11
But we we can try to discuss about it.
- 2 0:0:4.890 --> 0:0:7.290
Parth Sharma
Uh, can you explain a bit more about this this part?
- 3 0:0:7.910 --> 0:0:12.180
Interviewee_11
It's just because you're going to do the same thing and every year, right? So you need to set up the the IT infrastructure when it fits everything to be able to start collecting the data that you need. But once you have the IT infrastructure in place, then it's just an update of the data basically, like the the core infrastructure system won't change.
- 4 0:0:34.480 --> 0:0:45.510
That's my opinion, but.
- 5 0:0:45.510 --> 0:0:45.510
Parth Sharma
Yeah, because like in, when you talk about it in context of the SME's, so their requirement will be much less in CSRD in future whenever they have their own set of standards. Standards from my other interviews I got to know that since the requirements will be low so they can even let's say their first disclosure could also be without any IT infrastructure in place.
- 6 0:1:15.370 --> 0:1:30.90
So for them, the first disclosures helps them to understand and navigate the environment and then in future they can set up an automation automation process in for from the IT. So that can be done. Uh, without any human interference.
- 7 0:1:47.910 --> 0:1:51.790
Interviewee_11
I mean, it's all a matter of what's the heat, how much pressure are you under and and if you have a lot of time to meet the requirement then you would also have time to set up the right infrastructure system. Yeah, maybe, maybe, maybe It's not like a completely separate it's the process refined for time as well. Maybe I don't know.
- 8 0:2:23.190 --> 0:2:25.70
Parth Sharma
So like it's this just sort of a brainstorming session. So like when we talk about the first quadrant, what the companies can do for CSRD today internally. Uh, what would you say? What internal resources will be at play from the company's perspective? Because you have worked with the with different projects on CSRD gap assessment and you taxonomy as well or roundabout. So what would you say the company needs to do today? Like what are the resources? Will they need for repairing themselves for CSRD and EU Taxonomy?
- 9 0:2:39.600 --> 0:2:43.930
Interviewee_11
IT wise?
- 10 0:2:51.70 --> 0:2:51.790
Parth Sharma
Let let's keep it open and then we can pick up some some specific areas as well.
- 11 0:3:45.260 --> 0:3:45.540
Parth Sharma
So I mean that's a very broad question. There's many things that companies need to do right. The first thing is to understand the regulation. The second thing is to start preparing to leverage the right resources, whether it be IT, whether it be human resources, or whether it be like consulting resources. I don't know. Then they need to start implementing the CSRD, so to conduct the double mentality assessment to do the the FIT assessment, to assess that you taxonomy scores and to identify gaps and then to define an implementation plan on how to bridge the gaps or close the gaps. We what that would mean, is basically defining new policies, collecting new data, point, setting up new targets.

..FW- Quadrant 1

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- You know.
- 13 0:3:46.750 --> 0:3:48.600
Interviewee_11
Yeah, and.
- 14 0:3:48.100 --> 0:4:4.940
Parth Sharma
OK, so like you mentioned about the training of the employees, the first part to getting to know the regulations, So what is what ways can company do it to train their employees for specific to CSDR and EU Taxonomy?
- 15 0:4:8.110 --> 0:4:11.90
Interviewee_11
And it depends on the people. Depends on the different part of the organizations, right? The sustainability team, obviously they need to have an extensive overview of what is required because they'll be and they'll be leading the reporting process or maybe it's not a sustainability, maybe it's the reporting team, if it's in and the financial Services.
- 16 Yeah, the the IT guys that set up the infrastructure, IT infrastructure, they need to understand the structure of the CSDR. Uh, and the type of data that will need to be collected to set up the rights? And how can I say that the the right framework to collect the data for out the organizations? And then there's the procurement. They need to understand what they will be required to ask them and business relation, business partners.
- 17 And then there is I think the the financial services people there also need to understand a bit because at some point you need to put numbers on the financial risks and opportunities in CSDR and also like the EU taxonomy, they're very much involved because it's all about allocating financial resources.
- 18 0:5:47.910 --> 0:5:48.500
Parth Sharma
OK so.
- 19 0:5:46.90 --> 0:5:55.600
Interviewee_11
Yeah, and most most importantly, before all of that, they need to build a double materiality assessment. So they need to come together and understand what it means and understand how the company can affect people in the environment and how they can be affected by people in the environment. I would say.
- 20 0:6:8.490 --> 0:6:9.960
Parth Sharma
Since yeah.
- 21 So like you mentioned that each department has to need a level of understanding about the regulations, right? So how does this translates to like ground level? Do they all need to go through the ESRS or it's just one person who goes through it and then educates everyone? And what is the level of depth? Uh, which is distributed across different different people because not everyone needs to know everything, right?
- 22 0:6:39.210 --> 0:6:46.60
Interviewee_11
No, you're you won't have everybody you reading the 275 pages of the regulation. And and that's only the first set. So no, it's not gonna happen. Yeah, what's gonna happen is that you're gonna have one person or a team code team reading the thing and then guiding the rest. Right.
- 23 And the IT wise, it would mean guiding on the structure and for the different department on which like working specifically on different topics, different areas. Then there would only read ESRS that are relevant to the topic, like if it's a human resources then they won't read anything about climate change. For instance, right?
- 24 So it's more, it's more how it's going . We developed the education tool from Incept. It's a tool that we sell. What's in there exactly, I don't know, but I think everyone needs to have a everyone working with a data needs to have a certain understanding of what it is

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Team formation for EU Taxc
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you're reporting. Requirement what do you need? what type of data do you usually report on? And so on and so forth.

25 Or so to **build buy-in**. Because if people don't understand and why they're doing it, then they won't do it. So basically right? So yeah, yeah, it's a bit of a broad knowledge and like just the overview of what the CSDR is. And then specific knowledge according to the different areas, I would say.

26 0:8:29.10 --> 0:8:35.180

Parth Sharma

And you mentioned like about this core team who will be responsible for this education education of the different departments.

27 So talking about this team, so from my understanding, usually companies have two types of strategies of bringing about a change in a company. So they have a sort of a centralized team.

28 So they have, like people who are dedicatedly working in a team and then this team is responsible for integrating in different departments, but also some companies have this decentralized approach where instead of having that core specific team, they empower certain people across different departments who can, who are like sort of a drivers of change within that specific area.

29 0:9:19.380 --> 0:9:21.590

Interviewee_11

But what exactly is the difference? The difference is that in the first case you have one people from the court team that is in charge of implementing the whole process in the team.

30 In the net team and then in the second one is that this coaching would educate one responsible person in another team that would itself educate the the rest of the team.

31 0:9:42.450 --> 0:9:50.400

Parth Sharma

So yeah, so it's like, uh, let's say a company is going on under a digital transformation, let's say. And then to bring this change into the organization they can hire. I a brand new team which is specialized in digital transformation and then this team will be driving the transformation agenda across the whole organization or on the other hand, the decentralized approach like decentralized team means that each department within the organization will be educated in bringing in digital transformation and then each department can do it, let's say independently and then they will be like one or two persons who are in charge of managing the whole organizations or the different departments together.

32 Uh, so in case of CSDR, which approach would you see more working?

33 20 --> 10

Interviewee_11

Let me think about it.

34 I don't know, I don't have the experience actually. And my view the way I would approach it is to have a kind of a hybrid system. You **wouldn't have a core team driving the the project**. Try driving the CSDR compliance process. Uh, they would educate the rest of the organization and they would have. Yeah, I mean the, the they would contact or work closely with a few people within each department to implement the CSDR. For instance, I am the reporting and yeah I am in charge of being compliant with this is Andy. I'll go to the IT department. I'll explain the IT guys one or two IT guys what CSDR is about and and then I'll make sure that they structured organization or their IT infrastructure to be compliant with the CSDR.

35 But it's not like I would I I would not just go to them. Good them explain them a bit of CSDR and then let them be completely free because it's it's a bit too complex the CSDR and is a bit too complex, so I would yeah, stay in touch, but I would not myself be in charge of structuring the IT department to make it compliant with CSDR. You know what I mean? But it's just an opinion.

36 Parth Sharma

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Team formation for EU Taxonom
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Yeah, it's it's fine. So, uh, like so in like the taking this example further, would it be make sense for the company to hire, let's say an IT specialist? To just adapt their in existing item infrastructure according to CSDR. Or they can just educate the team inside the IT and then a person from the external can lead that initiative. You get what I'm saying?

37 0 --> 40

Interviewee_11

You mean IT wise ?

I think it wise, you can you can use an external software definitely to. I mean it's, uh, does his hand is about reporting, right?

38 So it's it's about collecting data. You can use a specific software to collect the data that you need then, but it's it's an yeah.

39 Then you can also decide to structure the the IT system to fit your expectation regarding this year sounding, but to be compliant with those to be ready as per CSDR and then there's also a matter of do you prefer to use external softwares or just build a competences internally . I worked with the client and they do not want any data relating to the company to be put on external data centers one that they don't control for instance other companies might want to follow that in, in, in that case they only solution is to adapt the IT system uh and I tried adapt to CSDR basically right.

40 30 --> 20

Parth Sharma

Yeah, makes sense.

41 And then you mentioned like like the next step would be to have these, standard guidelines of gap assessment, double materiality and then the other ones so for, yeah.

42 0:15:4.60 --> 0:15:7.570

Interviewee_11

But yeah, just, uh something. Then IT system only enables you to collect data from different part of the organization or different part of the value chain, right? It doesn't enable you to fully comply with. This is under process like collecting data is only one part of the whole process, right?

43 20 --> 90

Parth Sharma

And then if the check if the data is there into the KPIs or not is another part of it right?

44 20 --> 90

Interviewee_11

I mean, you would only request the crested tapia eyes.

45 Kind of right.

46 Yeah.

47 You will not ask for data that are not relevant and then this here Sunday is it.

48 90 --> 0

Parth Sharma

I'm but like let's say the KPI's is not to have let's say, emission above X percent of around the whole value chain.

49 But when you collect the data, you find that your emissions are, let's say, 1.5 times the X the threshold, right?

50 So I think from the from my understanding the initial approach would be to state the KPI and disclose whatever emissions you have initially.

51 They might be above as well from the KPI's, but then eventually subsequent years you need to show that the emission level is reducing so that you are reaching the KPI which is required.

52 Is that so?

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- 53 10 --> 20
Interviewee_11
But under the sea Sunday, there's no there's no fresh hold given for the KPS.
- 54 It's like every company must disclose their their data, so they would collect the greenhouse gas data for instance.
- 55 Then how much greenhouse gas emission that they emit and then set reduction targets and then show improvement three years, but nowhere in this Sunday.
- 56 It's written you should not emit more than X Don of printers emissions.
- 57 You know what I mean?
- 58 It's a reporting process.
- 59 It's about transparency.
- 60 It's not about performance.
- 61 But.
- 62 0:17:5.620 --> 60
Parth Sharma
And the setting of the KPI will be done after collecting the data, right?
- 63 I disagree because you will not only collect the KPI's kind of the the data that you need.
- 64 10 --> 90
Interviewee_11
Why?
- 65 I mentioned to him understand.
- 66 00 --> 60
Parth Sharma
Uh because yeah, because but because so one is about setting the KPI.
- 67 So KPI state, the target, something that target values right?
- 68 That the KPI is to have the emission below X percent percentage.
- 69 So if you set this before and then you find after correcting the data that your emissions are way above X which is the KPI, then how would the company approach this?
- 70 Do they need to disclose the KPI number as well?
- 71 It I say, uh, the CO2 emission is 10%, let's say of of something, but then let me give a a very good example like some better example.
0 --> 50
- 73 Interviewee_11
Never.
- 74 20 --> 00
Parth Sharma
Umm, let's say I set in KPI that my upstream carbon emission from the transportation should be let's say 10% of the total CO2 emission.
- 75 OK.
- 76 00 --> 80

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Interviewee_11

It's not the KPI's, it's a target that you're setting.

77 You see what I mean?

78 The the KPI is an indicator.

79 It shows progress towards the target.

80 60 --> 90

Parth Sharma

And does the companies need to set the target initially?

Exactly.

81 10 --> 10

Interviewee_11

I don't know if it should be initially or after looking at the data you you never said target when you don't know the data, you always look at the baseline, right?

82 80 --> 70

Parth Sharma

Yeah, exactly. Makes sense. And the subsequent step of CSRD implementation. So I have a team in place I am working on making my IT IT infrastructure good as the CSRD then I need to do those steps which you mentioned about doing a double material materiality assessment and then doing an impact risk assessment. And like these steps, what exactly like in this steps?

83 What are they? The requirements from the team actually when when we are doing these kind of things are there specific skill sets? Is there specific knowledge which they should have when they're doing these steps?

84 And the the other steps which you also mentioned gap assessment as as per say.

85 20 --> 10

Interviewee_11

Your question is and what do people doing a double materiality assessment need to know for being able to do it?

86 0:20:9.610 --> 0:20:9.770

Parth Sharma

Yes.

87 90 --> 00

Interviewee_11

I mean, so they. The **overarching requirement is to understand what impact, risks and opportunity are relevant to you as a company**, right? So first you need to understand the CSRD and what's in there. Then you need to disaggregate this CSRD into subtopics. Then you need to take subtopics and say OK, this in my company it's not relevant for XYZ reasons, but to showcase that it's not relevant, you need to define the methodology. So you need to define also thresholds and criteria, for instance, yeah.

88 And and those these thresholds and criteria, they need to take into account 3 dimensions. And when it comes to impact the **scope** so to how how, uh grave is your impact, how much emission do you emit for instance then you have the **scale** and the the widespread area, how widespread are your impact? So for instance, if I pollute and river like, what's the area impacted by my pollution? And then the **remedy ability character**. So to what extent the natural environment or the people can be brought to their initial state and and on top of that, they need to take into account **likelihood**. Uh. And then on the financial side, I need to understand the, the, the amount of, yeah, **the size of the financial effect**. So let's say that climate physical risk will caused my company X Bn dollar because of XYZ reasons and then the likelihood and considering all these elements that we say, OK, this element is natural to me, this one is not and it's not relevant. You know what I mean?

89 So that implies a hell of a lot of different information.

90 40 --> 50

Parth Sharma

Interview_11

Yeah, let's move the second question. So when we talk about external resources which the company can use. So from my understanding, obviously the consultants will play a very big role in this one. How? Like how they can help the companies to empower themselves to adapt to CSRD, especially in training their teams. And then educating them, what other resources which the company can use extra externally like it's then the, I guess the documents from the EU like their FAQs which are released could be a resource as well. Do you know some other resources which they can use? What other resources which they can use like consultants are and consultants? Yeah.

91 40 --> 40

Interviewee_11

What consultant can do in the area? Are there resources and I mean all official documents? Obviously all uh webinars , online information that they can find, conference, they can go to. I think it's quite important part of how top leaders get knowledge. For instance, They attend conferences. They watch webinars and and so on and so forth. Uh, because they want to have this broad overview of what CSRD is and and how it affects their company, how they can better structure the company to be ready and so on and so forth.

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Random information ↴

92 Then they can buy a specific software as we mentioned and I know that for instance IBM developed or is developing one. I hope they are. Uh, keeping the software up to date, but I have no idea. UM, then other type of resources. Let me think for a second. Umm yeah. Maybe like also you know in **industry conferences** and this kind of things, it's yeah. **Events where they can talk about this CSRD and learn from experiences of others.** I think it's quite important, but yeah, that's the the key elements I would say.

93 00 --> 50

Parth Sharma

And these resources will help them to bridge their their information gap and then use the resources by judicially right? Yeah.

94 40 --> 70

Interviewee_11

No, it's all about uh.I mean, it's **mostly about education** and educating the organization to these **conferences**. **Webinars**.Also consulted in to some extent the buying some specific IT and it's it's not per say education part. It can be like you can by the knowledge of what , which software to buy for instance. Or you can just buy a software.

95 0:26:9.250 --> 0:26:9.530

Parth Sharma

And then like coming back to the consultants part, how do they help the companies? In this journey, other than the education part.

96 10 --> 40

Interviewee_11

They can help them pick the right software for data collection. They can structure the organization. That's something that we mentioned at the beginning. For instance, they say, OK, these people is going to be in charge of that and and then next and yeah, so basically **creating an implementation plan**. Other than that, they can provide basic knowledge as we mentioned or provide specific tools to get ready for this. So again, the assessment, the materiality, action plan.

97 **So structuring the organization would be 1.**

98 **Educating the organization would be 2, providing specific tools or documents would be the 3 one**, offered one or just like you know, providing a baseline for the CSRD and the and the baseline would encompass As I mentioned, doing a double materiality, having a gap fir assessment, having action plan in place and so on and so forth.

99 Uh, they could also help them map the value chain and also get in touch with affected stakeholders, the value chain or employees or and so on and so forth to collect the necessary knowledge for CSRD.

100 0:28:1.750 --> 0:28:4.860

Parth Sharma

OK, sounds good. Uh.

101 Uh, now this is the third quadrant where we talk about the company has done their first,

- let's say disclosure.
- 102 What happens after that? How can company uh empower themselves on a regular, continuous basis to keep themselves updated on these regulations and how they can uh like continue the disclosure process?
- What resources will then need internally?
- 103 0 --> 40
Interviewee_11
But before you said that ...and has been implemented the first time. So like they reported their data basically for the first year, right?
- 104 80 --> 60
Parth Sharma
Yes,
- 105 0:29:0.390 --> 0:29:3.980
Interviewee_11
EU taxonomy is dynamic tool.
There are updates constantly, the CSRD is very much A at the beginning of its journey, so it's important to stay updated on what's the latest news.
- 106 Random information
107 And I mean, reading the official documents, keeping track of the documents that are published, I think it's a key one.
- 108 Random information
109 And then the first time, companies will never have things done properly, right?
So it's gonna be an improvement cycle and uh, improving the IT infrastructure for instance, improving the knowledge on what impact risks and opportunities or what we usually advise is that you would refine through time the double materiality assessment process.
- 110 IT systems/Digital systems
111 First you would get a broad understanding focusing on the key core elements where you have the most impact.
The elements that represent, then the key danger. For instance, when I think in terms of financial risks and but fruit time, you would also try to understand the knowledge where you didn't look at before.
- 112 Random information
113 0:31:7.960 --> 0:31:8.450
Parth Sharma
Makes sense.
114 And but how does this this CSRD? Uh will affect the supply chain of the company in the short term. In the long term.
- 115 40 --> 20
Interviewee_11
So in the short term, there's a phase in requirement and big companies are not required to provide numbers for the first three years of reporting.
- 116 Random information
117 50 --> 40
Parth Sharma
So and the the last quadrant. How can like these external resources, let's say consultants? How can consultant help the companies on a long term basis with the CSRD? Do the players do? Do they still play a role? The long term process?
- ..FW- Quadrant 4

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118 Interviewee_11
119 They can. They can. They can in the sense that if a company wants to externalize part of and part of a, I don't know the the workforce that needs to carry out the necessary compliance process. For instance, uh, I know that some concern dances. Basically what the job, the job is just to do something that average employee would do in the company. But because the company doesn't want to hire someone specifically for this task, they would just buy Consultancy services so in that sense they can.

120 But I I think it's a minor role like we more help in setting up the organization prepared the organization for new regulations, I would say. But I mean, yeah. And then we can also know it's. So this is only for being compliant with this and you right, but it's only part of the journey. You can also want to improve the taxonomies calls and report the data and for instance I firm_11. We are proud to be kind of a civil, not a civil like an engineering company. So we can also help companies, for instance, reducing their greenhouse gas emissions and improving them. Reducing risks related to human rights, for instance, and so we can really help companies improve their performances that they have to disclose under CSRD.

121 70 --> 70
Parth Sharma
OK, over a long term basis as well.

122 0 --> 0
Interviewee_11

123 Because one thing is to report the greenhouse gas data, set up a target, but something else is to. Deliver basically the performances.

124 0 --> 90
Parth Sharma
So uh, like from your experience, do you have some specific IT pitfalls which companies usually fall into when they are like from manufacturing companies perspective like the gaps and the IT right now infrastructure?

125 60 --> 40
Interviewee_11
I see pitfalls.

126 30 --> 0
Parth Sharma
Like things to just to keep in mind when they are overhauling the right IT infrastructure.

Random information

.pitfalls

Random information

127 Interviewee_11
128 I see one danger is that setting up an IT infrastructure is is very difficult, right? It's a huge process, but it also need to be a bit adjunct (which can be updated with time) kind of, because this is sound is evolving quite a lot, but it's not. This has nothing to do with being manufacturing company or not. It's it's true for all undertaking.

129 So it's so it's just like if you buy hundreds, hundreds of 1000 of dictators specific software and then you find out that it's not being updated with the latest requirement, then you are fu*ked up, right? So you need this agility kind of.

130 And then I T specific pitfalls would be relating to data privacy and anonymizing data. Kind of.

131 80 --> 0:37:1.700
Parth Sharma
Anonymize the data and what do you mean by anonymizing the data?

132 Interviewee_11

133 Just because if you're you're gonna ask a specific information to business partners For instance, what are the financial risks and opportunities? And yeah, I had a better example in mind.

134 Wait and yeah, you could also ask them what risks or opportunities could affect their value chain, for instance, and maybe companies that don't want to provide any information regarding their business partners, because that way the company could just bypass the

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- convenience working with right?
- 135 So anonymity is key element here, but also if I'm an employee and I see that something is going wrong in my company, I wonder whistleblower, mechanism to be to be a anonymous right?
- 136 So I think **privacy is a key element** as well.
- Random information 137 Then **agility** would be another one. Uh, my thinking about something else, not at the moment, yeah.
- 138 00 --> 30
Parth Sharma
So, uh, like that, the team setting thing which we are earlier discussing about, so do you see some primary and secondary specific competencies within the team? In regards to the skills they have.
- 139 20 --> 0
Interviewee_11
It's quite a broad question.
- 140 50 --> 80
Parth Sharma
Yeah it is, but let uh.
- .Skills of incharge 141 Can we make it more specific somehow?
- 142 90 --> 50
Interviewee_11
Like again, the financial service and they would need to be able to provide the right quantification of financial risks and opportunities. Right? And that this is something that the EU taxonomy they would need to Allocate correctly the financial KPI, right?
- 143 If I'm the Supplier I need to provide the right data kind of as well. Uh, if I'm the sustainability team, I need how to compute my greenhouse gas scope 3 emissions. If I'm the CSO, I need how to structure the organization in the most efficient way. If I'm you, you see there's many different world roles implied in the CNG and you talk in implementing the EU taxonomy and the sound and they all required wide set of competencies.
- 144 90 --> 30
Parth Sharma
And and but when we come to the SME, uh, how I think I asked you this question before as well. How can they manage this skill gap in their organization?
- 145 20 --> 30
Interviewee_11
Which one are you thinking about? Which skill gap?
- 146 0 --> 00
Parth Sharma
Like you said that there are a lot of lot of skills which are required for you to economy and CSRD. But when we talk about the SME's, they have very limited people, right? They don't have the required expertise as per se within different departments. So how can they manage this skill gap within their organization?
- 147 0:41:3.740 --> 0:41:6.100
Interviewee_11
I mean, to me it's very much related to. **Preparing an organization, whether it be small or large, it's the same right?** You need to get an understanding of the requirement. You need to structure define an action plan on how you're gonna deal with that.
- Random information 148 Uhm, do the necessary elements or do the double materiality and fit assessment is 1 and so forth and and the only difference between **small and large companies** is that the number
- Random information

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- of people involved would be much smaller and and that yeah, that they won't build complex infrastructure.
- 149 And thy would have to be a bit more simple.
150 Yeah, maybe one person would be in charge of doing it, you know?
- 151 0:42:1.490 --> 0:42:8.860
Parth Sharma
And maybe the in that case they can take help from some external consultants as well or external resource like you mentioned before and sort of fine. OK, expensive for them.
- 152 0:42:8.160 --> 60
Interviewee_11
I I don't think that SME pay consultants, it's way too expensive.
- 153 50 --> 40
Parth Sharma
Yeah, I think you're right.
- 154 60 --> 90
Parth Sharma
OK, no worries. Yeah.
- 155 90 --> 70
Interviewee_11
I mean, maybe ... I've just never worked with an SME.
- 156 60 --> 50
Parth Sharma
So like again, like coming to the SME part for for this sort of a typology. Do you see this framework working in different ways for large and SME based companies? Because in SME based I think they will be less availability of the external resources, right? And they would have, let's say, limited internal resources as well. So how do you think this can also benefit the external? How can you think this framework can be adapted for this summit cases?
- 157 0:43:4.640 --> 0:43:9.990
Interviewee_11
How can this framework be changed for SMS? Is that your question?
- 158 60 --> 60
Parth Sharma
Yes, yes.
- 159 80 --> 90
Interviewee_11
Don't know.
- 160 90 --> 00
Parth Sharma
OK, umm and I think it's it's, uh, mainly because we don't know anything about the CSRD SME version of it right now and it's to far ahead in the future that we it's difficult to speculate.
- 161 30 --> 30
Interviewee_11
No but, as in sme or big company, I would still need to understand what I need to do now. How I can change my my company internally, but I would also maybe seek for external help through webinars, again through different events and that's something that I need to do today. And then tomorrow I would still need to... I don't know have this improvement cycle that we talked about before.
- 162 Uh, whether it's be through internal changes or through seeking external help, so this framework is also relevant for I would say. I don't know.
- 163 10 --> 10
Parth Sharma
So, like, yeah, from that traditional perspective of the embedded of like the business being

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- embedded in the society and that's further depend embedded in the environment. Have you come across the one on the left side?
- 164 50 --> 90
Interviewee_11
Uh, yeah.
- 165 I mean, it's the. Yeah, it's the three... economy. Society and environment is the three pillars of sustainability, and that's true in some and then what is it? What's the exact word?Some conceptual frameworks, That's the one I was looking for at the three dimension are embedded and putting together. So yeah, I've met this one before.
- 166 00 --> 00
Parth Sharma
So like each layer is dependent upon the previous one. So I just tried. I tried to like uh, adapt this one to the R specific case of CSDR. So I like the the biggest layer is of the IT systems which is supporting let's say the human human resource team which is working on CSDR implementation and which results in the let's say Green Company which is which is compliant to all of the regulations. So in this layered format, each like the layer above is dependent upon the layer below for its existence or implementation.
- 167 Does this perspectives match for you?
- 168 0:46:6.200 --> 0:46:7.870
Interviewee_11
I mean, I can. I see bias in your graph because you're working specifically on the IT systems, right? So you want it to be the core base, but I mean to some extent you can definitely argue that. IT system are reliant on human resources, I said. What I mean because if you don't have any people to structure the IT infrastructure, then you don't have any IT infrastructure at all it's not.
- 169 It's not the one that is based on the other one. No.
- 170 50 --> 60
Parth Sharma
Yeah, could be.
- 171 --> 40
Interviewee_11
And and then green company.
- 172 Yeah, the Green Company is the the, the the company because it's an organization, it's based on human resources and IT that's true in that sense.
- 173 Yeah.
- 174 90 --> 10
Parth Sharma
Uh, uh, but uh, so. The layer below the the layer above should be dependent upon the layer below. That's, I think the the crux of this.
- 175 So if we talk about, let's say, uh, Green company, let's say it's dependent upon the human resource right for to compliance, which is true and the human resource needs an IT system.
- 176 I'm just thinking if we flip it, flip it other way around, if we have the green company and then I and then human resource, will it work that way?
- 177 90 --> 20
Interviewee_11
No, because wait.
- 178 What what I wanna say is that if I take the core team in charge of the IT system is one element among other elements to comply with the CSDR and they need to have an IT system in place true, but they need to get an in understanding of the regulation. They need to have to structure the organization itself, and so it it's just one tool among others. **It's not the core.**

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- 179 20 --> 30
Interviewee_11
You see what I mean?
- 180 90 --> 40
Parth Sharma
Yes, yes, yes.
181 It makes sense now.
182 Yes, it's it's an enabler, but it's not the only thing, right?
- 183 50 --> 10
Interviewee_11
Exactly.
184 So in that sense, uh, when the yeah, I would look more at the graphs when the cross each others.
185 You know you can take human resources when sacral one.
186 I just systems on the other one and then the overlapping area would be what is needed for this year.
- 187 0:49:1.590 --> 0:49:2.350
Interviewee_11
Something kind of.
- 188 I think it's better visit visualization of what is happening.
- 189 10 --> 30
Parth Sharma
Makes sense.
190 Yeah, that's very true.
- 191 Interviewee_11
Well, right.
192 And then thank you and good luck for the rest of your thesis.
- 193 0 --> 90
Parth Sharma
Yeah.
194 70 --> 40
Parth Sharma
Thank you again for your time and for two interviews.
- 195 10 --> 60
Interviewee_11
No problem.
- 196 70 --> 80
Interviewee_11
Have you too?
- 197 80 --> 50
Parth Sharma
Yeah.
198 70 --> 60
Interviewee_11
Bye.
- 199 70 --> 50
Interviewee_11
Thank you.
- 200 40 --> 40
Parth Sharma
Yeah, my thank you.