NEMETAN

Sustainability as ambition, not defence.

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Risk arrives inside a company with a process attached. Opportunity is named in the same standards, assessed in the same exercise, and then the architecture around it thins out.

The finding is not the ratio

There is no reason a company should disclose the same number of Risks and Opportunities. Many face more of one than the other, and the standard does not ask for parity. The question this research puts is different: were both searched for with comparable rigour, and could anyone reading the output tell a real imbalance from an imbalance in the searching?

Across three disclosure frameworks the same shape recurs. TCFD gives Risk a dedicated management pillar and Opportunity nothing equivalent. TNFD brings Opportunity into the process but leaves it out of the step that connects that process to a company's existing risk machinery. ESRS names all three categories in its management architecture, then qualifies only Opportunity's integration with “where applicable”.

The evidence, in numbers

Measure	Mandatory ESRS (40 cos.)	Voluntary reporters (30 cos.)
Disclosed Risk : Opportunity	455 : 196 (2.32 : 1)	88 : 30 (2.93 : 1)
Companies disclosing no Opportunity	4 of 40 (10%)	22 of 30 (73%)
Topic assessments with Risk and zero Opportunity	52 of 140 (37%)	not comparable
Companies disclosing no itemised content at all	0	12 of 30 (40%)
Sector range	1.16 : 1 to 16 : 1	not comparable

Every discrete, company-labelled Risk and Opportunity item, coded under one protocol applied identically to both samples. The definitions of Risk and Opportunity were fixed in writing before any company was coded; scope and edge-case handling were revised during coding and every change is dated in the decision log. Coding was AI-assisted: human protocol and adjudication, AI extraction and tagging, cross-checked against companies' own stated totals. Purposive samples, directional rather than population-level. Dataset and decision log available on request.

What the standard actually asks for

ESRS is not indifferent to this. Among the qualitative characteristics every disclosure must meet, it requires that material risks and opportunities **“shall receive equal attention”**, and its prudence rule forbids understating Opportunity in the same sentence that forbids overstating Risk. The same materiality test applies to both: likelihood combined with magnitude.

Then it does something it does nowhere else. A short section headed Reporting on opportunities tells a company that the disclosure should be descriptive, and that in judging what to disclose it shall consider whether the opportunity is currently being pursued and built into its general strategy, as against being a general opportunity for its sector. The Commission-adopted 2026 revision hardens that into a rule.

> *There is no section on reporting risks. Not in the standard these companies reported under, and not in the revised one. Neither restricts which identified risks may be disclosed. A risk that has been found and not yet acted on is reportable. An opportunity in the same state is filtered.*

So the standard asks for an even picture and gates one half of what is allowed to reach it. That is not a company failing a requirement. It is the requirement.

Others find the same thing

- **KPMG**, reviewing 270 first-wave statements: Impacts 60% of disclosed items, Risks 26%, Opportunities 14%. Eleven per cent of companies identified no Opportunity at all. We found ten per cent.
- **Datamaran**, coding more than eleven thousand items across 304 companies: Opportunities 13% of all IROs.
- **EFRAG**'s review of 905 assured statements: an average of 3.1 climate Risks against 2.0 climate Opportunities, roughly three for every two.
- EFRAG's 2021 review of non-financial risk and opportunity reporting reached the same conclusion qualitatively, finding "less mature reporting of sustainability opportunities compared to sustainability risks".

What this evidence can and cannot show

This study counts what companies disclosed, not what they found. Given the filter above, some part of the measured gap is a gate rather than a shortfall, and the study cannot say how much. The imbalance could arise in the search, in what survived assessment, in what was carried into strategy, in what is being pursued, or in what was judged reportable. We observe the last of those.

The coding was checked against source. Twenty-six of the forty large-cap statements were re-read page by page, eighty-seven page references were corrected, and one count moved: a chemicals group had four typed Opportunities where our register held two. That took the headline from 2.35 to 1 down to 2.32 to 1, narrowing the gap this brief describes. Every item now carries a page reference into the company's own statement, on both sides. No independent second coder re-coded either sample; that check can be run on request.

Two things survive that limit. The filter applies identically to all forty mandatory reporters, whose sector ratios still range from 1.16 to 1 up to 16 to 1. And it does not reach the thirty voluntary reporters at all, where the gap is wider rather than narrower. A rule that treats everyone the same cannot explain why they differ.

Nemetan sells into the early stages of that pipeline, so there is a commercial interest in the answer being discovery rather than disclosure. This brief does not claim the data settles it.

Bottom line

The frameworks have been correcting themselves for most of a decade, and the European standard states the balance requirement outright. The disclosed outcomes have not followed. Whatever holds the pattern in place sits somewhere between the requirement and the page, and no one is currently measuring it.

That stage, the search that happens before anything reaches an assessment, now has a name and a published definition. **Sustainability Opportunity Discovery** is the systematic search for candidate Sustainability Opportunities, conducted before and separately from any assessment of their materiality. Both the definition and the research behind this brief are cited below.

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CITE THIS RESEARCH

Kelly, M. (2026). *The Opportunity Gap: Risk and Opportunity Asymmetry in European Sustainability Disclosure under ESRS and VSME* (Version 1.0). Nemetan. https://doi.org/10.5281/zenodo.22124385

Kelly, M. (2026). *Sustainability Opportunity Discovery: Definition, Scope and Method Requirements* (Version 1.0). Nemetan. https://doi.org/10.5281/zenodo.22125068

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Deposited in Zenodo, the repository operated by CERN. Deposit is not peer review. The company roster, coding protocol, decision log and item-level dataset are available on request.

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