

## 駐歐盟兼駐比利時代表處經濟組 函

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速別：普通件

密等及解密條件或保密期限：

附件：如文

主旨：有關歐盟正式公布永續簡化綜合套案(Omnibus I)，修正「企業永續盡職調查指令」及「企業永續報告指令」事，報請卓參。

說明：

- 一、本組去(114)年12月10日比貿字第1140000051號函諒達。
- 二、歐盟前於去(114)年2月26日提出永續簡化合套案(Omnibus I)，簡化「企業永續盡職調查」指令(Corporate Sustainability Due Diligence Directive，簡稱CSDDD)及「企業永續報告指令」(Corporate Sustainability Reporting Directive，CSRD)，降低法規的複雜性、減少不必要的法規障礙及繁文縟節，提高效率 and 提供企業彈性，以提升歐盟競爭力。
- 三、歐洲議會與歐盟部長理事會前於去年12月9日針對該套案達成臨時性政治協議；歐盟部長理事會(the Council)於本(115)年2月24日發布新聞稿稱當日已經正式批准該套案；歐盟嗣於本年2月26日於公報正式公布該法案，並於公布後第二十日生效。
- 四、修法重點如下：
  - (一)修正CSDDD：
    - 1、提高適用的門檻：
      - (1)歐盟企業：原提案原先規劃逐年擴大適用範圍，本次修法後，CSDDD將僅適用年平均員工數超過5000人，且全球年淨營業額超過15億歐元之歐盟企業。
      - (2)第三國國際企業：在歐盟境內之年淨營業額超過15億歐元。
    - 2、簡化盡職調查要求：



- (1) 簡化後，企業只需要針對「最為嚴重」且「最可能發生」之不利影響進行盡職調查，不再要求企業調查其整個商業活動鏈中所有實際及潛在不利影響，以減輕企業負擔。
  - (2) 刪除執委會原提案識別階段之進一步評估限於企業自身、其子公司及直接業務夥伴之營業活動；改為企業可聚焦於其活動鏈中最可能產生實際或潛在負面影響之領域。
  - (3) 簡化盡職調查之識別機制：企業僅須依據合理可取得之資訊(reasonably available information)進行範圍界定(scoping exercise)，識別其自身營運、子公司及活動鏈中最可能且最嚴重發生負面影響之一般領域，而不再要求進行全面且系統性的實體層級風險盤點。基於範圍界定結果，企業僅需於高風險區域進行深入評估(in-depth assessment)。當多個領域之風險可能性與嚴重性相當時，企業得優先評估涉及直接業務夥伴之領域。
  - (4) 對於員工數少於5,000人之商業夥伴，企業僅得於資訊無法透過其他合理方式取得時方得請求資料。且企業僅須採取適當措施識別風險，並不負有識別所有不利影響之義務。
- 3、取消企業須制定氣候變遷調適轉型計畫之義務。
  - 4、刪除建立歐盟層級統一民事責任制度(EU harmonized liability regime)，並刪除該責任規範優先於會員國國內法規適用。修正後相關民事責任將由會員國國內法自行規範。
  - 5、罰款：會員國對於違反CSDDD義務的罰款上限為企業全球淨營業額之3%，且執委會將對此發布必要的指引(guidance)。
  - 6、延後國內法化和實施之期限：轉換為國內法的期限延後一年至2028年7月26日，企業須自2029年7月26日開始遵循。
  - 7、強化定期檢視條款：因本次修正提高適用門檻及延後施行時程，檢視條款要求執委會特別評估門檻調高後之制度運作效果，並視情形提出是否調整適用範圍。
- (二)修正CSRD：

1、提高適用的門檻：

(1) 歐盟企業：僅適用年平均員工人數超過1,000名以上且全球年淨營業額超過4.5億歐元之企業，年營業額和員工數未達門檻的中小企業不再適用此指令。

(2) 第三國國際企業：上述條件亦適用於在歐盟境內之年淨營業額達4.5億歐元，並且於歐盟境內設有前一財務年度年淨營業額超過2億歐言之子公司。

2、另符合特定條件之金融控股公司，若與其子公司彼此營運獨立，不強制編製母子公司的合併永續報告。

3、簡化報告要求：使用更多量化資料取代敘述性文字，且避免要求企業報告非重大的事項。

4、針對特定產業制定的永續揭露標準改為自願性，不再是強制性。

五、檢送本組整理之「歐盟簡化企業永續盡職調查指令及企業永續報告指令」簡介、新聞稿及歐盟公報如附件。公報網址連結：<http://data.europa.eu/eli/dir/2026/470/oj>；新聞稿網址連結：<https://www.consilium.europa.eu/en/press/press-releases/2026/02/24/council-signs-off-simplification-of-sustainability-reporting-and-due-diligence-requirements-to-boost-eu-competitiveness/>。

正本：經濟部國際貿易署、經濟部投資促進司

副本：行政院經貿談判辦公室、金融監督管理委員會、環境部、經濟部綜合規劃司、經濟部產業發展署、經濟部中小及新創企業署、經濟部江政務次長室(敬請經濟部代轉陳)(均含附件)

電子公文  
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# 歐盟簡化「企業永續盡職調查指令」 及「企業永續報告指令」簡介

駐歐盟經濟組 2025.02.27

## 一、前言

歐盟執委會前於 2022 年 2 月 23 日提出「企業永續盡職調查指令」(Directive(EU) 2024/1760 · Corporate Sustainability Due Diligence Directive · 簡稱 CSDDD)提案，透過要求企業在其事業、子公司及價值鏈(value chain)中辨識、預防、終結或減緩經濟活動對人權(例如勞力剝削)及環境(例如造成汙染或威脅生物多樣性)之負面影響，俾提升歐企及在歐盟市場營運之外國企業對其價值鏈實踐永續及負責任商業行為之風氣。

歐盟另於 2022 年 12 月 16 日公報公布「企業永續報告指令」(Directive (EU)2022/2464 · Corporate Sustainability Reporting Directive · CSRD)，要求企業揭露環境、社會、治理(ESG)之資訊，包括氣候、污染、生物多樣性、勞工、人權、反貪腐等。該指令於 2023 年 1 月 5 日生效，會員國應於 2024 年 7 月 6 日完成國內法化。

前述兩個指令在立法過程中，有許多會員國與企業反應該指令對企業造成不必要的負擔，影響競爭力，歐盟執委會爰於上(114)年 2 月 26 日發布永續簡化合套案(Omnibus I)，歐洲議會與歐盟部長理事會並於去年 12 月 9 日針對該套案達成臨時性政治協議，該套案簡化「企業永續盡職調查指令」及「企業永續報告指令」的要求，提高適用的門檻，減少需要遵循該指令的企業數量，並降低法規的複雜性、減少不必要的法規障礙及繁文縟節，提高效率 and 提供企業彈性，以提升歐盟競爭力。

歐盟部長理事會(the Council)於本(115)年 2 月 24 日發布新聞稿稱當日已經正式批准該套案。該修正指令(Directive (EU) 2026/1470)嗣於本年 2 月 26 日於正式公布於歐盟公報，並於公布後第二十日生效。

## 二、修正「歐盟企業永續調查指令」(CSDDD)內容重點

CSDDD 規定，營業額及員工人數達特定門檻之企業，須實踐「與人權與環境相關之盡職調查(due diligence)」，包含須辨識、預防、減緩或終結其事業、子公司及其商業活動鏈(chain of activities)之直接與間接商業夥伴，對人權及環境造成(潛在)負面影響之情事；將盡職調查納入企業政策及風險管理制度中；建立可供被害人申訴之管道；定期檢討實踐盡調查之成效及逐年發布執行盡職調查之聲明等，違者將受會員國主管機關之裁罰。

### (一)規範對象：

1. 歐盟企業：年平均員工數超過 5000 人，且全球年淨營業額超過 15 億歐元。
2. 第三國海外企業：在歐盟境內之年淨營業額超過 15 億歐元。

### (二)主要義務內容：

1. 「企業」應實踐人權與環境相關之盡職調查及其他義務：
  - (1) 辨識及評估存在其事業本身、子公司對人權及環境造成(潛在)負面影響之情事(第 8、9 條)；預防或減緩前述潛在影響(第 10 條)；終結前述實際情事(第 11 條)；並將盡職調查納入企業政策及風險管理制度中(第 7 條)。本次修法後，企業盡職調查簡化為只需要針對「最為嚴重」且「最可能發生」之不利影響，不再要求企業調查其整個商業活動鏈中所有實際及潛在不利影響，減輕企業負擔。
  - (2) 在執行盡職調查之程序中，應與利害關係人進行有效互動與溝通(第 13 條)。
  - (3) 企業應提供受害者救濟/賠償(第 12 條)；並提供利害關係人及受害者申訴管道(第 14 條)。但其民事責任由會員國自行依國內法規定。

- (4) 監督及定期檢討前述辨識、預防、減緩、終結對人權及環境造成(潛在)負面影響之情事成效(第 15 條)。
  - (5) 企業應公開年度盡職調查政策與執行情形於其官方網站；並提交予會員國指定之收集機構(collection body)，以便公開於「歐洲單一入口點」網路平台(European Single Access Point, ESAP) (第 16、17 條)。
  - (6) 另受本指令規範之海外企業，應指定一名在其從事經濟活動會員國居住或設立之自然人或法人擔任其授權代理人(authorised representative)，並應將該授權代理人之姓名、地址與聯繫方式通知會員國主管機關(第 23 條)。
2. 前述企業應避免「對人權及環境造成負面(潛在)影響」之情事，規定於該指令附錄：
- (1) 有關人權部分：例如違反《公民與政治權利公約》第 6.1 條對生命權之保障、違反《公民與政治權利公約》第 7 條禁止施加酷刑或殘忍不人道之待遇、違反《公民與政治權利公約》第 9.1 條對自由權與人身安全之保障、違反《經濟社會文化權利國際公約》第 7 及第 11 條未提供衛生工作環境與良好工作條件、違反《公民與政治權利公約》及《國際勞工組織強迫勞動公約》使人為奴隸及從事人口販運之規範、侵害多項國際人權公約中揭示之組織工會權利、違反禁止使用仍應受義務教育之童工之規範等。
  - (2) 有關環境部分：例如違反《生物多樣性公約》有關使用生物資源時應避免對生物多樣性造成衝擊之規定、違反《瀕臨絕種野生動植物國際貿易公約》(CITES)特定物種之進/出口規定、違反《水俣公約》關於製造、進/出口水銀產品與處理其廢棄物之規定、違反《保護臭氧層維也納公約》關於禁止製造消耗臭氧層之物質、違反《巴塞爾公約》關於禁止有害廢棄物進出口之規定等。

(三) 歐盟執行 CSDDD 機制之規範：

該指令規定會員國主管機關之職責與機關間之資訊交換，要點如下：

1. 歐盟會員國應指定一個或多個主管機關(第 24 條)，負責監督企業履行盡職調查義務。該機關得依職權或在接獲申訴後啟動調查，並於發現違規時要求企業於合理期限內採取補救措施，並得處以包括金錢罰鍰及公告違規資訊等裁罰(第 27 條)。裁罰金額上限為企業全球淨營業額之 3%，且執委會將對此發布必要的指引(guidance)。
2. 會員國亦應確保自然人或法人得向主管機關提出具合理懷疑之關切事項(第 26 條)。
3. 此外，設有歐洲監管機關網絡(European Network of Supervisory Authorities)(第 28 條)以促進各會員國主管機關之協調與資訊交換。

#### (四)相關輔導/協助措施：

1. 企業發現供應鏈存在潛在或實際負面影響時，可以要求商業夥伴作出「自願性契約性保證」，或在合約中納入遵守人權與環境義務的條款(第 10、11 條)。歐盟執委會應於 2027 年 7 月 26 日前採認關於自願性契約條款範本之指引，以協助企業取得契約保證 (第 18 條)。
2. 執委會應發布盡職調查實施指引，包括最佳實踐、氣候轉型計畫及特定產業風險等事項 (第 19 條)。
3. 會員國應提供專屬網站或平臺以協助企業及其商業夥伴取得相關資源，並得於符合國家補助規範前提下提供中小企業財務支援 (第 20 條)。

#### (五)定期檢視條款

1. 檢視條款(review clause)(第 36 條)要求歐盟執委會於一定期間內評估本指令之實施情形，包括其對中小企業之影響、執委會及會員國所提供之支援工具是否有效，以及是否調整商業活動鏈(chain of activities)定義。

2. 配合本次修正提高適用門檻及延後施行時程，要求執委會特別評估門檻上調後之制度運作效果，並視情形提出是否調整適用範圍或其他制度設計之報告與立法建議。

(六)簡化套案修正重點：

1. 提高適用的門檻：
  - (1) 歐盟企業：原提案原先規劃逐年擴大適用範圍，本次修法後，CSDDD 將僅適用年平均員工數超過 5000 人，且全球年淨營業額超過 15 億歐元之歐盟企業。
  - (2) 第三國國際企業：在歐盟境內之年淨營業額超過 15 億歐元。
2. 簡化盡職調查要求：
  - (1) 簡化後，企業只需要針對「最為嚴重」且「最可能發生」之不利影響進行盡職調查，不再要求企業調查其整個商業活動鏈中所有實際及潛在不利影響，以減輕企業負擔。
  - (2) 刪除執委會原提案識別階段之進一步評估限於企業自身、其子公司及直接業務夥伴之營業活動；改為企業可聚焦於其活動鏈中最可能產生實際或潛在負面影響之領域。
  - (3) 簡化盡職調查之識別機制：企業僅須依據合理可取得之資訊(reasonably available information)進行範圍界定(scoping exercise)，識別其自身營運、子公司及活動鏈中最可能且最嚴重發生負面影響之一般領域，而不再要求進行全面且系統性的實體層級風險盤點。基於範圍界定結果，企業僅需於高風險區域進行深入評估(in-depth assessment)。當多個領域之風險可能性與嚴重性相當時，企業得優先評估涉及直接業務夥伴之領域。
  - (4) 對於員工數少於 5,000 人之商業夥伴，企業僅得於資訊無法透過其他合理方式取得時方得請求資料。且企業僅須採取適當措施識別風險，並不負有識別所有不利影響之義務。
3. 取消企業須制定氣候變遷調適轉型計畫之義務。

4. 刪除建立歐盟層級統一民事責任制度(EU harmonized liability regime)，並刪除該責任規範優先於會員國國內法規適用。修正後相關民事責任將由會員國國內法自行規範。
5. 罰款：會員國對於違反 CSDDD 義務的罰款上限為企業全球淨營業額之 3%，且執委會將對此發布必要的指引(guidance)。
6. 延後國內法化和實施之期限：轉換為國內法的期限延後一年至 2028 年 7 月 26 日，企業須自 2029 年 7 月 26 日開始遵循。
7. 強化定期檢視條款：因本次修正提高適用門檻及延後施行時程，檢視條款要求執委會特別評估門檻調高後之制度運作效果，並視情形提出是否調整適用範圍。

### 三、修正後「歐盟企業永續報告指令」(CSRD)內容重點

「歐盟企業永續報告指令」(CSRD)要求企業在其對永續議題的影響，以及永續議題如何影響企業發展、績效與財務狀況等資訊。該指令內容重點如次：

#### (一)規範對象：

1. 歐盟企業：
  - (1) 該年平均員工人數超過 **1,000 名以上**且**全球年淨營業額超過 4.5 億歐元**。至於員工數 1000 人以下企業，不適用強制永續報告義務，只需要遵守自願性標準(voluntary standards)，並可拒絕提供超出自願性標準以外之資訊，
  - (2) 先前 2024 年起開始適用、2025 年應發布報告之企業(第一波企業)，如果已經不符合本次修正後的門檻，自其不符合修正後門檻該年度起，不再適用 CSRD，且會員國得規定過渡期豁免之安排。
2. 第三國海外企業：
  - (1) 在**歐盟境內之年淨營業額達 4.5 億歐元**，並且
  - (2) 於歐盟境內設有前財務年度年淨營業額超過 2 億歐元之

大型子公司。

(二)主要義務內容：

1. 企業必須在管理報告中揭露其對環境和社會之影響，及永續議題對該企業發展、績效與財務狀況之影響，且要定期更新，包括永續風險與機會、氣候轉型、汙染、ESG 目標、減碳、公司治理、子公司和上下游等價值鏈資訊。
2. 企業之報告須符合歐盟永續報告標準(European Sustainability Reporting Standards, ESRS)。
3. 企業內部建立保存及蒐集資訊的機制，並保留證據供查核。
4. 授權執委會針對特定產業別另訂自願性永續揭露報告標準(sector-specific)，但屬於自願性質，不強制遵守。
5. 修正歐盟永續報告標準，報告資料內容更量化(quantitative)，以更多數據呈現，減少敘述性文字的要求。
6. 避免要求企業報告非重大的事項。

(三)相關輔導機制：為了協助企業適用強制及自願性永續報告標準，執委會應建立線上入口網站(dedicated online portal)，提供資訊、指引與支援，包括相關模板(templates)。

(四)簡化套案修正重點：

1. 提高適用的門檻：
  - (1) 歐盟企業：僅適用年平均員工人數超過 1,000 名以上且全球年淨營業額超過 4.5 億歐元之企業，年營業額和員工數未達門檻的中小企業不再適用此指令。
  - (2) 第三國國際企業：上述條件亦適用於在歐盟境內之年淨營業額達 4.5 億歐元，並且於歐盟境內設有前一財務年度年淨營業額超過 2 億歐元之子公司。
2. 另符合特定條件之金融控股公司，於其僅作為控股母公司且與其子公司彼此營運獨立之情形下，不強制編製母子公司的合併永續報告。
3. 簡化報告要求：使用更多量化資料取代敘述性文字，且避免要

求企業報告非重大的事項。

4. 針對特定產業制定的永續揭露標準改為自願性，不再是強制性。



European Council  
Council of the European Union

Council of the EU | Press release | 24 February 2026 10:40

# Council signs off simplification of sustainability reporting and due diligence requirements to boost EU competitiveness

With a view to boosting EU competitiveness, the Council gave today its final green light to a simplification of the **sustainability reporting and due diligence requirements** for companies. This legislation simplifies the directives on corporate sustainability reporting (**CSRD**) and corporate sustainability due diligence (**CS3D**) by reducing the reporting burden and limiting the trickle-down effect of obligations on smaller companies.

The **Omnibus I** simplification package reduces complexity and unnecessary barriers, cuts red tape, enhances efficiency and introduces more flexibility for companies that remain subject to its scope with the aim to boost EU competitiveness, especially in a constantly changing geopolitical framework.

“Simplification constitutes a top priority for the Cyprus presidency. With today’s decision, we are delivering on our commitment for a European Union which is more competitive. Through the package adopted, we are reducing unnecessary and disproportionate burdens on our businesses, with simpler, more targeted and more proportionate rules, both for our companies and our citizens. For a more autonomous Union, which also means a more competitive Union.



Marilena Raouna, Deputy minister for European affairs of the Republic of Cyprus

## Corporate sustainability reporting directive

The CSRD's **scope** is narrowed by raising its thresholds to companies with more than **1,000 employees** and above **€450 million net annual turnover**. Regarding third-country undertakings, the updated requirements will apply only to companies with a net turnover above €450 million for the parent undertaking within the EU and above €200 million generated turnover for the subsidiary or branch.

The amending directive also provides for a transition exemption for companies that had to start reporting from financial year 2024 (the so-called '**wave one**' companies) falling out of scope for 2025 and 2026. It also includes an exemption for certain EU and non-EU financial holding companies from consolidated reporting.

## Corporate sustainability due diligence directive

The CS3D's **scope** is narrowed by raising its thresholds to companies with more than **5,000 employees** and above **€1.5 billion net turnover**, considering that such large companies have the biggest influence on their value chain and are best equipped to make a positive impact and absorb the costs and burdens of due diligence processes.

On the identification and assessment of adverse impacts, companies can focus on the areas of their chains of activities where actual and potential adverse

impacts are most likely to occur. To provide companies with **flexibility**, when a company has identified adverse impacts equally likely or equally severe in several areas, this company is given the ability to prioritise assessing adverse impacts which involve direct business partners. Companies are also supposed to base their efforts on **reasonably available information**, which will reduce the trickle-down effect of information requests on smaller business partners.

To provide for a significant burden relief, the obligation for companies to adopt a **transition plan** for climate change mitigation under the CS3D has been removed.

The updated rules also remove the **EU harmonised liability regime** and the requirement for member states to ensure that the liability rules are of overriding mandatory application in cases where the applicable law is not the national law of the member state.

When it comes to **penalties**, businesses will be liable at a national level for failure to apply the rules correctly. The new directive provides for a **maximum cap of 3%** of the company's net worldwide turnover, with the Commission issuing the necessary guidelines in this regard.

Finally, the amending directive **postpones** the CS3D's transposition deadline by member states into national law by another year, to **26 July 2028**. Companies will have to comply with the new measures by July 2029.

## Next steps

The text of the legislative act will be published in the EU's official journal in the coming days and will come into force on the twentieth day after this publication.

Member states will have one year after the entry into force of the directive to transpose its provisions into national legislation except for article 4 on the level of harmonisation, with which they must comply by 26 July 2028 at the latest.

# Background

In October 2024, the European Council called on all EU institutions, member states and stakeholders, as a matter of priority, to take work forward, notably in response to the challenges identified in the reports by Enrico Letta ('Much more than a market') and Mario Draghi ('The future of European competitiveness'). The Budapest declaration of 8 November 2024 subsequently called for 'launching a simplification revolution', by ensuring a clear, simple and smart regulatory framework for businesses and drastically reducing administrative, regulatory and reporting burdens, in particular for SMEs. On 26 February 2025, as a follow-up to EU leaders' call, the Commission put forward the so-called 'Omnibus I' package, aiming to simplify existing legislation in the field of sustainability.

[Directive on sustainability reporting and due diligence requirements, 24 February 2026](#)

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[Simplification: Council agrees position on sustainability reporting and due diligence requirements to boost EU competitiveness \(press release, 23 June 2025\)](#)

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[Directive on certain corporate sustainability reporting and due diligence requirements, Commission proposal, 26 February 2025](#)

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[Simplification of EU rules \(background information\)](#)

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[Corporate sustainability \(background information\)](#)

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2026/470

26.2.2026

**DIRECTIVE (EU) 2026/470 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**of 24 February 2026**

**amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting requirements and certain corporate sustainability due diligence requirements**

**(Text with EEA relevance)**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 50 and 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee <sup>(1)</sup>,

Acting in accordance with the ordinary legislative procedure <sup>(2)</sup>,

Whereas:

- (1) In its communication of 11 February 2025 entitled ‘A simpler and faster Europe: Communication on implementation and simplification’, the Commission set out a vision for an implementation and simplification agenda that delivers fast and visible improvements for people and business on the ground. That requires more than an incremental approach, and it is necessary for the Union to take bold action to achieve that goal. The Commission, the European Parliament, the Council, Member States’ authorities at all levels and stakeholders need to work together to streamline and simplify Union, national and regional rules and implement policies more effectively.
- (2) In the context of the Commission’s commitment to reducing reporting burdens and enhancing competitiveness, it is necessary to amend Directives 2006/43/EC <sup>(3)</sup>, 2013/34/EU <sup>(4)</sup>, (EU) 2022/2464 <sup>(5)</sup> and (EU) 2024/1760 <sup>(6)</sup> of the European Parliament and of the Council, whilst maintaining the policy objectives specified in the Commission communication of 11 December 2019 entitled ‘The European Green Deal’ (the ‘European Green Deal’) and the Commission communication of 8 March 2018 entitled ‘Action Plan: Financing Sustainable Growth’ (the ‘Sustainable Finance Action Plan’).

<sup>(1)</sup> OJ C, C/2025/4212, 20.8.2025, ELI: <http://data.europa.eu/eli/C/2025/4212/oj>.

<sup>(2)</sup> Position of the European Parliament of 16 December 2025 (not yet published in the Official Journal) and decision of the Council of 24 February 2026.

<sup>(3)</sup> Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87, ELI: <http://data.europa.eu/eli/dir/2006/43/oj>).

<sup>(4)</sup> Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19, ELI: <http://data.europa.eu/eli/dir/2013/34/oj>).

<sup>(5)</sup> Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (OJ L 322, 16.12.2022, p. 15, ELI: <http://data.europa.eu/eli/dir/2022/2464/oj>).

<sup>(6)</sup> Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859 (OJ L, 2024/1760, 5.7.2024, ELI: <http://data.europa.eu/eli/dir/2024/1760/oj>).

- (3) Given the change in the scope of undertakings to be subject to sustainability reporting requirements, it would be disproportionate to require that audit firms that wish to carry out the assurance of sustainability reporting be subject to requirements for approval that are equivalent to those for audit firms that carry out audits of financial statements. Such approval requirements relate to natural persons who carry out the work on behalf of the audit firm, the majority of the voting rights held by the audit firm and the majority of the members of the administrative or management body of the audit firm. Audit firms that wish to carry out the assurance of sustainability reporting should only need to ensure that they designate at least one key sustainability partner who meets the requirements for the purposes of approval and who is approved as statutory auditor in the Member State concerned.
- (4) Article 26a(1) of Directive 2006/43/EC requires Member States to ensure that statutory auditors and audit firms carry out the assurance of sustainability reporting in compliance with limited assurance standards to be adopted by the Commission by 1 October 2026. Undertakings have raised concerns on the work carried out by the assurance providers and have expressed the need for flexibility in addressing specific risks and critical issues identified in the area of sustainability assurance. The Commission should take into account those concerns when working on the limited assurance standards. The lack of harmonised assurance standards contributes to the problems experienced by undertakings, and it is therefore important that the Commission adopt a suitable delegated act. To allow adequate time to develop the limited assurance standards, the deadline for their adoption should be postponed to 1 July 2027.
- (5) Article 26a(3), second subparagraph, of Directive 2006/43/EC empowers the Commission to adopt reasonable assurance standards by 1 October 2028, following an assessment of feasibility for auditors and for undertakings. To avoid an increase in the costs of assurance for undertakings, the requirement to adopt reasonable assurance standards should be removed.
- (6) Article 45 of Directive 2006/43/EC requires the competent authorities of a Member State to register third-country auditors and audit entities issuing assurance reports on the sustainability information of third-country entities whose securities are admitted to trading on a regulated market in that Member State. The conditions for such registration concern the requirements to be met by the majority of the members of the administrative or management body of the third-country audit entity, the requirements to be met by the third-country auditor, the assurance standards to be used and the publication of an annual transparency report by the third-country audit entity. Moreover, Member States are to subject registered third-country auditors and audit entities to their systems of oversight, their quality assurance systems and their systems of investigation and penalties. Taking into account the current international landscape on the regulation of sustainability reporting and the assurance thereof, and considering that registration is necessary for the validity of the assurance reports within the Union, it would be disproportionate to require that those registration conditions be met in the first years of application of the sustainability assurance regime. In addition, the oversight of registered third-country auditors and audit entities is dependent on the existence of equivalence or adequacy decisions. Therefore, for a transitional period, simplified registration conditions and an exemption from oversight should be introduced for third-country auditors and audit entities issuing assurance reports on the sustainability information of third-country entities whose securities are admitted to trading on a regulated market in a Member State. The simplified registration should be possible on condition that certain information be provided to the competent authorities of the Member State concerned. The competent authorities should decline registration if that information is not provided.

- (7) Article 19a(1) of Directive 2013/34/EU requires large undertakings, and small and medium-sized undertakings, except micro undertakings, whose securities are admitted to trading on a regulated market in the Union, to prepare and publish sustainability reporting at individual level. The report entitled 'The future of European competitiveness' identified the sustainability reporting framework as 'a major source of regulatory burden', concluding in that respect that there was a 'need to better consider the size of companies affected by regulation'. To reduce the reporting burden on undertakings and to achieve the objectives of reporting in a more proportionate way, the obligation to prepare and publish sustainability reporting at individual level should be limited to undertakings with a net turnover exceeding EUR 450 000 000 and an average of more than 1 000 employees during the financial year, as defined in the national measures transposing Directive 2013/34/EU. That more targeted scope, which should also apply as regards groups and issuers, will ensure that the burden of mandatory sustainability reporting is limited to the largest undertakings, groups and issuers. Such undertakings, groups and issuers are the most consequential in terms of environmental, social and governance (ESG) impacts. At the same time, they are the most able to absorb the costs associated with ESG reporting. Undertakings, groups and issuers below the specified thresholds remain free to carry out voluntary sustainability reporting, a possibility that is significantly facilitated by the sustainability reporting standards for voluntary use introduced by this Directive.
- (8) Article 1(3) of Directive 2013/34/EU specifies that insurance undertakings and credit institutions that are large undertakings or small and medium-sized undertakings, except micro undertakings, whose securities are admitted to trading on a regulated market in the Union are subject to the sustainability reporting requirements set out in that Directive, regardless of their legal form. Since this Directive reduces the scope of individual sustainability reporting, such reduction in scope should also apply to insurance undertakings and credit institutions.
- (9) For the purpose of ensuring coherence across sustainable finance legislation, it is important to consider whether requirements related to ESG or sustainability for the financial sector, including sector-specific financial services legislation, the expectations of European Supervisory Authorities (ESAs) and the supervisory expectations at the national level are to be framed or adapted in a way that ensures consistency with the sustainability reporting obligations set out in Directive 2013/34/EU. Maintaining coherence, including as regards undertakings that fall outside of the scope of Articles 19a and 29a of Directive 2013/34/EU, will require careful attention and might require action from the European Parliament, the Council, the Commission and the ESAs.
- (10) Although the European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement is exempt from the sustainability reporting regime set out in Directive 2004/109/EC of the European Parliament and of the Council <sup>(7)</sup> pursuant to Article 8 thereof, the EFSF is subject to the sustainability reporting requirements set out in Directive 2013/34/EU. Despite it being a large undertaking incorporated in a legal form listed in that Directive, the EFSF has a mandate that is largely similar to that of the European Stability Mechanism (ESM), namely to safeguard financial stability in the Union by providing temporary financial assistance to Member States whose currency is the euro. The ESM, however, is not subject to sustainability reporting requirements. Therefore, in order for the EFSF to benefit from the same treatment as the ESM as regards sustainability reporting and for the purposes of consistency with the exemption regime provided for by Directive 2004/109/EC, the EFSF should be exempt from the sustainability reporting regime provided for by Directive 2013/34/EU.
- (11) Article 19(1), fourth subparagraph, of Directive 2013/34/EU requires large undertakings, and small and medium-sized undertakings, except micro undertakings, whose securities are admitted to trading on a regulated market in the Union, namely the undertakings which are subject to mandatory sustainability reporting, to report information on key intangible resources and their role in the undertaking's business model and value creation. In order to ensure consistency with the new scope and to achieve the objectives of such reporting in a more proportionate way, that requirement should only apply to undertakings that have a net turnover exceeding EUR 450 000 000 and have more than 1 000 employees on average during the financial year.

(7) Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38, ELI: <http://data.europa.eu/eli/dir/2004/109/oj>).

- (12) Article 19a(3) of Directive 2013/34/EU requires undertakings to report information about their own operations and about their value chain. There is evidence that undertakings in the value chain, including small and medium-sized enterprises, receive disproportionate requests for information from reporting undertakings, notwithstanding the existing limitations set out in that Directive. It is therefore necessary to introduce protections for undertakings in the value chain that do not exceed the average number of 1 000 employees during the preceding financial year to limit the burden for those undertakings (the ‘protected undertakings’). Reporting undertakings should be able to rely on a self-declaration issued by undertakings in their value chain for the purpose of determining the size of those undertakings. No further verification by the reporting undertaking should be necessary. However, the reporting undertaking should not rely on a self-declared size that it knows, or can reasonably be expected to know, is manifestly incorrect. When seeking to obtain information about their value chain, reporting undertakings should be prohibited from requiring information exceeding certain limits from protected undertakings. Those limits should reflect the limits specified by the sustainability reporting standards for voluntary use to be adopted by the Commission. At the same time, protected undertakings in the value chain of the reporting undertakings should be given a statutory right to refuse to provide information exceeding those limits. To ensure the effectiveness of that right and to avoid placing a burden on smaller undertakings to proactively assess whether that right applies, reporting undertakings which choose to request information exceeding those limits should be required to ensure that protected undertakings are informed of which extra information is requested and of their statutory right to decline to provide it. To ensure proportionality, the scope of this ‘value-chain cap’ should be limited in the following ways. First, it should not prohibit the sharing of information on a voluntary basis, such as information that is commonly shared among undertakings in a given sector. Second, it should not affect any obligation that might exist, whether contractually or under Union or national law, to provide information that does not exceed the information specified in the voluntary standard. Third, the value chain cap should only apply to information gathering carried out for the purpose of reporting sustainability information as required by Directive 2013/34/EU. It should not affect Union requirements to conduct a due diligence process or information gathering carried out for any other purpose, such as for the reporting undertaking’s risk management. Undertakings reporting in accordance with those limitations should be deemed to comply with the obligation to report value chain information as required by Directive 2013/34/EU. It is important that reporting undertakings only request information from undertakings in their value chain insofar as necessary. In particular, it is important that they request less information than that specified in the standards for voluntary use if they do not need all the information in those standards. Assurance providers should prepare their assurance opinion respecting the protections provided for undertakings in the value chain. Furthermore, recognising that all the necessary information might not always be available from undertakings in the value chain, the reporting undertaking should be able to meet the reporting requirements for value chain information by using information directly obtained from undertakings in its value chain or estimates for that information, as appropriate.
- (13) Given the change to the series of application dates set out in Directive (EU) 2022/2464, Directive 2013/34/EU should be amended to simplify the three-year transition period and to clarify that it begins at the point in time at which an undertaking becomes required to report sustainability information in accordance with Directives 2013/34/EU and (EU) 2022/2464.
- (14) There are circumstances in which undertakings should, subject to assurance, be permitted to omit certain information when applying sustainability reporting requirements. Such circumstances should be developed and clarified. First, in certain cases the disclosure of sustainability information could seriously prejudice the commercial position of an undertaking. In such cases, the undertaking should be allowed to omit such information, provided that specific conditions for the omission are met to ensure that such cases remain exceptional and that the interests of the users of reported sustainability information are also adequately protected. In that context, the commercial position of the reporting undertaking is not seriously prejudiced by the fact that third-country undertakings are not required to report the same information. Second, undertakings should be able to omit information corresponding to intellectual capital, intellectual property, know-how, technological information or the results of innovation that would qualify as a trade secret as defined in Directive (EU) 2016/943 of the European Parliament and of the Council<sup>(8)</sup>. Third, undertakings should be able to omit classified information. Finally, there might be information that should be kept confidential for reasons not relating to commercial prejudice, trade secrecy or classification. In particular, undertakings should be free to omit information that is to be protected from unauthorised access or disclosure pursuant to other Union legal acts or national law. Moreover, the sustainability reporting requirements should not oblige undertakings to disclose information which would be prejudicial to the privacy of natural persons or to the security of natural or legal persons. That is especially important in the current geopolitical context. Defence undertakings, in particular, need to have discretion to withhold sensitive information the disclosure of which could be prejudicial to their own security or to that of other legal persons, including Member States.

<sup>(8)</sup> Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure (OJ L 157, 15.6.2016, p. 1, ELI: <http://data.europa.eu/eli/dir/2016/943/oj>).

- (15) Article 29c(1) of Directive 2013/34/EU empowers the Commission to adopt limited sustainability reporting standards specifying the information to be reported by small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union, small and non-complex institutions, captive insurance undertakings and captive reinsurance undertakings that rely on the derogation to provide limited sustainability reporting set out in Article 19a(6) of that Directive. Since this Directive excludes small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union from the sustainability reporting regime, the empowerment for the Commission to adopt delegated acts to provide for sustainability reporting standards for those small and medium-sized undertakings should be removed. References to Article 29c of Directive 2013/34/EU should accordingly be deleted from that Directive.
- (16) Article 19a(7) of Directive 2013/34/EU allows small and medium-sized undertakings, except micro undertakings, whose securities are admitted to trading on a regulated market in the Union to opt out from the sustainability reporting regime for the first two years of its application. Since this Directive excludes small and medium-sized undertakings from the sustainability reporting regime, the provision allowing for the two-year opt out should be deleted.
- (17) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of groups of a certain size to prepare and publish sustainability reporting at consolidated level. However, it is appropriate to increase the flexibility in the case of financial holding undertakings. In particular, where a group of that size exists only by virtue of the diverse investments of a financial holding undertaking, consolidated reporting might present practical difficulties and burdens and be of limited use to other market participants. Consequently, financial holding undertakings that are parent undertakings of such groups should have the option to choose whether to report consolidated sustainability information or whether to omit such information. That option should be strictly limited given its objective. It should only apply where the parent undertaking meets the definition of a financial holding undertaking, including the requirement not to involve itself directly or indirectly in the management of the subsidiary undertakings, without prejudice to its rights as a shareholder. Those rights include the right to vote at general shareholder meetings, which could, depending on national company law rules, inter alia, relate to the appointment of members of the management, administrative and supervisory bodies of the undertakings in which holdings exist, in order to ensure the proper oversight and protection of those investments. Additionally, financial holding undertakings should only have that option where they have holdings in undertakings whose business models and operations are independent of one another. This excludes cases where the subsidiaries of a financial holding undertaking are closely interconnected through their business activities, for example when the activities of one subsidiary enable or directly support the activities of another subsidiary. Finally, that option should not affect any reporting obligations that might apply to other undertakings in the group, for instance if an undertaking in the group falls within the scope of Article 19a or 29a of Directive 2013/34/EU in its own right.
- (18) Directive (EU) 2022/2464 requires certain undertakings to report sustainability information in accordance with mandatory European Sustainability Reporting Standards (ESRS). In July 2023, the Commission adopted the first set of ESRS. To deliver swiftly on the simplification and streamlining of sustainability reporting, the Commission, within six months of the entry into force of this Directive, will adopt a delegated act to revise the first set of ESRS in order to substantially reform ESRS by: (i) removing datapoints deemed least important for general purpose sustainability reporting; (ii) prioritising, to the extent possible, quantitative datapoints over narrative text; (iii) further distinguishing between mandatory and voluntary datapoints; (iv) providing clear instructions on how to apply the materiality principle in order to ensure that undertakings are only required to report material information and to reduce the risk that assurance service providers inadvertently encourage undertakings to report information that is not necessary or dedicate excessive resources to the materiality assessment process; (v) improving consistency with other pieces of Union legislation, including financial services legislation; and (vi) taking account, to the greatest extent possible, of interoperability with global sustainability reporting standards. The revision will clarify provisions that are deemed unclear and simplify the structure and presentation of the standards. It will also make any other modifications that might be considered necessary considering the experience gained in the application of the first set of ESRS. Sustainability reporting standards should also take account of the difficulties that undertakings might encounter in gathering information from actors throughout their value chain, especially from those which are not subject to the sustainability reporting requirements and from suppliers in emerging markets and economies.

- (19) When the composition of a group changes during the financial year due to the acquisition or merger of undertakings, integrating those undertakings into the sustainability reporting process for the same financial year might take additional time and pose administrative challenges. It is therefore appropriate to enable the parent undertaking subject to consolidated sustainability reporting requirements to postpone the sustainability reporting for such newly acquired or merged undertakings to the subsequent financial year. In addition, when an undertaking leaves a group of undertakings during the financial year, requiring the parent undertaking subject to consolidated sustainability reporting requirements to provide sustainability information on that undertaking for the same financial year would be disproportionate. It is therefore appropriate to allow the parent undertaking not to include in the consolidated management report for that financial year the sustainability information on the undertaking that left the group. Considering that certain events affecting the undertakings that were acquired or merged or that left the group of undertakings might nevertheless have an effect on the group's impacts on, or risks or opportunities related to, sustainability matters, it is appropriate to require the parent undertaking that chooses not to provide sustainability information on those undertakings for a financial year to indicate those significant events in its consolidated management report.
- (20) Article 29b(1), third subparagraph, of Directive 2013/34/EU empowers the Commission to adopt, by means of delegated acts, sector-specific reporting standards, with the first set of such standards to be adopted by 30 June 2026. To avoid an increase in the number of prescribed datapoints that undertakings are required to report, that empowerment should be deleted. Depending on the demand from undertakings subject to the sustainability reporting requirements set out in Directive 2013/34/EU, the Commission could support undertakings by providing sector-specific guidance that illustrates and facilitates the application of ESRS within a given sector, including guidance on the conduct of the double materiality assessment aimed at identifying sustainability matters likely to be material for a typical undertaking operating in the given sector. Any such guidelines should be based on consultations with relevant stakeholders. Where appropriate, relevant international standards could be taken into account.
- (21) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards not to specify disclosures that would require undertakings to obtain from small and medium-sized undertakings in their value chain any information that goes beyond the information to be disclosed pursuant to the sustainability reporting standards for small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union. Since this Directive excludes small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union from the sustainability reporting regime, and in order to reduce the reporting burden for undertakings in the value chain that are not required to report on their sustainability, the sustainability reporting standards should not specify disclosures that would require undertakings to obtain from undertakings in their value chain that have up to 1 000 employees on average during the financial year any information that goes beyond the information to be disclosed pursuant to the sustainability reporting standards for voluntary use by undertakings that are not required to report on their sustainability.
- (22) The Commission should be empowered to adopt a delegated act to provide for sustainability reporting standards for voluntary use by protected undertakings. Those standards should be proportionate to, and relevant for, the capacities and the characteristics of those undertakings and proportionate to the scale and complexity of their activities. Other undertakings not required to report sustainability information should also be able to choose to make use of those standards. The sustainability reporting standards for voluntary use should use simplified language and take into account the 'think small first' principle, using modularity allowing for flexibility and progression in the disclosures. To the greatest extent possible, sustainability reporting standards for voluntary use should take account of Regulation (EC) No 1221/2009 of the European Parliament and of the Council<sup>(9)</sup>. Those standards should also specify, where possible, the structure to be used to present that information. Until the Commission adopts sustainability reporting standards for voluntary use, undertakings that report sustainability information voluntarily are free to do so in accordance with Commission Recommendation (EU) 2025/1710<sup>(10)</sup> which is based on the voluntary standard for SMEs (VSME) developed by EFRAG. To ensure continuity and proportionality, the sustainability reporting standards for voluntary use adopted by the Commission by means of a delegated act should be based on that Recommendation.

<sup>(9)</sup> Regulation (EC) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), repealing Regulation (EC) No 761/2001 and Commission Decisions 2001/681/EC and 2006/193/EC (OJ L 342, 22.12.2009, p. 1, ELI: <http://data.europa.eu/eli/reg/2009/1221/oj>).

<sup>(10)</sup> Commission Recommendation (EU) 2025/1710 of 30 July 2025 on a voluntary sustainability reporting standard for small and medium-sized undertakings (OJ L, 2025/1710, 5.8.2025, ELI: <http://data.europa.eu/eli/reco/2025/1710/oj>).

- (23) In order to ensure that the sustainability reporting standards for voluntary use remain aligned with developments relevant to sustainability reporting, the Commission should review those standards at least every four years. In carrying out that review, the Commission should take due account of developments relevant to sustainability reporting as well as whether the standards enable undertakings to achieve relevant objectives, including: (i) providing information that meets the data needs of undertakings requesting sustainability information from their suppliers; (ii) providing information that meets the data needs of financial institutions and investors and thereby facilitates undertakings' access to finance; (iii) improving the management of sustainability matters, including, as relevant, environmental and social aspects such as pollution and workforce health and safety, in a manner that strengthens the competitiveness and resilience of undertakings; and (iv) contributing to a more sustainable and inclusive economy. Where those objectives are not achieved, the Commission should amend the standards accordingly.
- (24) Article 29d of Directive 2013/34/EU requires undertakings subject to the requirements set out in Articles 19a and 29a of that Directive to prepare their management report or consolidated management report, as applicable, in the single electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815<sup>(11)</sup> and to mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council<sup>(12)</sup>, in accordance with the electronic reporting format specified in that Delegated Regulation. To provide undertakings with clarity, it should be specified that, until such rules on the marking-up of sustainability reporting are adopted by means of Commission Delegated Regulation (EU) 2019/815, undertakings should not be required to mark up their sustainability reporting.
- (25) Article 33(1) of Directive 2013/34/EU specifies that the members of the administrative, management and supervisory bodies of an undertaking have collective responsibility for ensuring that certain documents are drawn up and published in accordance with the requirements of that Directive. To provide flexibility for undertakings and reduce the reporting burden on them, Member States should be able to provide that the collective responsibility of the members of the administrative, management and supervisory bodies of an undertaking for ensuring compliance with the requirements of that Directive as regards the digitalisation of the management report is limited to its publication in the single electronic reporting format, including the marking-up of the sustainability reporting therein.
- (26) Pursuant to Article 40a(1), fourth and fifth subparagraphs, of Directive 2013/34/EU, certain subsidiaries in the Union of a third-country undertaking that generates a net turnover of more than EUR 1 500 000 000 in the Union, or, in the absence of such subsidiaries, branches in the Union of a third-country undertaking that generate a net turnover of more than EUR 400 000 000, are to publish and make accessible sustainability information at the group level, or, if not applicable, the individual level, of the third-country undertaking. To relieve the burden on third-country undertakings in a similar proportion to the reduction in burden on undertakings subject to Articles 19a and 29a of that Directive, the net turnover threshold for the third-country undertaking should be raised from EUR 1 500 000 000 to EUR 450 000 000. In addition, for reasons of burden reduction, the size of a subsidiary of a third-country undertaking and a branch of a third-country undertaking for such subsidiaries and branches to fall within the scope of Directive 2013/34/EU as regards sustainability reporting should also be adjusted. The net turnover threshold for the subsidiary of a third-country undertaking and the branch of a third-country undertaking should be set at EUR 200 000 000. The reporting requirements for the subsidiary of the third-country undertaking or the branch of the third-country undertaking under Article 40a are different from the reporting requirements for undertakings under Articles 19a and 29a. The subsidiary of the third-country undertaking or branch of the third-country undertaking subject to Article 40a is only required to publish and make available the sustainability report provided by the third-country undertaking, whereas undertakings subject to Articles 19a and 29a are required to report on their own behalf. It is therefore not necessary to apply the same thresholds when identifying which subsidiaries or branches are subject to the reporting requirements under Article 40a and which undertakings are subject to the reporting requirements under Article 19a and 29a. Furthermore, to ensure a level playing field, third-country parent undertakings which are financial holding undertakings whose subsidiaries' business models and operations are independent of one another should be allowed not to publish and make accessible a sustainability report in accordance with Article 40a.

<sup>(11)</sup> Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (OJ L 143, 29.5.2019, p. 1, ELI: [http://data.europa.eu/eli/reg\\_del/2019/815/oj](http://data.europa.eu/eli/reg_del/2019/815/oj)).

<sup>(12)</sup> Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13, ELI: <http://data.europa.eu/eli/reg/2020/852/oj>).

- (27) To ensure that undertakings can access practical information about the application of mandatory and voluntary sustainability reporting standards as set out in Directive 2013/34/EU, and to ease the burden of applying those sustainability reporting standards, the Commission should provide for a dedicated online portal. The dedicated online portal should give access to information, guidance and support, including relevant templates, regarding those sustainability reporting standards. The dedicated online portal should be interconnected with online support measures provided by Member States, where they exist, to take account of national context.
- (28) In order to reduce the administrative burden stemming from meeting the sustainability reporting requirements mainly associated with the data collection, data processing and business-to-business sharing of data for undertakings, the Commission should present a report on initiatives that enable undertakings to collect, process and exchange data in a secure, seamless and automated manner. That should include: providing harmonised, standardised and structured digital data formats for efficient business-to-business sharing of activity data, such as electronic invoices or digital VSME reports; setting minimum technical requirements for digital systems used for sustainability data management and reporting to ensure interoperability; ensuring access to trustworthy and qualified data; and ensuring the possibility to share data through open and common Union data exchange infrastructure.
- (29) In order to adapt the net turnover thresholds for undertakings to be subject to sustainability reporting requirements, as with the passage of time inflation will erode their real value, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making<sup>(13)</sup>. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.
- (30) Article 5(2), first subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to apply the sustainability reporting requirements set out in Directive 2013/34/EU, with different dates depending on the size of the undertaking concerned. Considering that only undertakings with a net turnover exceeding EUR 450 000 000 and more than 1 000 employees on average during the financial year, at the group level, as appropriate, are to be subject to sustainability reporting requirements, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union should be removed.
- (31) It is important to ensure legal certainty regarding the reduction in the scope of undertakings subject to sustainability reporting requirements, especially regarding the personal scope of the relevant provisions at each point in time. Accordingly, Article 5(2), first subparagraph, point (a), of Directive (EU) 2022/2464, which concerns the first set of undertakings subject to that Directive, should be amended to limit its application to three financial years from 1 January 2024. For financial years starting on or after 1 January 2027, Article 5(2), first subparagraph, point (b), of Directive (EU) 2022/2464, which concerns the second set of undertakings subject to that Directive, should apply. Accordingly, undertakings that fall within the scope of Article 5(2), first subparagraph, point (a), of that Directive but outside the scope of point (b) thereof, as amended by this Directive, will fall outside the scope of this Directive as of financial years starting on or after 1 January 2027. Nevertheless, with a view to reducing burden as swiftly as possible, Member States should be able to exempt such undertakings from reporting obligations as regards the financial years beginning between 1 January 2025 and 31 December 2026. Member States are required to implement that derogation in a way that ensures compliance with the principle of legal certainty.

<sup>(13)</sup> OJ L 123, 12.5.2016, p. 1, ELI: [http://data.europa.eu/eli/agree\\_interinst/2016/512/oj](http://data.europa.eu/eli/agree_interinst/2016/512/oj).

- (32) Article 5(2), third subparagraph, of Directive (EU) 2022/2464 specifies the dates by which the Member States are to apply the sustainability reporting requirements set out in Directive 2004/109/EC, with different dates depending on the size of the issuer concerned. Considering that only undertakings with a net turnover exceeding EUR 450 000 000 and more than 1 000 employees on average during the financial year, at the group level, as appropriate, are to be subject to sustainability reporting requirements, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings whose securities are admitted to trading on a regulated market in the Union should be removed.
- (33) It is important to ensure legal certainty regarding the reduction in scope of issuers subject to sustainability reporting requirements, especially regarding the personal scope of the relevant provisions at each point in time. Accordingly, Article 5(2), third subparagraph, point (a), of Directive (EU) 2022/2464, which concerns the first set of issuers subject to that Directive, should be amended to limit its application to three financial years from 1 January 2024. For financial years starting on or after 1 January 2027, Article 5(2), third subparagraph, point (b), of Directive (EU) 2022/2464, which concerns the second set of issuers subject to that Directive, should apply. Accordingly, issuers that fall within the scope of Article 5(2), third subparagraph, point (a), of that Directive but outside the scope of point (b) thereof, as amended by this Directive, will fall outside the scope of this Directive as of financial years starting on or after 1 January 2027. Nevertheless, with a view to reducing burden as swiftly as possible, Member States should be able to exempt such issuers from reporting obligations as regards the financial years beginning between 1 January 2025 and 31 December 2026. Member States are required to implement that derogation in a way that ensures compliance with the principle of legal certainty.
- (34) Due to the change in the scope of undertakings subject to sustainability reporting obligations, the provisions on the review and reporting in Directive (EU) 2022/2464 should be adjusted. In order to ensure the Union's objective of enabling the disclosure of sufficient data on corporate sustainability, the Commission should assess the appropriateness of the new scope of Directive (EU) 2022/2464 as amended by this Directive. It is appropriate for that assessment to be based on, in particular, an analysis of the needs for sustainability data to mobilise private investments towards the objectives of the European Green Deal, on the one hand, and the influence of sustainability reporting on the competitiveness of the Union undertakings, on the other hand. It is also important that the review take into account the best practices developed and the actual level of preparedness of undertakings to provide sustainability disclosures under Directive (EU) 2022/2464. To that end and in light of the principle of proportionality, when considering a possible extension of the scope, it is important that the Commission consider whether to balance that extension with the possibility of establishing a simplified reporting regime.
- (35) Directive (EU) 2024/1760 is not to constitute grounds for reducing the level of protection of certain rights and interests provided by national law or collective agreements applicable at the time of the adoption of that Directive. However, that should not prevent Member States from adjusting national corporate sustainability due diligence laws applicable at the time of the adoption of Directive (EU) 2024/1760, when implementing that Directive, in order to increase or ensure their alignment with it, in particular their scope.
- (36) Directive (EU) 2024/1760 does not aim to provide a comprehensive framework for the protection of human rights or the environment in the context of companies' operations. Instead, it aims to harmonise national law concerning general due diligence obligations on such companies and liability in that respect, thereby ensuring that companies active in the internal market contribute to sustainable development. Due diligence processes complement, rather than replace, the specific legal obligations that operate to protect, directly or indirectly, human rights or the environment. Those specific legal obligations include those deriving from, amongst many other examples, labour, working time and equality law; law concerning workplace health and safety, including the handling of hazardous materials; construction standards and building zoning law; and law regulating product or food safety. All such legal obligations fall outside the scope of Directive (EU) 2024/1760, unless and insofar as they include general due diligence obligations. To increase legal certainty and to ensure that the necessary regulatory freedom is explicitly preserved, Directive (EU) 2024/1760 should be amended to further clarify the limits of the scope of that Directive.

- (37) Directive (EU) 2024/1760 imposes wide-ranging due diligence obligations on certain companies. Because of that, its scope is limited to particularly large companies. Nevertheless, the report entitled 'The future of European competitiveness' identified the due diligence framework as 'a major source of regulatory burden', concluding in this respect that there was a 'need to better consider the size of companies affected by regulation'. Furthermore, Directive (EU) 2024/1760 can best achieve its objectives as regards the very largest companies, which have the greatest influence over their value chains, the greatest impact on human rights and the environment, and the greatest resources to implement due diligence diligently. For all of those reasons, and in line with the crucial objective of simplification, the scope of Directive (EU) 2024/1760 should be reduced. The turnover threshold of EUR 450 000 000 should be raised to EUR 1 500 000 000, and the threshold of 1 000 employees should be raised to 5 000 employees. Accordingly, the thresholds regarding companies that have entered into franchising or licensing agreements should be raised to EUR 75 000 000 with regard to royalties and EUR 275 000 000 with regard to turnover.
- (38) Article 4(1) of Directive (EU) 2024/1760 prohibits Member States from introducing, in their national law, provisions within the field covered by that Directive laying down human rights and environmental due diligence obligations diverging from those laid down in specific provisions of that Directive. To ensure that Member States do not go beyond that Directive and to avoid the creation of a fragmented regulatory landscape resulting in legal uncertainty and unnecessary burden, the full harmonisation provisions of Directive (EU) 2024/1760 should be expanded to include additional provisions regulating the core aspects of the due diligence process. That includes, in particular, the identification duty, the duty to prioritise adverse impacts, the duties to address adverse impacts that have been or should have been identified, the duty to provide for a complaints and notification mechanism, the duty to monitor due diligence measures, and the duty to report on the matters covered by that Directive. At the same time, Member States should continue to be allowed to introduce more stringent provisions on other aspects or provisions on due diligence that are more specific in terms of the objective or the field covered. Such provisions include provisions of national law regulating specific adverse impacts or specific sectors of activity, in order to achieve a different level of protection of human, employment and social rights, the environment or the climate. To increase legal certainty and to ensure the necessary regulatory freedom, in particular as regards emerging specific risks for which due diligence obligations might be important, it should be clarified that such provisions include due diligence obligations concerning specific products, services or situations. Conversely, national rules going beyond a specific objective or field, for instance by regulating the due diligence process in general or regulating due diligence in an entire sector, do not constitute such provisions.
- (39) Article 5 of Directive (EU) 2024/1760 obliges Member States to ensure that large companies above a certain size conduct human rights and environmental due diligence. Article 8 of that Directive requires those companies to take appropriate measures to identify and assess adverse impacts, taking into account relevant risk factors. Companies should be required to conduct a scoping exercise, based solely on reasonably available information, to identify general areas across their own operations, those of their subsidiaries and, where related to their chains of activities, those of their business partners where adverse impacts are most likely to occur. When conducting the scoping exercise, companies are not required to systematically identify adverse impacts at entity level, but rather are required to scope general areas. In the scoping exercise, companies should rely solely on information that is reasonably available to them, which will as a general rule preclude requesting information from business partners. Nevertheless, companies have flexibility in judging what information is reasonably available to them.
- (40) Based on the results of the scoping exercise, companies should be required to carry out an in-depth assessment in the areas where adverse impacts were identified to be most likely to occur and most severe. Companies should not be required to request any information from business partners where no likely and severe risks were identified. The in-depth assessment should be aimed at obtaining accurate and reliable information, in particular about the nature, extent, causes, severity and likelihood of the identified adverse impacts, to enable the company to conduct, where relevant, the prioritisation of identified actual and potential adverse impacts in accordance with Directive (EU) 2024/1760 and adopt appropriate measures to address them in accordance with that Directive. To provide companies with additional flexibility, where a company has identified adverse impacts that are equally likely or equally severe in several areas, that company should be able to prioritise assessing adverse impacts which involve direct business partners. Companies are only required to take appropriate measures to identify adverse impacts. They are thus not required to identify every adverse impact in their operations, those of their subsidiaries, and those of their business partners. In some cases, that could lead to such an impact not being identified and, therefore, not being prevented, mitigated, brought to an end or minimised, despite the company having complied in full with its obligations under Directive (EU) 2024/1760. It follows that companies would not be penalised under that Directive for such an impact.

- (41) To limit the trickle-down effect on other companies, including small and medium-sized undertakings and small mid-cap companies, when it comes to the in-depth assessment of business partners, companies subject to Directive (EU) 2024/1760 should only request information from business partners where that information is necessary. It is important that any request be targeted, reasonable and proportionate. In the case of business partners with fewer than 5 000 employees, companies should request information only where the information cannot reasonably be obtained by other means such as from information they have or other sources.
- (42) Article 8(3) of Directive (EU) 2024/1760 requires Member States to ensure that for the purpose of identifying and assessing the adverse impacts, companies are entitled to make use of appropriate resources, including independent reports and information gathered through the notification mechanism and the complaints procedure provided for in that Directive. To reduce compliance-related burden for companies and the relevant business partners, it should be specified that digital solutions, industry and multi-stakeholder initiatives could also constitute appropriate resources. Therefore, companies should be able to obtain the necessary information through industry and multi-stakeholder initiatives in order to avoid duplicative requests. However, companies also remain free to obtain the information individually.
- (43) As adverse impacts should be prioritised according to their severity and likelihood and addressed gradually, if it is not possible to address at the same time and to the full extent all adverse impacts it has identified, a company should not be penalised under Directive (EU) 2024/1760.
- (44) Companies might find themselves in situations where their production heavily relies on inputs from one or several specific suppliers. In particular, where the business operations of such a supplier are linked to severe adverse impacts, including child labour or significant environmental harm, and the company has unsuccessfully exhausted all due diligence measures to address such impacts, the company, as a last resort should suspend the business relationship while continuing to work with the supplier towards a solution, where possible using any increased leverage resulting from the suspension. The suspension should end once the adverse impact is addressed.
- (45) To reduce burdens on companies and make stakeholder engagement more proportionate, companies should only be required to engage with workers, their representatives, including trade unions, and individuals and communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners, and that have a link to the specific stage of the due diligence process being carried out. That includes individuals or communities in the neighbourhood of plants operated by business partners where those individuals or communities are directly affected by pollution, or indigenous people whose right to lands or resources are directly affected by how a business partner acquires, develops or otherwise uses land, forests or waters. Moreover, stakeholder engagement should only be required for certain parts of the due diligence process, namely at the identification stage, for the development of action plans and enhanced action plans and when designing remediation measures.
- (46) To reduce administrative burdens on companies, the Commission should adopt general due diligence guidelines by 26 July 2027. In parallel, the application deadline for Directive (EU) 2024/1760 for all companies should be postponed to 26 July 2029. That two-year interval should provide companies with sufficient time to take into account the practical guidance and best practices included in the Commission's guidelines when implementing due diligence measures.
- (47) The provisions of Directive (EU) 2024/1760 on the transition plan for climate change have been deemed to be disproportionate, particularly due to the administrative burden on companies and supervisory authorities, and could lead to legal uncertainty. It is necessary to repeal those provisions in order to streamline obligations and support a more targeted and efficient implementation of that Directive.

- (48) Article 27(1) of Directive (EU) 2024/1760 requires Member States to lay down effective, proportionate and dissuasive penalties. Article 27(2) of that Directive requires Member States, when deciding whether to impose penalties and when determining their nature and appropriate level, to take due account of a series of factors that establish the gravity of the infringement and aggravating or mitigating factors. Article 27(4) of that Directive requires Member States, when imposing pecuniary penalties, to base them on the net worldwide turnover of the company concerned. However, that requirement appears unnecessary and could be misinterpreted as requiring pecuniary penalties to be based solely or primarily on the net worldwide turnover. Instead, in accordance with the requirement that penalties be effective, proportionate and dissuasive, supervisory authorities are required to take appropriate account of the net worldwide turnover, or, in the case of companies belonging to a group, the net consolidated worldwide turnover of the ultimate parent company, in conjunction with the series of factors laid down in Article 27(2) of that Directive. Accordingly, the requirement to base pecuniary penalties on the net worldwide turnover should be removed. Conversely, to ensure a level playing field across the Union and in line with the objective of harmonisation, Member States should be required to set a uniform maximum limit of pecuniary penalties of 3 % of the net worldwide turnover. The application of that maximum limit to companies belonging to groups should be clarified. Moreover, to increase the consistency of enforcement practices across the Union, the Commission, in collaboration with the Member States, should develop guidelines to assist supervisory authorities in determining the level of penalties.
- (49) To better achieve the principle of subsidiarity, the specific, Union-wide liability regime currently provided for in Directive (EU) 2024/1760 should be removed. At the same time, as a matter of both international law and Union law, Member States should be required to ensure that victims of adverse impacts have effective access to justice and to guarantee their right to an effective remedy, as enshrined in Article 2(3) of the International Covenant on Civil and Political Rights, Article 8 of the Universal Declaration of Human Rights, Article 9(3) of the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) and Article 47 of the Charter of Fundamental Rights of the European Union. Member States should therefore ensure that, where a company is held liable for a failure to comply with the due diligence requirements laid down in Directive (EU) 2024/1760, and that, where such failure caused damage, victims are able to receive full compensation. That compensation should be granted in accordance with the principles of effectiveness and equivalence. In view of the different rules and traditions that exist at national level when it comes to allowing representative actions, the specific requirement in that regard set out in Directive (EU) 2024/1760 should be deleted. Such deletion is without prejudice to any provision of the applicable national law allowing a trade union, a non-governmental human rights or environmental organisation, any other non-governmental organisation or a national human rights institution to bring actions to enforce the rights of the alleged injured party, or to support such actions brought directly by such party. Furthermore, for the same reason, the requirement for Member States to ensure that the liability rules are of overriding mandatory application in cases where the law applicable to claims to that effect is not the national law of the Member State should be deleted. Such deletion does not restrict the possibility for Member States to provide that the provisions of national law transposing Directive (EU) 2024/1760 are overriding mandatory provisions as referred to in Regulation (EC) No 864/2007 of the European Parliament and of the Council<sup>(14)</sup>, in cases where the law applicable to claims to that effect is not the national law of a Member State.
- (50) Article 36(1) of Directive (EU) 2024/1760 requires the Commission, by 26 July 2026, to submit a report to the European Parliament and to the Council on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities, and the options for such due diligence requirements and their impacts. As the deadline for such a review does not leave enough time to take into account the experience with the newly established general due diligence framework, the provisions on review and reporting in Directive (EU) 2024/1760 should be amended.
- (51) The transposition deadline should be postponed by one year and the dates from which Member States are to apply Directive (EU) 2024/1760 should be unified for all companies within the scope of that Directive in order to give companies more time to prepare for the requirements of that Directive. Additionally, several other dates in that Directive should be amended to reflect that one-year postponement, as well as the postponement specified in Directive (EU) 2025/794.

<sup>(14)</sup> Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II) (OJ L 199, 31.7.2007, p. 40, ELI: <http://data.europa.eu/eli/reg/2007/864/oj>).

- (52) Since the objectives of this Directive cannot be sufficiently achieved by the Member States but can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.
- (53) Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 should therefore be amended accordingly,

HAVE ADOPTED THIS DIRECTIVE:

*Article 1*

**Amendments to Directive 2006/43/EC**

Directive 2006/43/EC is amended as follows:

(1) in Article 3, paragraph 4 is replaced by the following:

‘4. The competent authorities of the Member States may approve as audit firms only those entities which satisfy the following conditions:

- (a) the natural persons who carry out statutory audits on behalf of an audit firm must satisfy at least the conditions for statutory audit imposed by Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1), first subparagraph, Article 11 and Article 12 of this Directive and must be approved as statutory auditors in the Member State concerned;
- (b) a majority of the voting rights in an entity must be held by audit firms which are approved in any Member State or by natural persons who satisfy at least the conditions for statutory audit imposed by Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1), first subparagraph, Article 11 and Article 12 of this Directive. Member States may provide that such natural persons must also have been approved in another Member State. For the purpose of the statutory audit of cooperatives, savings banks and similar entities as referred to in Article 45 of Directive 86/635/EEC, a subsidiary or legal successor of a cooperative, savings bank or similar entity as referred to in Article 45 of Directive 86/635/EEC, Member States may lay down other specific provisions in relation to voting rights;
- (c) a majority – up to a maximum of 75 % – of the members of the administrative or management body of the entity must be audit firms which are approved in any Member State or natural persons who satisfy at least the conditions for statutory audit imposed under Article 4, Article 6(1), Article 7(1), Article 8(1) and (2), Article 9, Article 10(1), first subparagraph, Article 11 and Article 12 of this Directive. Member States may provide that such natural persons must also have been approved in another Member State. Where such a body has no more than two members, one of those members must satisfy at least the conditions in this point;
- (d) the firm must satisfy the condition imposed by Article 4.

Member States may set additional conditions only in relation to point (c). Such conditions shall be proportionate to the objectives pursued and shall not go beyond what is strictly necessary.’;

(2) in Article 24b(1), the second subparagraph is replaced by the following:

‘Member States shall ensure that, when the assurance of sustainability reporting is carried out by an audit firm, that audit firm designates at least one key sustainability partner who must satisfy at least the conditions imposed by Article 4 and Articles 6 to 12 and must be approved as statutory auditor in the Member State concerned. That key sustainability partner may be (one of) the key audit partner(s). The audit firm shall provide the key sustainability partner (s) with sufficient resources and with personnel that have the necessary competence and capabilities to carry out his, her or its duties appropriately.’;

(3) in Article 26a, paragraph 3 is replaced by the following:

‘3. The Commission shall, no later than 1 July 2027, adopt delegated acts in accordance with Article 48a in order to supplement this Directive in order to provide for limited assurance standards setting out the procedures that the auditor (s) and the audit firm(s) shall perform in order to draw his, her or its conclusions on the assurance of sustainability reporting, including engagement planning, risk consideration and response to risks and type of conclusions to be included in the assurance report on sustainability reporting, or, where relevant, in the audit report.

The Commission shall adopt the limited assurance standards referred to in the first subparagraph, ensuring that the standards:

- (a) have been developed with proper due process, public oversight and transparency;
- (b) contribute a high level of credibility and quality to the annual or consolidated sustainability reporting; and
- (c) are conducive to the Union public good.’;

(4) Article 45 is amended as follows:

(a) in paragraph 5, second subparagraph, point (a) is replaced by the following:

‘(a) the majority of the members of the administrative or management body of the third-country audit entity meet requirements which are equivalent to those laid down in Articles 4 to 10, with the exception of Article 7(2), Article 8(3) and Article 10(1), second subparagraph.’;

(b) the following paragraph is inserted:

‘5b. Member States shall not apply paragraphs 1 to 5a in relation to assurance reports concerning annual or consolidated sustainability reporting, issued for financial years starting during the period from 1 January 2025 to 31 December 2030, in cases where the third-country auditor or audit entity concerned provides the competent authorities of the Member State with the following:

- (a) the name and address of the third-country auditor or audit entity concerned and information about its legal structure;
- (b) the declaration that the third-country auditor who signs the assurance report acquired knowledge in the area of sustainability reporting and the assurance thereof and the information on the level of such knowledge;
- (c) where the third-country auditor or audit entity belongs to a network, a description of that network;
- (d) the assurance standards and independence-related requirements which have been applied to the assurance of sustainability reporting concerned;
- (e) a description of the internal quality control system of the third-country audit entity that covers the assurance of the sustainability reporting; and
- (f) an indication of whether and when the last quality assurance review of the third-country auditor or audit entity for the sustainability assurance engagements was carried out and necessary information about the outcome of that quality assurance review.

Upon receiving the information listed in the first subparagraph, the competent authorities of the Member State shall register the third-country auditor or audit entity concerned for the purposes of assurance of sustainability reporting and make it clear that the registration was done under the transitional registration regime set out in the first subparagraph. If any of the information listed in the first subparagraph is not provided by the third-country auditor or audit entity concerned, the competent authorities of the Member State shall not register that third-country auditor or audit entity.’;

(5) in Article 48a(2), the second subparagraph is replaced by the following:

‘The power to adopt delegated acts referred to in Article 26a(3) shall be conferred on the Commission for an indeterminate period of time.’

## Article 2

**Amendments to Directive 2013/34/EU**

Directive 2013/34/EU is amended as follows:

(1) Article 1 is amended as follows:

(a) in paragraph 3, the introductory wording is replaced by the following:

'The coordination measures prescribed by Articles 19a, 29a, 29d, 30 and 33, point (aa) of the second subparagraph of Article 34(1), Article 34(2) and (3), and Article 51 of this Directive shall also apply to the laws, regulations and administrative provisions of the Member States relating to the following undertakings regardless of their legal form, provided that those undertakings are undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year:';

(b) paragraph 4 is replaced by the following:

'4. The coordination measures prescribed by Articles 19a, 29a and 29d shall not apply to the European Financial Stability Facility (EFSF) established by the EFSF Framework Agreement or to financial products listed in points (b) and (f) of point (12) of Article 2 of Regulation (EU) 2019/2088 of the European Parliament and of the Council (\*).

(\*) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1, ELI: <http://data.europa.eu/eli/reg/2019/2088/oj>);

(2) in Article 3, paragraph 13 is replaced by the following:

'13. In order to adjust for the effects of inflation, the Commission shall at least every five years review and, where appropriate, amend, by means of delegated acts in accordance with Article 49, the thresholds referred to in the following provisions, taking into account measures of inflation as published in the *Official Journal of the European Union*:

(a) paragraphs 1 to 7 of this Article;

(b) the fourth subparagraph of Article 19(1), the first subparagraph of Article 19a(1), the first subparagraph of Article 29a(1); and

(c) the second, fourth and fifth subparagraphs of Article 40a(1).';

(3) in Article 19(1), the fourth subparagraph is replaced by the following:

'Undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year shall report information on the key intangible resources and explain how the business model of the undertaking fundamentally depends on such resources and how such resources are a source of value creation for the undertaking.';

(4) Article 19a is amended as follows:

(a) in paragraph 1, the first subparagraph is replaced by the following:

‘Undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year shall include in their management report information necessary to understand the undertaking’s impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking’s development, performance and position.’;

(b) paragraph 3 is amended as follows:

(i) after the first subparagraph, the following subparagraphs are inserted:

‘For the purposes of the third, fourth and fifth subparagraphs the following definitions apply:

(a) “reporting undertaking” means an undertaking required to report pursuant to paragraph 1 of this Article;

(b) “protected undertaking” means an undertaking which:

(i) does not exceed, on its balance sheet date, an average number of 1 000 employees during the preceding financial year; and

(ii) is in the value chain of a reporting undertaking;

(c) “voluntary standards” means the standards for voluntary use as referred to in Article 29ca.

Reporting undertakings may rely on a self-declaration from undertakings in their value chain to determine whether they are protected undertakings. Reporting undertakings shall not be required to take steps to verify the information contained in such a self-declaration. However, they shall not rely on the self-declaration where they know, or can reasonably be expected to know, that the declaration is manifestly incorrect.

Protected undertakings shall have the right to decline to provide information exceeding the information specified in the voluntary standards in response to a request made for the purpose of sustainability reporting as required by this Directive. Furthermore:

(a) when establishing contractual and other arrangements for the purpose of meeting the sustainability reporting requirements of this Directive, reporting undertakings shall not require protected undertakings to provide information exceeding the information specified in the voluntary standards;

(b) any contractual provision contrary to point (a) shall not be binding, without however affecting the binding nature of the remaining provisions of the contract;

(c) where a reporting undertaking requests information, directly or indirectly, from protected undertakings for the purpose of sustainability reporting as required by this Directive, and some or all of that information exceeds the information specified in the voluntary standards, that reporting undertaking shall ensure that protected undertakings are informed of the following:

(i) which information exceeds the information specified in the voluntary standards; and

(ii) protected undertakings’ statutory right to decline to provide the information;

- (d) reporting undertakings that report the necessary value chain information without reporting from protected undertakings any information that exceeds the information specified in the voluntary standards are deemed to have complied with the obligation to report value chain information set out in the first subparagraph.

Nothing in the fourth subparagraph:

- (a) affects information requests for purposes other than the purpose of sustainability reporting as required by this Directive, including requests for the purpose of complying with Union requirements on undertakings to conduct a due diligence process; or
- (b) imposes or implies any obligation on any undertaking in the value chain to provide sustainability information.

For the first three years of being subject to sustainability reporting requirements in accordance with paragraph 1, and in the event that not all the necessary information regarding its value chain is available, the undertaking shall explain the efforts made to obtain the necessary information about its value chain, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future. After that three-year transition period, the undertaking shall meet the reporting requirements for value chain information by using information directly obtained from undertakings in its value chain or estimates for that information, as appropriate.;

- (ii) the second subparagraph is deleted;
- (iii) the fourth subparagraph is replaced by the following:

‘When reporting the information referred to in paragraphs 1 and 2, undertakings may omit the following information:

- (a) in exceptional cases, information the disclosure of which would be seriously prejudicial to the commercial position of the undertaking, provided that the following conditions are met:
- (i) such omission does not prevent a fair and balanced understanding of the undertaking’s development, performance and position, or of its principal risks or principal impacts;
- (ii) the undertaking has determined that it is impossible to disclose the information in a manner that would enable it to meet the objectives of the disclosure requirement without seriously prejudicing its commercial position, for example on an aggregated basis;
- (iii) the undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and
- (iv) the undertaking reassesses at each reporting date whether the information may still be omitted;
- (b) information corresponding to intellectual capital, intellectual property, know-how, technological information, or the results of innovation, which would qualify as a trade secret as defined in Article 2, point (1), of Directive (EU) 2016/943 of the European Parliament and of the Council (\*), provided that the following conditions are met:
- (i) the undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and

- (ii) the undertaking reassesses at each reporting date whether the information may still be omitted;
- (c) classified information defined in Article 2, point (7), of Regulation (EU) 2023/2418 of the European Parliament and of the Council (\*\*), provided that the following conditions are met:
  - (i) the undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and
  - (ii) the undertaking reassesses at each reporting date whether the information may still be omitted;
- (d) other information that is to be protected from unauthorised access or disclosure because of obligations laid down in other Union legal acts or national law, or in order to safeguard the privacy or security of a natural person or the security of a legal person, provided that the following conditions are met:
  - (i) the undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and
  - (ii) the undertaking reassesses at each reporting date whether the information may still be omitted.

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(\*) Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure (OJ L 157, 15.6.2016, p. 1, ELI: <http://data.europa.eu/eli/dir/2016/943/oj>).

(\*\*) Regulation (EU) 2023/2418 of the European Parliament and of the Council of 18 October 2023 on establishing an instrument for the reinforcement of the European defence industry through common procurement (EDIRPA) (OJ L, 2023/2418, 26.10.2023, ELI: <http://data.europa.eu/eli/reg/2023/2418/oj>);

(c) paragraphs 6 and 7 are deleted;

(d) paragraph 10 is replaced by the following:

‘10. The exemption laid down in paragraph 9 shall also apply to public-interest entities subject to the requirements of this Article.’;

(5) Article 29a is amended as follows:

(a) in paragraph 1, the first subparagraph is replaced by the following:

‘Parent undertakings of a group which, on its balance sheet date, exceeds, on a consolidated basis, a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year shall include in the consolidated management report information necessary to understand the group’s impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group’s development, performance and position.’;

(b) paragraph 3 is amended as follows:

(i) after the first subparagraph, the following subparagraphs are inserted:

‘For the purposes of the third, fourth and fifth subparagraphs, the following definitions apply:

(a) “reporting undertaking” means an undertaking required to report pursuant to paragraph 1 of this Article;

- (b) “protected undertaking” means an undertaking which:
- (i) does not exceed, on its balance sheet date, an average number of 1 000 employees during the preceding financial year; and
  - (ii) is in the value chain of a reporting undertaking;
- (c) “voluntary standards” means the standards for voluntary use as referred to in Article 29ca.

Reporting undertakings may rely on a self-declaration from undertakings in their value chain to determine whether they are protected undertakings. Reporting undertakings shall not be required to take steps to verify the information contained in such a self-declaration. However, they shall not rely on the self-declaration where they know, or can reasonably be expected to know, that the declaration is manifestly incorrect.

Protected undertakings have the right to decline to provide information exceeding the information specified in the voluntary standards in response to a request made for the purpose of sustainability reporting as required by this Directive. Furthermore:

- (a) when establishing contractual and other arrangements for the purpose of meeting the sustainability reporting requirements of this Directive, reporting undertakings shall not require protected undertakings to provide information exceeding the information specified in the voluntary standards;
- (b) any contractual provision contrary to point (a) shall not be binding, without however affecting the binding nature of the remaining provisions of the contract;
- (c) where a reporting undertaking requests information, directly or indirectly, from protected undertakings for the purpose of sustainability reporting as required by this Directive, and some or all of that information exceeds the information specified in the voluntary standards, that reporting undertaking shall ensure that protected undertakings are informed of the following:
  - (i) which information exceeds the information specified in the voluntary standards; and
  - (ii) protected undertakings' statutory right to decline to provide the information;
- (d) reporting undertakings that report the necessary value chain information without reporting from protected undertakings any information that exceeds the information specified in the voluntary standards are deemed to have complied with the obligation to report value chain information set out in the first subparagraph.

Nothing in the fourth subparagraph:

- (a) affects information requests for purposes other than the purpose of sustainability reporting as required by this Directive, including requests for the purpose of complying with Union requirements on undertakings to conduct a due diligence process; or
- (b) imposes or implies any obligation on any undertaking in the value chain to provide sustainability information.

For the first three years of being subject to sustainability reporting requirements in accordance with paragraph 1, and in the event that not all the necessary information regarding its value chain is available, the parent undertaking shall explain the efforts made to obtain the necessary information about its value chain, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future. After that three-year transition period, the parent undertaking shall meet the reporting requirements for value chain information by using information directly obtained from undertakings in its value chain or estimates for that information, as appropriate.;

(ii) the second subparagraph is deleted;

(iii) the fourth subparagraph is replaced by the following:

‘When reporting the information referred to in paragraphs 1 and 2, parent undertakings may omit the following information:

(a) in exceptional cases, information the disclosure of which would be seriously prejudicial to the commercial position of the group, provided that the following conditions are met:

(i) such omission does not prevent a fair and balanced understanding of the group’s development, performance and position, or of its principal risks or principal impacts;

(ii) the parent undertaking has determined that it is impossible to disclose the information in a manner that would enable it to meet the objectives of the disclosure requirement without seriously prejudicing the group’s commercial position, for example on an aggregated basis;

(iii) the parent undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and

(iv) the parent undertaking reassesses at each reporting date whether the information may still be omitted;

(b) information corresponding to intellectual capital, intellectual property, know-how, technological information, or the results of innovation, which would qualify as a trade secret as defined in Article 2, point (1), of Directive (EU) 2016/943, provided that the following conditions are met:

(i) the parent undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and

(ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted;

(c) classified information defined in Article 2, point (7), of Regulation (EU) 2023/2418, provided that the following conditions are met:

(i) the parent undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and

(ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted;

(d) other information that is to be protected from unauthorised access or disclosure because of obligations laid down in other Union legal acts or national law, or in order to safeguard the privacy or security of a natural person or the security of a legal person, provided that the following conditions are met:

(i) the parent undertaking discloses the fact that it has used the exemption laid down in this subparagraph; and

(ii) the parent undertaking reassesses at each reporting date whether the information may still be omitted.’;

(c) the following paragraph is inserted:

‘4a. By way of derogation from paragraph 1 of this Article, in cases where the composition of the group has changed during the financial year due to acquisitions or mergers of undertakings, the parent undertaking may decide not to include in the consolidated management report related to that financial year the information referred to in paragraph 1 of this Article regarding undertakings subject to an acquisition or a merger.

By way of derogation from paragraph 1 of this Article, the parent undertaking may decide not to include in the consolidated management report the information referred to in paragraph 1 of this Article regarding any subsidiary undertaking that leaves the group during the financial year.

A parent undertaking exercising the options referred to in the first or second subparagraph shall indicate any significant event that affected the subsidiary undertaking during the financial year and that has an effect on the group’s impacts on, or risks or opportunities related to, sustainability matters.’;

(d) the following paragraph is inserted:

‘7a. By way of derogation from paragraph 1, Member States shall ensure that parent undertakings that are financial holding undertakings whose subsidiary undertakings’ business models and operations are independent of one another may choose not to include in their consolidated management report the information referred to in paragraph 1.’;

(e) paragraph 9 is replaced by the following:

‘9. The exemption laid down in paragraph 8 shall also apply to public-interest entities subject to the requirements of this Article.’;

(6) Article 29b is amended as follows:

(a) in paragraph 1, the third, fourth and sixth subparagraphs are deleted;

(b) in paragraph 2, the first subparagraph is replaced by the following:

‘The sustainability reporting standards shall ensure the quality of reported information, by requiring that it is understandable, relevant, verifiable, comparable and represented in a faithful manner. The sustainability reporting standards shall avoid imposing a disproportionate administrative or financial burden on undertakings, including by taking account, to the greatest extent possible, of the work of global standard-setting initiatives for sustainability reporting as required by point (a) of paragraph 5, and by ensuring as much coherence as possible with requirements in other Union legal acts. The sustainability reporting standards shall, to the extent possible, prioritise the disclosure of quantitative information, taking account of the burden on undertakings and the needs of users.’;

(c) in paragraph 4, the first subparagraph is replaced by the following:

'Sustainability reporting standards shall take account of the difficulties that undertakings may encounter in gathering information from actors throughout their value chain, especially from those which are not subject to the sustainability reporting requirements laid down in Article 19a or 29a and from suppliers in emerging markets and economies. Sustainability reporting standards shall specify disclosures on value chains that are proportionate and relevant to the capacities and the characteristics of undertakings in value chains, and to the scale and complexity of their activities, especially those of undertakings that are not subject to the sustainability reporting requirements in Article 19a or 29a. Sustainability reporting standards shall not specify disclosures that would require undertakings to obtain from undertakings in their value chain which, on their balance sheet dates, do not exceed an average number of 1 000 employees during the financial year any information that exceeds the information to be disclosed pursuant to the sustainability reporting standards for voluntary use referred to in Article 29ca.;

(7) Article 29c is deleted;

(8) the following article is inserted:

*'Article 29ca*

#### **Sustainability reporting standards for voluntary use**

1. In order to facilitate voluntary reporting of sustainability information by undertakings which, on their balance sheet date, do not exceed an average number of 1 000 employees during the preceding financial year, and to limit the information that may be required for the purposes of this Directive from such undertakings in the value chain, the Commission shall be empowered to establish, by means of delegated acts in accordance with Article 49, sustainability reporting standards for voluntary use by 19 July 2026.

2. Without prejudice to paragraph 3 of this Article, the sustainability reporting standards for voluntary use referred to in paragraph 1 of this Article shall be based on Commission Recommendation (EU) 2025/1710 (\*), in its original version. They shall also be proportionate to, and relevant for, the capacities and the characteristics of the undertakings for which they are designed and to the scale and complexity of their activities. The sustainability reporting standards for voluntary use shall also, to the extent possible, specify the structure to be used to present such sustainability information.

3. The Commission shall, at least every four years after the date of their application, review the sustainability reporting standards for voluntary use referred to in paragraph 1 and, where necessary, it shall amend them to take into account developments relevant to sustainability reporting.

4. When reviewing the sustainability reporting standards for voluntary use pursuant to paragraph 3, the Commission shall take into consideration technical advice from EFRAG.

(\*) Commission Recommendation (EU) 2025/1710 of 30 July 2025 on a voluntary sustainability reporting standard for small and medium-sized undertakings (OJ L, 2025/1710, 5.8.2025, ELI: <http://data.europa.eu/eli/reco/2025/1710/oj>);

(9) Article 29d is replaced by the following:

*'Article 29d*

#### **Single electronic reporting format**

1. Undertakings subject to the requirements of Article 19a of this Directive shall prepare their management report in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/815 (\*) and shall mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852, in accordance with the electronic reporting format specified in that Delegated Regulation. Until such rules on the marking-up are adopted by way of that Delegated Regulation, undertakings shall not be required to mark up their sustainability reporting.

2. Parent undertakings subject to the requirements of Article 29a shall prepare their consolidated management report in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and shall mark up their sustainability reporting, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852, in accordance with the electronic reporting format specified in that Delegated Regulation. Until such rules on the marking-up are adopted by way of that Delegated Regulation, parent undertakings shall not be required to mark up their sustainability reporting.

(\*) Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (OJ L 143, 29.5.2019, p. 1, ELI: [http://data.europa.eu/eli/reg\\_del/2019/815/oj](http://data.europa.eu/eli/reg_del/2019/815/oj));

(10) the following chapter is inserted:

‘CHAPTER 6c

## **DIGITAL SUPPORT MEASURES**

*Article 29e*

### **Digital portal for sustainability reporting**

The Commission shall provide for a dedicated portal through which undertakings can access information, guidance and support, including relevant templates, with regard to the mandatory and voluntary sustainability reporting framework referred to in this Directive. The portal shall be interconnected with online support measures provided by Member States, where available, to take account of national context.

*Article 29f*

### **Report on technological solutions for sustainability reporting**

The Commission shall, by 19 March 2028, submit a report to the European Parliament and the Council on technological solutions for sustainability reporting, which includes initiatives that will enable undertakings to collect, process and exchange data in a secure, seamless and automated manner.’;

(11) in Article 33, paragraph 1 is replaced by the following:

‘1. Member States shall ensure that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, have collective responsibility for ensuring that the following documents are drawn up and published in accordance with the requirements of this Directive and, where applicable, with the international accounting standards adopted pursuant to Regulation (EC) No 1606/2002, with Delegated Regulation (EU) 2019/815, with the sustainability reporting standards referred to in Article 29b of this Directive, and with the requirements of Article 29d of this Directive:

- (a) the annual financial statements, the management report and the corporate governance statement when provided separately; and
- (b) the consolidated financial statements, the consolidated management report and the consolidated corporate governance statement when provided separately.

By way of derogation from the first subparagraph of this paragraph, Member States may provide that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, do not have collective responsibility for ensuring that the management report, or consolidated management report, as applicable, is prepared in accordance with Article 29d.’;

(12) Article 34 is amended as follows:

(a) in paragraph 1, second subparagraph, point (aa) is replaced by the following:

‘(aa) where applicable, express an opinion based on a limited assurance engagement as regards the compliance of the sustainability reporting with the requirements of this Directive, including the compliance of the sustainability reporting with the sustainability reporting standards adopted pursuant to Article 29b, the process carried out by the undertaking to identify the information reported pursuant to those sustainability reporting standards, and the compliance with the requirement to mark up sustainability reporting in accordance with Article 29d, and as regards the compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852;’

(b) the following paragraph is inserted:

‘2a. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in a manner that fully respects the right of the undertakings in the value chain which, on their balance sheet dates, do not exceed an average number of 1 000 employees during the preceding financial year to decline to provide to the reporting undertaking any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca.’;

(13) in Article 40a, paragraph 1 is amended as follows:

(a) the second subparagraph is replaced by the following:

‘The first subparagraph shall only apply to subsidiary undertakings which, on their balance sheet dates, exceed a net turnover of EUR 200 000 000 in the preceding financial year.’;

(b) the fourth and fifth subparagraphs are replaced by the following:

‘The rule referred to in the third subparagraph shall only apply to a branch where the third-country undertaking does not have a subsidiary undertaking as referred to in the first subparagraph, and where the branch generated a net turnover exceeding EUR 200 000 000 in the preceding financial year.

The first and third subparagraphs shall only apply to the subsidiary undertakings or branches referred to in those subparagraphs where the third-country undertaking, at its group level, or, if not applicable, the individual level, generated a net turnover in the Union exceeding EUR 450 000 000 for each of the last two consecutive financial years.’;

(c) the following subparagraph is added:

‘By way of derogation from the first and third subparagraphs, where the third-country undertaking is a financial holding undertaking whose subsidiary undertakings’ business models and operations are independent of one another, Member States shall ensure that the subsidiaries and the branches may decide not to publish and make accessible the sustainability report referred to in the first and third subparagraphs.’;

(14) Article 49 is amended as follows:

(a) paragraph 2 is replaced by the following:

‘2. The power to adopt delegated acts referred to in Article 1(2), point (a) of Article 3(13), Articles 29b and 40b, and Article 46(2) shall be conferred on the Commission for a period of 5 years from 5 January 2023. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the 5-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.’;

(b) the following paragraph is inserted:

‘2a. The power to adopt delegated acts referred to in points (b) and (c) of Article 3(13) and in Article 29ca shall be conferred on the Commission for an indeterminate period from 18 March 2026.’;

(c) paragraph 3 is replaced by the following:

‘3. The delegation of power referred to in Article 1(2), Article 3(13), Articles 29b, 29ca and 40b, and Article 46(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of that decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.’;

(d) paragraph 3b is amended as follows:

(i) in the first subparagraph, the introductory wording is replaced by the following:

‘When adopting delegated acts pursuant to Article 29b, the Commission shall take into consideration technical advice from EFRAG, provided that:’;

(ii) the fourth subparagraph is replaced by the following:

‘The Commission shall consult jointly the Member State Expert Group on Sustainable Finance, referred to in Article 24 of Regulation (EU) 2020/852, and the Accounting Regulatory Committee, referred to in Article 6 of Regulation (EC) No 1606/2002, on the draft delegated acts prior to their adoption as referred to in Article 29b of this Directive.’;

(iii) the sixth subparagraph is replaced by the following:

‘The Commission shall also consult the European Environment Agency, the European Union Agency for Fundamental Rights, the European Central Bank, the Committee of European Auditing Oversight Bodies and the Platform on Sustainable Finance established pursuant to Article 20 of Regulation (EU) 2020/852 on the technical advice provided by EFRAG prior to the adoption of delegated acts referred to in Article 29b of this Directive. If any of those bodies decide to submit an opinion, they shall do so within two months of the date of being consulted by the Commission.’;

(e) paragraph 5 is replaced by the following:

‘5. A delegated act adopted pursuant to Article 1(2), Article 3(13), Article 29b, 29ca or 40b, or Article 46(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.’.

### Article 3

#### Amendments to Directive (EU) 2022/2464

Directive (EU) 2022/2464 is amended as follows:

(1) in Article 5, paragraph 2 is amended as follows:

(a) the first subparagraph is amended as follows:

(i) in point (a), the introductory wording is replaced by the following:

‘for financial years starting between 1 January 2024 and 31 December 2026.’;

(ii) point (b) is amended as follows:

(1) point (i) is replaced by the following:

‘(i) to undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year;’

(2) point (ii) is replaced by the following:

‘(ii) to parent undertakings of a group which, on its balance sheet dates, exceeds, on a consolidated basis, a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year;’

(iii) point (c) is deleted;

(b) the third subparagraph is amended as follows:

(i) in point (a), the introductory wording is replaced by the following:

‘for financial years starting between 1 January 2024 and 31 December 2026;’

(ii) point (b) is amended as follows:

(1) point (i) is replaced by the following:

‘(i) to issuers as defined in point (d) of Article 2(1) of Directive 2004/109/EC which are undertakings which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year;’

(2) point (ii) is replaced by the following:

‘(ii) to issuers as defined in point (d) of Article 2(1) of Directive 2004/109/EC which are parent undertakings of a group which, on its balance sheet dates, exceeds, on a consolidated basis, a net turnover of EUR 450 000 000 and an average number of 1 000 employees during the financial year;’

(iii) point (c) is deleted;

(c) the following subparagraph is added:

‘By way of derogation from point (a) of the first subparagraph and point (a) of the third subparagraph, Member States may exempt undertakings or issuers which do not exceed a net turnover of EUR 450 000 000 or an average number of 1 000 employees during the financial year, on a consolidated basis where applicable, from complying with the measures necessary to comply with Article 1, with the exception of point (14), and with Article 2, for the financial years starting between 1 January 2025 and 31 December 2026.’

(2) in Article 6, paragraph 1 is amended as follows:

(a) points (b) and (c) are replaced by the following:

‘(b) an assessment of the number of undertakings voluntarily using the sustainability reporting standards referred to in Article 29ca of Directive 2013/34/EU;

(c) an assessment of whether and how the scope of the provisions amended by this amending Directive should be extended, in particular in relation to large undertakings with a net turnover not exceeding EUR 450 000 000 and an average number of employees not exceeding 1 000 during the financial year, as well as to third-country undertakings operating directly on the Union internal market without a subsidiary or a branch on the territory of the Union;’

(b) the second subparagraph is replaced by the following:

'The report concerning points (a), (b), (d) and (e) of the first subparagraph shall be published by 30 April 2029 and every three years thereafter, and shall be accompanied, if appropriate, by legislative proposals. The report concerning point (c) of the first subparagraph shall be published by 30 April 2031 and every three years thereafter, and shall be accompanied, if appropriate, by legislative proposals.'

#### Article 4

### Amendments to Directive (EU) 2024/1760

Directive (EU) 2024/1760 is amended as follows:

(1) Article 1 is amended as follows:

(a) paragraph 1 is replaced by the following:

'1. This Directive lays down rules on:

(a) obligations for companies regarding actual and potential adverse human rights impacts and adverse environmental impacts, with respect to their own operations, the operations of their subsidiaries, and the operations carried out by their business partners in the chains of activities of those companies; and

(b) liability for violations of the obligations as referred to in point (a).';

(b) paragraph 2 is replaced by the following:

'2. This Directive shall not constitute grounds for reducing the level of protection of human, employment and social rights, or of protection of the environment or of protection of the climate provided for by the national law of the Member States or by the collective agreements applicable at the time of the adoption of this Directive. However, the first sentence of this paragraph shall not prevent Member States from adjusting any national corporate sustainability due diligence laws applicable at the time of the adoption of this Directive, in particular their scope, with a view to aligning them with this Directive.'

(c) the following paragraph is added:

'4. This Directive does not affect Union or national law relating to matters other than those set out in paragraph 1. In particular, the rules referred to in point (a) of paragraph 1 do not affect Union or national law concerning human, employment or social rights, or the protection of the environment and climate change other than general due diligence obligations.'

(2) Article 2 is amended as follows:

(a) paragraph 1 is amended as follows:

(i) point (a) is replaced by the following:

'(a) the company had more than 5 000 employees on average and had a net worldwide turnover of more than EUR 1 500 000 000 in the last financial year for which annual financial statements have been or should have been adopted';

(ii) point (c) is replaced by the following:

‘(c) the company entered into or is the ultimate parent company of a group that entered into franchising or licensing agreements in the Union in return for royalties with independent third-party companies, where those agreements ensure a common identity, a common business concept and the application of uniform business methods, and where those royalties amounted to more than EUR 75 000 000 in the last financial year for which annual financial statements have been or should have been adopted, and provided that the company had or is the ultimate parent company of a group that had a net worldwide turnover of more than EUR 275 000 000 in the last financial year for which annual financial statements have been or should have been adopted.’;

(b) paragraph 2 is amended as follows:

(i) point (a) is replaced by the following:

‘(a) the company generated a net turnover of more than EUR 1 500 000 000 in the Union in the financial year preceding the last financial year.’;

(ii) point (c) is replaced by the following:

‘(c) the company entered into or is the ultimate parent company of a group that entered into franchising or licensing agreements in the Union in return for royalties with independent third-party companies, where those agreements ensure a common identity, a common business concept and the application of uniform business methods, and where those royalties amounted to more than EUR 75 000 000 in the Union in the financial year preceding the last financial year; and provided that the company generated, or is the ultimate parent company of a group that generated, a net turnover of more than EUR 275 000 000 in the Union in the financial year preceding the last financial year.’;

(c) in paragraph 3, the first subparagraph is replaced by the following:

‘3. Where the ultimate parent company has as its main activity the holding of shares in operational subsidiaries and does not engage in taking management, operational or financial decisions affecting the group or one or more of its subsidiaries, it may be exempted from carrying out the obligations under this Directive. That exemption is subject to the condition that one of the ultimate parent company’s subsidiaries established in the Union is designated to fulfil the obligations set out in Articles 6 to 16 on behalf of the ultimate parent company, including the obligations of the ultimate parent company with respect to the activities of its subsidiaries. In such a case, the designated subsidiary is given all the necessary means and legal authority to fulfil those obligations in an effective manner, in particular to ensure that the designated subsidiary obtains from the companies of the group the relevant information and documents to fulfil the obligations of the ultimate parent company under this Directive.’;

(3) Article 3(1) is amended as follows:

(a) point (n) is replaced by the following:

‘(n) “stakeholders” means the company’s employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers’ representatives, and individuals or communities whose rights or interests are or could be directly affected by the products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities.’;

(b) point (u) is replaced by the following:

‘(u) “risk factors” means facts, situations or circumstances that relate to the severity and likelihood of an adverse impact, including facts, situations or circumstances at the level of the business partner, such as whether the business partner is not a company covered by this Directive or other comparable mandatory sustainability due diligence legal acts; at the level of geography and context, such as the level of law enforcement with respect to the type of adverse impact; and at the level of sectors, of business operations, and of products and services;’

(4) Article 4 is replaced by the following:

‘Article 4

#### **Level of harmonisation**

1. Without prejudice to Article 1(2) and (3), Member States shall not introduce, in their national law, provisions within the field covered by this Directive laying down human rights and environmental due diligence obligations diverging from those laid down in Articles 6, 8 and 9, Article 10(1) to (5), Article 11(1) to (6) and Articles 14 to 16.

2. Notwithstanding paragraph 1, this Directive shall not preclude Member States from introducing, in their national law, more stringent provisions diverging from those laid down in provisions other than Articles 6, 8 and 9, Article 10(1) to (5), Article 11(1) to (6) and Articles 14 to 16, or provisions that are more specific in terms of the objective or the field covered, including by regulating specific products, services or situations, in order to achieve a different level of protection of human, employment and social rights, the environment or the climate.’

(5) Article 6 is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. Member States shall ensure that parent companies falling under the scope of this Directive are allowed to fulfil the obligations set out in Articles 7 to 16 on behalf of companies which are subsidiaries of those parent companies and fall under the scope of this Directive, if this ensures effective compliance. This is without prejudice to such subsidiaries being subject to the exercise of the supervisory authority’s powers in accordance with Article 25 and to their civil liability in accordance with Article 29.’

(b) in paragraph 2, point (e) is replaced by the following:

‘(e) where relevant, the subsidiary seeks contractual assurances from a direct business partner in accordance with Article 10(2), point (b), or Article 11(3), point (c), seeks contractual assurances from an indirect business partner in accordance with Article 10(4) or Article 11(5) and suspends the business relationship in accordance with Article 10(6) or Article 11(7).’

(c) paragraph 3 is deleted;

(6) Article 8 is amended as follows:

(a) paragraph 2 is replaced by the following:

‘2. As part of the obligation set out in paragraph 1, companies shall take appropriate measures to do the following, taking into account relevant risk factors including facts, situations or circumstances at the level of the business partner, such as whether the business partner is not a company covered by this Directive or other comparable mandatory sustainability due diligence legal acts; at the level of geography and context, such as the level of law enforcement with respect to the type of adverse impact; and at the level of sectors, of business operations, and of products and services:

(a) carry out a scoping exercise, based solely on reasonably available information, to identify general areas across their own operations, those of their subsidiaries and, where related to their chains of activities, those of their business partners where adverse impacts are most likely to occur and to be most severe;

(b) based on the results of the scoping exercise referred to in point (a), carry out an in-depth assessment in the areas where adverse impacts were identified to be most likely to occur and most severe.;

(b) the following paragraph is inserted:

‘2a. Member States shall ensure that, for the purposes of the in-depth assessment referred to in paragraph 2, point (b):

(a) companies may request information from business partners only where that information is necessary, and, in the case of business partners with fewer than 5 000 employees, only when the information cannot reasonably be obtained by other means;

(b) where the necessary information can be obtained from different business partners, companies prioritise requesting information, where reasonable, directly from the business partner or partners where the adverse impacts are most likely to occur;

(c) where adverse impacts are identified as equally likely to occur or equally severe in several areas, companies may prioritise assessing such areas which involve direct business partners.;

(c) paragraph 3 is replaced by the following:

‘3. Member States shall ensure that, for the purposes of identifying and assessing the adverse impacts referred to in paragraph 1 of this Article based on, where appropriate, quantitative and qualitative information, companies are entitled to make use of appropriate resources, including independent reports, digital solutions, industry and multi-stakeholder initiatives and information gathered through the notification mechanism and the complaints procedure provided for in Article 14.’;

(d) paragraph 4 is deleted;

(7) in Article 9, the following paragraph is added:

‘4. Where prioritisation decisions are made in accordance with this Article, the mere fact of not having addressed a less significant adverse impact shall not expose the company to penalties pursuant to Article 27.’;

(8) in Article 10, paragraph 6 is replaced by the following:

‘6. As regards potential adverse impacts as referred to in paragraph 1 that could not be prevented or adequately mitigated by the measures set out in paragraphs 2, 4 and 5, the company shall, as a last resort and until the impact is addressed:

(a) refrain from entering into new, or extending existing, relationships with a business partner in connection with which, or in the chain of activities of which, the impact has arisen;

(b) where the law governing its relationship with the business partner concerned so entitles it, suspend the business relationship with respect to the activities concerned, including with a view to using or increasing its leverage, and

(c) adopt and implement an enhanced prevention action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that such efforts will succeed.

As long as there is a reasonable expectation that the enhanced prevention action plan will succeed, the mere fact of continuing to engage with the business partner shall not expose the company to penalties pursuant to Article 27 or to liability under Article 29.

Prior to suspending a business relationship, the company shall assess whether the adverse impacts from doing so can be reasonably expected to be manifestly more severe than the adverse impact that could not be prevented or adequately mitigated. Should that be the case, the company shall not be required to suspend the business relationship and shall be in a position to report to the competent supervisory authority about the duly justified reasons for such a decision.

Member States shall provide for an option to suspend the business relationship in contracts governed by their laws in accordance with the first subparagraph, except for contracts where the parties are obliged by law to enter into them.

Where the company decides to suspend the business relationship, it shall take steps to prevent, mitigate or bring to an end the impacts of the suspension, shall provide reasonable notice to the business partner concerned and shall keep that decision under review.

Where the company decides not to suspend the business relationship pursuant to this Article, it shall monitor the potential adverse impact and periodically assess its decision and whether further appropriate measures are available;'

(9) in Article 11, paragraph 7 is replaced by the following:

'7. As regards actual adverse impacts as referred to in paragraph 1 that could not be brought to an end or the extent of which could not be minimised by the measures set out in paragraphs 3, 5 and 6, the company shall, as a last resort and until the impact is addressed:

- (a) refrain from entering into new, or extending existing, relationships with a business partner in connection with which, or in the chain of activities of which, the impact has arisen;
- (b) where the law governing its relationship with the business partner concerned so entitles it, suspend the business relationship with respect to the activities concerned, including with a view to using or increasing its leverage, and
- (c) adopt and implement an enhanced corrective action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that such efforts will succeed.

As long as there is a reasonable expectation that the enhanced corrective action plan will succeed, the mere fact of continuing to engage with the business partner shall not expose the company to penalties pursuant to Article 27 or to liability under Article 29.

Prior to suspending a business relationship, the company shall assess whether the adverse impacts from doing so can be reasonably expected to be manifestly more severe than the adverse impact that could not be brought to an end or the extent of which could not be adequately minimised. Should that be the case, the company shall not be required to suspend the business relationship and shall be in a position to report to the competent supervisory authority about the duly justified reasons for such a decision.

Member States shall provide for an option to suspend the business relationship in contracts governed by their laws in accordance with the first subparagraph, except for contracts where the parties are obliged by law to enter into them.

Where the company decides to suspend the business relationship, it shall take steps to prevent, mitigate or bring to an end the impacts of the suspension, shall provide reasonable notice to the business partner concerned and shall keep that decision under review.

Where the company decides not to suspend the business relationship pursuant to this Article, it shall monitor the actual adverse impact and periodically assess its decision and whether further appropriate measures are available.;

(10) in Article 13, paragraph 3 is amended as follows:

(a) the introductory wording is replaced by the following:

‘Consultation of relevant stakeholders shall take place at the following stages of the due diligence process.;

(b) points (c) and (e) are deleted;

(11) Article 15 is replaced by the following:

*‘Article 15*

### **Monitoring**

Member States shall ensure that companies carry out periodic assessments of their own operations and measures, those of their subsidiaries and, where related to the chain of activities of the company, those of their business partners, to assess the implementation and to monitor the adequacy and effectiveness of the identification, prevention, mitigation, bringing to an end and minimisation of the extent of adverse impacts. Such assessments shall be based, where appropriate, on qualitative and quantitative indicators and be carried out without undue delay after a significant change occurs, but at least every 5 years and whenever there are reasonable grounds to believe that the measures are no longer adequate or effective or that new risks of the occurrence of those adverse impacts have arisen or may arise. Where appropriate, the due diligence policy, the adverse impacts identified and the appropriate measures that derived shall be updated in accordance with the outcome of such assessments and with due consideration of relevant information from stakeholders.;

(12) in Article 16, paragraph 3 is replaced by the following:

‘By 31 March 2029, the Commission shall adopt delegated acts in accordance with Article 34 in order to supplement this Directive by laying down the content and criteria for the reporting under paragraph 1, specifying, in particular, sufficiently detailed information on the description of due diligence, actual and potential adverse impacts identified, and appropriate measures taken with respect to those impacts. In preparing those delegated acts, the Commission shall take due account of, and align them as appropriate with, the sustainability reporting standards adopted pursuant to Articles 29b and 40b of Directive 2013/34/EU.

When adopting the delegated acts referred to in the first subparagraph, the Commission shall ensure that there is no duplication in reporting requirements for companies referred to in Article 3(1), point (a)(iii), that are subject to reporting requirements under Article 4 of Regulation (EU) 2019/2088, while maintaining in full the minimum obligations stipulated in this Directive.;

(13) Article 17 is amended as follows:

(a) in paragraph 1, the first subparagraph is replaced by the following:

‘From 1 January 2031, Member States shall ensure that, when making public the annual statement referred to in Article 16(1) of this Directive, companies submit that statement at the same time to the collection body referred to in paragraph 3 of this Article for the purpose of making it accessible on the European single access point (ESAP), as established by Regulation (EU) 2023/2859.;

(b) paragraph 3 is replaced by the following:

‘3. By 31 December 2030, for the purpose of making the information referred to in paragraph 1 of this Article accessible on ESAP, Member States shall designate at least one collection body, as defined in Article 2, point (2), of Regulation (EU) 2023/2859, and notify the European Securities and Markets Authority thereof.;

(14) Article 18 is replaced by the following:

*'Article 18*

**Model contractual clauses**

In order to provide support to companies to facilitate their compliance with Article 10(2), point (b), and Article 11(3), point (c), the Commission, in consultation with Member States and stakeholders, shall adopt guidance about voluntary model contractual clauses, by 26 July 2027.;

(15) Article 19 is amended as follows:

(a) in paragraph 2, point (b) is deleted;

(b) paragraph 3 is replaced by the following:

'3. The guidelines referred to in paragraph 2, points (a), (d) and (e), shall be adopted by 26 July 2027. The guidelines referred to in paragraph 2, points (f) and (g), shall be adopted by 26 July 2028.;

(16) Article 22 is deleted;

(17) Article 24 is amended as follows:

(a) paragraph 1 is replaced by the following:

'1. Each Member State shall designate one or more supervisory authorities to supervise compliance with the obligations laid down in the provisions of national law adopted pursuant to Articles 7 to 16.;

(b) paragraph 7 is replaced by the following:

'7. By 26 July 2028, Member States shall inform the Commission of the names and contact details of the supervisory authorities designated pursuant to this Article, as well as of their respective competences where there are several designated supervisory authorities. They shall inform the Commission of any changes thereto.;

(18) in Article 25, paragraph 1 is replaced by the following:

'1. Member States shall ensure that the supervisory authorities have adequate powers and resources to carry out the tasks assigned to them under this Directive, including the power to require companies to provide information and carry out investigations related to compliance with the obligations set out in Articles 7 to 16.;

(19) in Article 27, paragraph 4 is replaced by the following:

'4. The Commission, in collaboration with Member States, shall issue guidance to assist supervisory authorities in determining the level of penalties in accordance with this Article. Member States shall ensure that the maximum limit of pecuniary penalties is set at 3 % of the net worldwide turnover of the company in the financial year preceding that of the decision to impose the fine or, in the case of ultimate parent companies as referred to in Article 2(1), points (b) and (c), and in Article 2(2), points (b) and (c), 3 % of the net consolidated worldwide turnover calculated at the level of the ultimate parent company, in the financial year preceding that of the decision to impose the fine.;

(20) Article 29 is amended as follows:

(a) paragraph 1 is deleted;

(b) paragraph 2 is replaced by the following:

'2. Where a company is held liable pursuant to national law for damage caused to a natural or legal person by a failure to comply with the due diligence requirements under this Directive, Member States shall ensure that those persons have a right to full compensation. Full compensation shall not lead to overcompensation, whether by means of punitive, multiple or other types of damages.'

(c) in paragraph 3, point (d) is deleted;

(d) paragraph 4 is replaced by the following:

'4. Companies that have participated in industry or multi-stakeholder initiatives, or used independent third-party verification or contractual clauses to support the implementation of due diligence obligations may nevertheless be held liable in accordance with national law.'

(e) in paragraph 5, the first subparagraph is replaced by the following:

'The civil liability of a company for damages as referred to in this Article shall be without prejudice to the civil liability of its subsidiaries or of any direct and indirect business partners in the chain of activities of the company.'

(f) paragraph 7 is deleted;

(21) Article 36 is amended as follows:

(a) paragraph 1 is deleted;

(b) paragraph 2 is amended as follows:

(i) the introductory wording is replaced by the following:

'By 26 July 2031, and every five years thereafter, the Commission shall submit a report to the European Parliament and to the Council on the implementation of this Directive and its effectiveness and efficiency in reaching its objectives, in particular in addressing adverse impacts. The report shall be accompanied, if appropriate, by a legislative proposal. The first report shall, inter alia, assess the following issues:'

(ii) in point (b), the third indent is replaced by the following:

'– whether the thresholds regarding the relevant turnover and, for companies which are formed in accordance with the legislation of a Member State, the number of employees laid down in Article 2 need to be revised and whether a sector-specific approach needs to be introduced in high-risk sectors, and, in particular, whether companies with a relevant turnover of more than EUR 450 000 000 and, for companies which are formed in accordance with the legislation of a Member State, more than 1 000 employees on average during the financial year and, in addition to that, companies operating in high-risk sectors should be covered by this Directive';

(iii) point (e) is deleted;

(iv) point (f) is replaced by the following:

'(f) the effectiveness of the enforcement mechanisms put in place at national level, including their protective effects on rightsholders.'

(22) in Article 37, paragraph 1 is replaced by the following:

'1. Member States shall adopt and publish, by 26 July 2028, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate the text of those measures to the Commission.

They shall apply those measures from 26 July 2029 with the exception of the measures necessary to comply with Article 16, which Member States shall apply for financial years starting on or after 1 January 2030.

When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.’.

*Article 5*

**Transposition**

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1, 2 and 3 by 19 March 2027. They shall immediately communicate the text of those measures to the Commission.

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Article 4 by 26 July 2028. They shall immediately communicate the text of those measures to the Commission.

When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive.

*Article 6*

**Entry into force**

This Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

*Article 7*

**Addressees**

This Directive is addressed to the Member States.

Done at Brussels, 24 February 2026.

*For the European Parliament*

*The President*

R. METSOLA

*For the Council*

*The President*

C. KOMBOS