FREE GUIDE · UK SUPPLIERS

The Value Chain Cap Checker

What a large customer can legally ask you for — and what you are entitled to decline.

1,000

employees

Below this threshold you are a "protected undertaking" under EU law — and the questions have a legal ceiling.

Capline

ESG questionnaires, answered once. For smaller businesses serving large customers.

THE SITUATION

You did not ask to become a sustainability reporter

1

Questionnaires arrive from customers

Each one in a different format, with a different deadline, asking for broadly the same things in different words.

2

Nobody in the business owns it

It lands on finance, or operations, or whoever is least able to say no. It is nobody's actual job.

3

The contract feels like it depends on it

So you answer. Then the next customer asks, and you start again from a blank page.

Here is what almost nobody has told you:

Most of it is optional.

EU law now sets a ceiling on what can be demanded from you.

THE LAW

What changed, and when

18 Mar 2026

Omnibus I in force

Directive (EU) 2026/470 narrows CSRD to undertakings above 1,000 employees AND €450m turnover, and creates the “value chain cap”.

3 Jul 2026

Delegated act adopted

The European Commission adopts C(2026) 5011 final, establishing the reporting standard for voluntary use by undertakings protected by the cap.

Now

Scrutiny period

Council and Parliament have two months to object, extendable by two. If neither objects, it is published in the Official Journal and enters into force.

FY from 1 Jan 2027

The cap applies

Article 3 applies to financial years beginning on or after 1 January 2027.

The standard behind the cap began life as EFRAG’s VSME. In the adopted delegated act it is referred to as the Voluntary Standard (VS). You will see both names in circulation.

THE TEST

Are you a "protected undertaking"?

A You are below the threshold

- Your business does not exceed an average of 1,000 employees during the financial year.
- This is a headcount test. Turnover does not come into it.
- It applies whether or not you report anything voluntarily.

B The request is CSRD-driven

- The company asking is itself reporting under Articles 19a or 29a of Directive 2013/34/EU.
- And the information is being requested for that reporting.
- You sit in their value chain — as a supplier, contractor or customer.

Both A and B true? The cap protects you. Only one, or neither? It does not — see slide 7.

INSIDE THE CAP

What they can still ask you for

These are the subject areas the standard covers. A request for any of this is legitimate, and answering it well is how you keep the contract.

Business basics

Legal form, sector, turnover, balance sheet, headcount, sites

Energy & emissions

Energy used, Scope 1 and Scope 2 greenhouse gases, intensity

Pollution

Only where you already report pollutants to a regulator

Biodiversity

Sites in or near designated sensitive areas

Water

Water withdrawn, and consumption where processes use it up

Waste & materials

Waste by stream, recycling and disposal, key material flows

Workforce

Contract types, gender, accidents, pay, bargaining, training

Governance

Convictions and fines for corruption and bribery

Practices and policies are also covered — but the standard accepts “we do this in practice, we have no written policy” as a real answer.

OUTSIDE THE CAP

What you are entitled to decline

Where the cap applies, a CSRD-reporting customer cannot require information beyond the standard. Common examples of requests that go past it:

Full Scope 3 emissions

Your suppliers' and customers' emissions across all fifteen GHG Protocol categories.

A double materiality assessment

The full ESRS process large companies must run. Not required of you.

A climate transition plan

Unless you already have one, you are not obliged to produce one to answer them.

Third-party assurance

The standard does not require your figures to be audited or verified.

Their own bespoke questionnaire

A 200-line custom template asking for data the standard does not contain.

Supplier-level ESG scoring

Ratings, scorecards and platform subscriptions imposed as a condition of the CSRD request.

Declining is a right, not an obligation. You may always choose to share more — and sometimes there is a commercial reason to.

THE HONEST LIMITS

Where the cap does not protect you

Read this part twice. Assuming protection you do not have is worse than having none.

! A UK customer asking a UK supplier

This is EU law. It constrains companies reporting under the EU regime. A purely domestic UK request is not covered by it.

! Requests unrelated to CSRD reporting

Procurement policy, a tender scoring model, a customer’s own voluntary ESG programme — the cap addresses CSRD-driven requests.

! Your bank or your insurer

Lending and underwriting criteria are their own commercial terms, not a CSRD value-chain request.

! Anything you have already signed

A contract you have agreed may already commit you. Some provisions breaching the cap may be void — take advice rather than assuming.

Even where the cap does not apply, the standard is still the most useful format to answer in — because it is the one your customers are moving to.

USE THIS WHEN A QUESTIONNAIRE ARRIVES

The checker: five questions

1	**Do you average fewer than 1,000 employees?**	No → the cap does not apply to you.
2	**Is the company asking in CSRD scope? (above 1,000 employees and €450m turnover, or a large listed EU group)**	No → the cap does not apply.
3	**Are they asking because of their own sustainability reporting?**	No → the cap does not apply to this request.
4	**Does the request go beyond the standard's disclosures?**	No → it is a fair request. Answer it.
5	**Have you already agreed to this in a contract?**	Yes → take advice before declining.

Yes to 1, 2, 3 and 4 — and no to 5? You may decline the parts that go beyond the standard, in writing, politely.

WHAT TO DO NEXT

Three things worth doing before the next one arrives

1

Ask your three largest customers what they will request

Do not wait for the questionnaire. The conversation is easier before a deadline than after one, and it tells you exactly what to prepare.

2

Gather the data once, in one place

Energy bills, fuel, waste tickets, payroll, training records. The raw material is already in your business — it is just scattered across six systems and two filing cabinets.

3

Record where every number came from

Source document, who owns it, when it was checked. This is what turns an answer into evidence, and it is what makes next year take an afternoon rather than a fortnight.

Answer once. Reuse many times. That is the whole game — and it is entirely achievable without hiring anybody.

Answer it once. Then never start from blank again.

We turn a scattered pile of bills, payroll reports and waste tickets into one evidenced set of answers — reusable for every customer questionnaire that lands.

capline.co.uk

Capline

Built by an experienced professional in financial and sustainability reporting, with a passion for simplifying and supporting smaller businesses.

Sources

- Directive (EU) 2026/470 (Omnibus I), OJ 26 February 2026
- Commission Delegated Regulation C(2026) 5011 final, adopted 3 July 2026
- Directive 2013/34/EU, Articles 19a and 29a
- EFRAG VSME Digital Template 1.3.0, 11 June 2026

Important