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<Commission>{JURI}Committee on Legal Affairs</Commission>

<RefProc>2025/0045</RefProc><RefTypeProc>(COD)</RefTypeProc>

<Date>{06/06/2025}26.5.2025</Date>

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<TitreType>DRAFT REPORT</TitreType>

<Titre>on the proposal for a directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting and due diligence requirements</Titre>

<DocRef>(COM(2025)0081 – C10‑0037/2025 – 2025/0045(COD))</DocRef>

<Commission>{JURI}Committee on Legal Affairs</Commission>

Rapporteur: <Depute>Jörgen Warborn</Depute>

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| Symbols for procedures |
|  \* Consultation procedure \*\*\* Consent procedure \*\*\*I Ordinary legislative procedure (first reading) \*\*\*II Ordinary legislative procedure (second reading) \*\*\*III Ordinary legislative procedure (third reading)(The type of procedure depends on the legal basis proposed by the draft act.) |

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| Amendments to a draft act |
| **Amendments by Parliament set out in two columns**Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.**Amendments by Parliament in the form of a consolidated text**New text is highlighted in ***bold italics***. Deletions are indicated using either the ▌symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced. By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted. |

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting and due diligence requirements

(COM(2025)0081 – C10‑0037/2025 – 2025/0045(COD))

(Ordinary legislative procedure: first reading)

*The European Parliament*,

– having regard to the Commission proposal to Parliament and the Council (COM(2025)0081),

– having regard to Article 294(2) and Article 50 and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C10‑0037/2025),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of ...[[1]](#footnote-1),

– having regard to Rule 60 of its Rules of Procedure,

– having regard to the opinions of the Committee on Foreign Affairs, Committee on International Trade, Committee on Economic and Monetary Affairs, Committee on Employment and Social Affairs and Committee on the Environment Climate and Food Safety,

– having regard to the report of the Committee on Legal Affairs (A10‑0000/2025),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

<RepeatBlock-Amend><Amend>Amendment <NumAm>1</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 3</Article>

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| Text proposed by the Commission | Amendment |
| (3) 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. Article 26a(3) of that Directive requires the Commission to adopt those standards 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 areas of sustainability assurance. ***To enable*** the Commission ***to*** take account ***of*** those concerns***, it should be given more flexibility in adopting those standards. In any case, the Commission will issue targeted assurance guidelines by 2026 that clarify the necessary procedures that assurance providers are to perform as part of their*** limited assurance ***engagement before adopting the*** standards ***by delegated act***. | (3) 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. Article 26a(3) of that Directive requires the Commission to adopt those standards 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 areas of sustainability assurance. The Commission ***should duly*** take ***into*** account those concerns ***when working on the*** limited assurance standards***. That deadline of 1 October 2026 should be retained in order to ensure that undertakings know what to expect when it comes to sustainability assurance***. |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>2</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 5</Article>

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| Text proposed by the Commission | Amendment |
| (5) Article 19a(1) of Directive 2013/34/EU requires large undertakings and small and medium-sized undertakings with securities admitted to trading on an EU regulated market, excluding micro-undertakings, to prepare and publish a sustainability statement at individual level. To reduce the reporting burden on undertakings, the obligation to prepare and publish a sustainability statement at individual level should be reduced to ***large*** undertakings with an average of more than ***1000*** employees during the financial year. ***Considering that for an undertaking to be large it has to exceed two out of the three criteria in Article 3(4) of Directive 2013/34/EU, this means that to be subject toto the reporting requirements an*** undertakings ***must have an average of more than 1000 employees during the financial year and either a net turnover above EUR 50 million or a balance sheet total above EUR 25 million***. | (5) Article 19a(1) of Directive 2013/34/EU requires large undertakings and small and medium-sized undertakings with securities admitted to trading on an EU regulated market, excluding micro-undertakings, to prepare and publish a sustainability statement at individual level. To reduce the reporting burden on undertakings, the obligation to prepare and publish a sustainability statement at individual level should be reduced to undertakings with an average of more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000*** during the financial year. ***It should be possible to exempt ultimate parent undertakings which are financial holding*** undertakings ***not involved in management activities from complying with reporting obligations provided that an operational subsidiary of such undertakings is designated to comply with such obligations***. |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>3</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 6</Article>

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| Text proposed by the Commission | Amendment |
| (6) A balance needs to be found between the objectives of data generation and reduction of administrative burden. Sustainability reporting, including the information referred to in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council9, of ***large*** undertakings with an average of more than ***1000*** employees during the financial year is indispensable to understand the transition to a climate-neutral economy. In the light of the balance to be found between the objectives of data generation and reduction of administrative burden, ***large*** undertakings within the new scope for sustainability reporting ***that have a net turnover not exceeding EUR 450 000 000 during the financial year*** should be able to disclose information referred to in Article 8 of Regulation (EU) 2020/852 in a more flexible way. The Commission should be empowered to set out rules supplementing the reporting regime for those undertakings. It should in particular be clarified that the Commission is empowered to specify the reporting regime for activities that are only partially taxonomy aligned. | (6) A balance needs to be found between the objectives of data generation and reduction of administrative burden. Sustainability reporting, including the information referred to in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council9, of undertakings with an average of more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000*** during the financial year is indispensable to understand the transition to a climate-neutral economy. In the light of the balance to be found between the objectives of data generation and reduction of administrative burden, undertakings within the new scope for sustainability reporting should be able to disclose information referred to in Article 8 of Regulation (EU) 2020/852 in a more flexible way. The Commission should be empowered to set out rules supplementing the reporting regime for those undertakings. It should in particular be clarified that the Commission is empowered to specify the reporting regime for activities that are only partially taxonomy aligned. |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 9 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). | 9 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). |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>4</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 7</Article>

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| Text proposed by the Commission | Amendment |
| (7) Article 1(3) of Directive 2013/34/EU specifies that credit institutions and insurance undertakings that are large undertakings or small and medium-size undertakings – excluding micro-undertakings – with securities admitted to trading on an EU regulated market are subject to the sustainability reporting requirements set out in that Directive, regardless of their legal form. Considering that the scope of individual sustainability reporting should be reduced to ***large*** undertakings with an average of more than ***1000*** employees during the financial year, that reduction in scope should also apply to credit institutions and insurance undertakings. | (7) Article 1(3) of Directive 2013/34/EU specifies that credit institutions and insurance undertakings that are large undertakings or small and medium-size undertakings – excluding micro-undertakings – with securities admitted to trading on an EU regulated market are subject to the sustainability reporting requirements set out in that Directive, regardless of their legal form. Considering that the scope of individual sustainability reporting should be reduced to undertakings with an average of more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000*** during the financial year, that reduction in scope should also apply to credit institutions and insurance undertakings. ***Moreover, and in order to ensure a level playing field, the applicable thresholds should not differ based on whether undertakings are established in or outside the Union.***  |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>5</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 9</Article>

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| Text proposed by the Commission | Amendment |
| (9) Article 19a(3) of Directive 2013/34/EU requires undertakings to report information about the undertaking’s own operations and about its value chain. It is necessary to reduce the reporting burden for undertakings in the ***value*** chain that are not required to report on their sustainability. The reporting undertaking, for the purposes of reporting sustainability information at individual or at consolidated level, as required by Directive 2013/34/EU, and without prejudice to Union requirements to conduct a due diligence process, should therefore not seek to obtain from undertakings established in or outside of the Union in its ***value*** chain that have up to ***1000*** employees on average during the financial year any information that goes beyond the information specified in the standards for voluntary use by undertakings that are not required to report on their sustainability. The reporting undertaking should, however, be allowed to collect from such undertakings in its ***value*** chain any additional sustainability information that is commonly shared between undertakings in the sector concerned. Undertakings reporting on their ***value*** chain in accordance with those limitations should be deemed to comply with the obligation to report on their sustainability. Assurance providers should prepare their assurance opinion respecting the obligation on undertakings not to seek to obtain from undertakings in their ***value*** chain that have up to ***1000*** employees on average during the financial year any information that goes beyond the information specified in the standards for voluntary use by undertakings that are not required to report on their sustainability. For that purpose, the Commission should be empowered to adopt a delegated act to provide for sustainability reporting standards for voluntary use by undertakings that are not required to report on their sustainability. Those standards should be proportionate to, and relevant for, the capacities and the characteristics of those undertakings and to the scale and complexity of their activities. Those standards should also specify, where possible, the structure to be used to present that information. | (9) Article 19a(3) of Directive 2013/34/EU requires undertakings to report information about the undertaking’s own operations and about its value chain. ***To reach closer alignment with the criteria used to define the terminology used in Directive (EU) 2024/1760, the notion of ‘value chain’ should be replaced by ‘chain of activities’.*** It is necessary to reduce the reporting burden for undertakings in the chain ***of activities*** that are not required to report on their sustainability. The reporting undertaking, for the purposes of reporting sustainability information at individual or at consolidated level, as required by Directive 2013/34/EU, and without prejudice to Union requirements to conduct a due diligence process, should therefore not seek to obtain from undertakings established in or outside of the Union in its chain ***of activities*** that have up to ***3000*** employees ***and a net turnover of up to EUR 450 000 000*** on average during the financial year any information that goes beyond the information specified in the standards for voluntary use by undertakings that are not required to report on their sustainability. The reporting undertaking should, however, be allowed to collect from such undertakings in its chain ***of activities*** any additional sustainability information that is commonly shared between undertakings in the sector concerned. ***Where not all the necessary information regarding their chain of activities is available, or such information is incomplete or subject to legal limitations, the undertakings should be allowed, without any time limitation, to explain the efforts made to obtain the necessary information about their chain of activities, the reasons why that information could not be obtained, and their plans to obtain such information in the future.*** Undertakings reporting on their chain ***of activities*** in accordance with those limitations should be deemed to comply with the obligation to report on their sustainability. Assurance providers should prepare their assurance opinion respecting the obligation on undertakings not to seek to obtain from undertakings in their chain ***of activities*** that have up to ***3000*** employees ***and a net turnover of up to EUR 450 000 000*** on average during the financial year any information that goes beyond the information specified in the standards for voluntary use by undertakings that are not required to report on their sustainability. For that purpose, the Commission should be empowered to adopt a delegated act to provide for sustainability reporting standards for voluntary use by undertakings that are not required to report on their sustainability. Those standards should be proportionate to, and relevant for, the capacities and the characteristics of those undertakings and to the scale and complexity of their activities***. Those standards should also effectively contribute to the undertakings’ compliance with their reporting obligations***. Those standards should also specify, where possible, the structure to be used to present that information. |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>6</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 9 a (new)</Article>

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| Text proposed by the Commission | Amendment |
|  | ***(9a) Article 19a(2), point (a)(iii), and Article 29a(2), point (a)(iii), of Directive 2013/34/EU require undertakings and groups to include in their management reports and consolidated management reports, respectively, their climate transition plans. In order to avoid disproportionately burdensome requirements, on the one hand, but allow for transparency as regards the transition to a sustainable economy, on the other hand, undertakings should include in their management report information on any transition plans they have, if any.*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>7</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 12</Article>

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| Text proposed by the Commission | Amendment |
| (12) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of large groups to prepare and publish a sustainability statement at consolidated level. To reduce the reporting burden on those parent undertakings, the scope of that obligation should be reduced to parent undertakings of ***large*** groups with an average of more than ***1000*** employees, on a consolidated basis, during the financial year. | (12) Article 29a(1) of Directive 2013/34/EU requires parent undertakings of large groups to prepare and publish a sustainability statement at consolidated level. To reduce the reporting burden on those parent undertakings, the scope of that obligation should be reduced to parent undertakings of groups with an average of more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000***, on a consolidated basis, during the financial year. |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>8</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 14</Article>

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| Text proposed by the Commission | Amendment |
| (14) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards to not specify disclosures requiring 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 with securities admitted to trading on an EU regulated market. Considering that small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be excluded from sustainability reporting, 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 requiring undertakings to obtain from undertakings in their ***value*** chain that have up to ***1000*** 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. | (14) Article 29b(4) of Directive 2013/34/EU requires sustainability reporting standards to not specify disclosures requiring 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 with securities admitted to trading on an EU regulated market. Considering that small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be excluded from sustainability reporting, and in order to reduce the reporting burden for undertakings in the chain ***of activities*** that are not required to report on their sustainability, the sustainability reporting standards should not specify disclosures requiring undertakings to obtain from undertakings in their chain ***of activities*** that have up to ***3000*** employees ***and a net turnover of up to EUR 450 000 000*** 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.  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>9</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 15</Article>

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| Text proposed by the Commission | Amendment |
| (15) Article 29d of Directive 2013/34/EU requires undertakings subject to the requirements in Articles 19a and 29a of that Directive to prepare their management report, or consolidated management report, where applicable, in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/81511 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 Council12 , in accordance with the electronic reporting format to be specified in that Delegated Regulation. To provide clarity to undertakings, it should be specified that until such rules on the marking up are adopted by way of that ***a*** Delegated Regulation, ***for the marking up of sustainability reporting is adopted,*** undertakings are ***should*** not ***be*** required to mark-up their sustainability reporting. | (15) Article 29d of Directive 2013/34/EU requires undertakings subject to the requirements in Articles 19a and 29a of that Directive to prepare their management report, or consolidated management report, where applicable, in the electronic reporting format specified in Article 3 of Commission Delegated Regulation (EU) 2019/81511 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 Council12, in accordance with the electronic reporting format to be specified in that Delegated Regulation. To provide clarity to undertakings, it should be specified that until such rules on the marking up ***of sustainability reporting*** are adopted by way of that Delegated Regulation, undertakings are not required to mark-up their sustainability reporting. |
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| 11 Commission Delegated Regulation (EU) 2018/815 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). | 11 Commission Delegated Regulation (EU) 2018/815 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). |
| 12 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). | 12 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). |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>10</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 16</Article>

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| Text proposed by the Commission | Amendment |
| (16) 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 ***the following*** documents are drawn up and published in accordance with the requirements of that Directive. To provide flexibility ***do*** for undertakings and reduce their reporting burden, it should be specified that the collective responsibility of the members of the administrative, management and supervisory bodies of an undertaking for compliance with the requirements of Article 29d of that Directive as regards the digitalisation of the management report is limited to its publication in the single electronic format, including the marking up of the sustainability reporting therein. | (16) 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 their reporting burden, it should be specified that the collective responsibility of the members of the administrative, management and supervisory bodies of an undertaking for compliance with the requirements of Article 29d of that Directive as regards the digitalisation of the management report is limited to its publication in the single electronic format, including the marking up of the sustainability reporting therein. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>11</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 17</Article>

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| Text proposed by the Commission | Amendment |
| (17) Pursuant to Article 40a(1), fourth and fifth ***subparagraph*** of Directive 2013/34/EU, a subsidiary in the Union of a third-county undertaking that generates a net turnover of more than EUR 150 million in the Union, or, in the absence of such subsidiary, a branch in the Union that generates a net turnover of more than EUR 40 million, is to publish and make accessible sustainability information at the group level of the third-country parent undertaking. ***To reach closer alignment with*** ***the*** criteria used to ***define*** ***which*** undertakings ***are in*** the scope of Directive (EU) 2024/1760***, the net turnover threshold for the third-country undertaking should be raised from EUR 150 000 000 to EUR 450 000 000***. For reasons of consistency and burden reduction, the size for a subsidiary undertaking and a branch to be in scope of Article 40a should be adjusted. The size of the subsidiary undertaking should be ***that of a large undertaking***, whilst the net turnover criteria for the branch should be raised from EUR ***40 000 000*** to EUR ***50 000 000, to align with the net turnover threshold for large undertakings***. | (17) Pursuant to Article 40a(1), fourth and fifth ***subparagraphs,*** of Directive 2013/34/EU, a subsidiary in the Union of a third-county undertaking that generates a net turnover of more than EUR 150 million in the Union, or, in the absence of such subsidiary, a branch in the Union that generates a net turnover of more than EUR 40 million, is to publish and make accessible sustainability information at the group level of the third-country parent undertaking. ***The*** criteria used to ***determine the*** ***undertakings subject to reporting obligations, whether formed in accordance with the law of a Member State or as subsidiaries and branches of third-country*** undertakings***,*** ***should be aligned and consistent with*** the scope of Directive (EU) 2024/1760. For reasons of consistency and burden reduction***, and in order to ensure a level playing field***, the size for a subsidiary undertaking and a branch to be in scope of Article 40a should be adjusted. The size of the subsidiary undertaking should be ***set at undertakings*** ***with more than*** ***3000 employees and with a net turnover of more than EUR 450 000 000***, whilst the net turnover criteria for the branch should be raised from EUR ***40 000 000*** to EUR ***450 000 000***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>12</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 18</Article>

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| Text proposed by the Commission | Amendment |
| (18) 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 the scope of the individual sustainability reporting requirements should be reduced to include only ***large*** undertakings with more than ***1000*** employees on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be removed. | (18) 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 the scope of the individual sustainability reporting requirements should be reduced to include only undertakings with more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000*** on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings with securities admitted to trading on an EU regulated market should be removed. |

Or. <Original>{EN}en</Original>

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<Amend>Amendment <NumAm>13</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 19</Article>

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| Text proposed by the Commission | Amendment |
| (19) 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 the scope of the individual sustainability reporting requirements should be reduced to include only ***large*** undertakings with more than ***1000*** employees on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings should be removed. | (19) 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 the scope of the individual sustainability reporting requirements should be reduced to include only undertakings with more than ***3000*** employees ***and a net turnover of more than EUR 450 000 000*** on average during the financial year, and that the scope of the consolidated sustainability reporting requirements should be reduced accordingly, the criteria for determining the dates of application should be adjusted, and the reference to small and medium-sized undertakings should be removed. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>14</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 20</Article>

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| Text proposed by the Commission | Amendment |
| (20) Article 4(1) of Directive (EU) 2024/1760 prohibits Member States from introducing, in their national law, provisions within the field covered by the Directive laying down human rights and environmental due diligence obligations diverging from those laid down in Article 8(1) and (2), and Article 10(1) 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 additional provisions regulating the core aspects of the due diligence process. That includes, in particular, the identification duty, the duties to address adverse impacts that have been or should have been identified, the duties to engage with stakeholders in certain cases, and the duty to provide for a complaints and notification mechanism***. At the same time, Member States should be allowed to introduce more stringent or more specific provisions on other aspects, including to address emerging risks linked to new products or services***. | (20) Article 4(1) of Directive (EU) 2024/1760 prohibits Member States from introducing, in their national law, provisions within the field covered by the Directive laying down human rights and environmental due diligence obligations diverging from those laid down in Article 8(1) and (2), and Article 10(1) 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 additional provisions regulating the core aspects of the due diligence process. That includes, in particular, the ***provisions on scope, definitions, due diligence at group level,*** identification duty, the duties to address adverse impacts that have been or should have been identified***, prioritisation***, the duties to engage with stakeholders in certain cases, and the duty to provide for a complaints and notification mechanism***, supervisory authorities and their powers, and the substantiated concerns procedure***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>15</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 21</Article>

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| Text proposed by the Commission | Amendment |
| (21) Article 5 of Directive (EU) 2024/1760 obliges Member States to ensure that large companies above a certain size conduct risk-based human rights and environmental due diligence. To reduce burdens on companies that have to comply with that obligation, the required due diligence should, as a general rule, be limited to the company’s own operations, those of its subsidiaries and those of its direct business partners (‘tier 1’). Consequently, when it comes to business relationships, companies should, after ***having mapped*** their chains of activities, ***be required to carry out in-depth assessments as regards*** direct business partners ***only***. Companies should, however, look beyond their direct business relationships where they have plausible information that suggests an adverse impact at the level of an indirect business partner. Plausible information means information of an objective character that allows the company to conclude that there is a reasonable likelihood that the information is true. This may be the case where the company concerned has received a complaint or is in the possession of information, for example through credible media or NGO reports, reports of recent incidents, or through recurring problems at certain locations about likely or actual harmful activities at the level of an indirect business partner. Where the company has such information, it should carry out ***an in-depth*** assessment. Companies should also carry out ***in-depth*** assessments with respect to adverse impacts arising beyond their direct business partner where the structure of this business relationship lacks economic rationale and suggests that it was chosen to remove an otherwise direct supplier with harmful activities from the purview of the company. Where the ***in-depth*** assessment confirms the likelihood or existence of the adverse impact, it should then be deemed to be identified. ***In addition, companies should seek to ensure that their code of conduct – which is part of their due diligence policy and sets out the expectations as to how to protect human, including labour, rights and the environment in business operations – is followed throughout the chain of activities in accordance with contractual cascading and SME support.*** | (21) Article 5 of Directive (EU) 2024/1760 obliges Member States to ensure that large companies above a certain size conduct risk-based human rights and environmental due diligence. To ***ensure effectiveness,*** reduce burdens on companies that have to comply with that obligation ***and ensure that their resources are used purposefully***, the required due diligence should, as a general rule, be limited to the company’s own operations, those of its subsidiaries and those of its direct business partners (‘tier 1’). Consequently, when it comes to business relationships***,*** ***while taking into account relevant risk factors, including company-level risk factors, such as whether the business partner is not a company covered by this Directive, business operation risk factors, geographic and contextual risk factors, such as the level of law enforcement with respect to the type of adverse impacts; product and service risk factors, and sectoral risk factors***, companies should, after ***the scoping, be required to carry out further assessments of their own operations, those of their subsidiaries and, where related to*** their chains of activities, ***those of their*** direct business partners***, in the areas where adverse impacts were identified to be most likely to occur and most severe***. Companies should, however, look beyond their direct business relationships where they have plausible information that suggests an adverse impact at the level of an indirect business partner. Plausible information means information of an objective character***, that is factual and verifiable and*** that allows the company to conclude that there is a reasonable likelihood that the information is true. This may be the case where the company concerned has received a complaint or is in the possession of information, for example through credible media or NGO reports, reports of recent incidents, or through recurring problems at certain locations about likely or actual harmful activities at the level of an indirect business partner. Where the company has such information, it should carry out ***a further*** assessment. Companies should also carry out ***further*** assessments with respect to adverse impacts arising beyond their direct business partner where the structure of this business relationship lacks economic rationale and suggests that it was chosen to remove an otherwise direct supplier with harmful activities from the purview of the company. Where the ***further*** assessment confirms the likelihood or existence of the adverse impact, it should then be deemed to be identified. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>16</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 22</Article>

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| Text proposed by the Commission | Amendment |
| (22) To limit the trickle-down effect on small and medium-sized undertakings and small midcap companies when it comes to ***mapping the value*** chain to identify adverse impacts, ***large*** companies should ***limit*** information ***requests to*** the information specified in the standards for voluntary use referred to in Article ***29a*** of Directive ***(EU)*** 2013/34/EU***, unless they need*** additional information ***to carry out the mapping and they*** cannot ***obtain that*** information ***in any other*** reasonable ***way***. | (22) To limit the trickle-down effect on small and medium-sized undertakings and small midcap companies when it comes to ***the scoping of the*** chain ***of activities*** to identify adverse impacts, companies ***within the scope*** should ***not seek to obtain*** information ***from their business partners but rely only on information that is already reasonably available such as publicly known information, information from searches and information gained through earlier cooperation. Entity-level information is not relevant at this stage, nor is any communication with business partners. It should only be possible to seek such information for further assessments under certain conditions. In such a case, it should be possible to seek information from direct business partners with fewer than 3000 employees that exceeds*** the information specified in the standards for voluntary use ***only where, following a risk-based approach, such information is necessary in light of indications of likely adverse impacts or because the standards do not cover relevant impacts and where such*** additional information cannot ***reasonably be obtained by other means, mainly from existing or secondary sources. The same should apply where companies are required to look beyond their direct business partners because they have plausible*** information ***suggesting an adverse impact at the level of an indirect business partner. In order to facilitate compliance for companies and the relevant business partners, it should be possible to obtain the necessary information either individually or collaboratively.***  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>17</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 22 a (new)</Article>

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| Text proposed by the Commission | Amendment |
|  | ***(22a)*** ***While keeping with the objective of prioritising the most adverse and likely impacts, companies should be given significant flexibility in deciding which risks to address first on the basis of the severity and likelihood of an adverse impact. Such a decision should be based on the scale, scope or irremediable character of the adverse impact, taking into account the gravity of the impact. Once the most severe and likely adverse impacts are addressed in*** ***reasonable*** ***time, companies should address less severe and less likely adverse impacts***. ***However, companies should not be penalised for any harm stemming from less significant adverse impacts that were not yet addressed according to the prioritisation in line with these principles.*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>18</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 23</Article>

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| Text proposed by the Commission | Amendment |
| (23) Companies may find themselves in situations where their production heavily relies on inputs from one or several specific suppliers. At the same time, 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 those 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. | (23) Companies may find themselves in situations where their production heavily relies on inputs from one or several specific suppliers. At the same time, 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 those 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. ***Such a suspension should not lead to a substantial prejudice for the company, including where crucial business partners provide raw materials, products or services which are essential to the company’s business. Substantial prejudice should be interpreted as a negative and significant effect on the company’s legal, financial or economic situation or its production capacity, including in the long term, such as an effect giving rise to the likelihood of insolvency. In order not to undermine the aims of this Directive, the decision not to suspend the business relationship should be subject to conditions, including reporting to the competent supervisory authority about the duly justified reasons for such a decision. Companies should also assess if the adverse impacts from suspension 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 should not be required to suspend the business relationship and should be in a position to report to the competent supervisory authority about the duly justified reasons for such a decision.***  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>19</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 25</Article>

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| Text proposed by the Commission | Amendment |
| (25) To reduce administrative burdens on companies, the Commission’s deadline for the adoption of general due diligence guidelines should be advanced to 26 July 2026. In parallel, the application deadline for Directive (EU) 2024/1760 for the first group of companies should be deferred to 26 July 2028 in accordance with Directive (EU) XXX/XXX13 . That two-year interval ***will*** 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. | (25) To reduce administrative burdens on companies, the Commission’s deadline for the adoption of general due diligence guidelines should be advanced to 26 July 2026. In parallel, the application deadline for Directive (EU) 2024/1760 for the first group of companies should be deferred to 26 July 2028 in accordance with Directive (EU) XXX/XXX13. 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. |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 13 Directive (EU) 2025/XX of ………. | 13 Directive (EU) 2025/XX of ………. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>20</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 26</Article>

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| Text proposed by the Commission | Amendment |
| (26) ***To ensure better alignment*** of Directive (EU) 2024/1760 ***with the sustainability reporting regime laid down in Directive (EU) 2022/2464, the requirement to put into effect*** the transition plan for climate change ***mitigation should be replaced by a clarification that the obligation of companies to adopt a transition plan includes outlining implementing actions, planned and taken. The obligation to adopt the plan and its initial and updated design remains subject to*** administrative ***supervision***. | (26) ***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 competent 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.*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>21</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Recital 29 a (new)</Article>

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| Text proposed by the Commission | Amendment |
|  | ***(29a) In order to facilitate compliance by companies with reporting and due diligence obligations under Union law, and to enhance the accessibility and usability of sustainability-related information, the Commission should establish a dedicated digital reporting portal. That portal should serve as a one-stop shop, providing companies, free of charge, with tailored access to templates, reporting requirements, and information on funding and tendering opportunities. To ensure the effective functioning of the portal, the Commission should promote the interoperability of existing data platforms, enabling seamless transmission, exchange and analysis of data. Furthermore, and in view of the rapid technological developments, the Commission should assess the potential of technological solutions, including the use of trustworthy artificial intelligence in accordance with Regulation (EU) 2024/1689 of the European Parliament and of the Council1a to support the digitalisation of reporting and improve the quality and accessibility of sustainability-related data.*** |
|  | ***\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*** |
|  | ***1a Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act) (OJ L, 2024/1689, 12.7.2024, ELI:*** [***http://data.europa.eu/eli/reg/2024/1689/oj***](http://data.europa.eu/eli/reg/2024/1689/oj)***).*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>22</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 1 – paragraph 1 – point 1</Article>

<DocAmend2>Directive 2006/43/EC</DocAmend2>

<Article2>Article 26a – paragraph 3 – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| The Commission shall ***be empowered to*** 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***, no later than 1 October 2026,*** 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. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>23</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 1 – paragraph 1 – point 1</Article>

<DocAmend2>Directive 2006/43/EC</DocAmend2>

<Article2>Article 26a – paragraph 3 – subparagraph 2– introductory part</Article2>

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| Text proposed by the Commission | Amendment |
| The Commission ***may*** adopt the assurance standards referred to in the first subparagraph ***only where those*** standards: | The Commission ***shall*** adopt the assurance standards referred to in the first subparagraph ***while ensuring that the*** standards: |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>24</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 1 – point a</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 1 – paragraph 3 – introductory part</Article2>

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| Text proposed by the Commission | Amendment |
| ‘The coordination measures prescribed by Articles 19a, 19b, 29a, 29aa, 29d, 30 and 33, Article 34(1), second subparagraph, point (aa), 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 large undertakings which***, on their balance sheet dates, ***exceed*** the average number of ***1000*** employees during the financial year:’; | ‘The coordination measures prescribed by Articles 19a, 19b, 29a, 29aa, 29d, 30 and 33, Article 34(1), second subparagraph, point (aa), 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 ***exceed***, on their balance sheet dates, the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year:’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>25</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 1 a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19 – paragraph 1 – subparagraph 4</Article2>

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| Present text | Amendment |
|  | ***(1a) in Article 19(1), the fourth subparagraph is replaced by the following:*** |
| ***Large*** undertakings***, and small and medium-sized undertakings, except micro undertakings, which are public-interest entities as defined in point (a) of point (1) of Article 2*** 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. | ***‘***Undertakings ***which, on their balance sheet dates, exceed the average number of 3000 employees and a net turnover of EUR 450 000 000 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.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>26</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point a</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 1 – subparagraph1</Article2>

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| Text proposed by the Commission | Amendment |
| ‘***Large*** undertakings which, on their balance sheet dates, exceed the average number of ***1000*** 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.’; | ‘Undertakings which, on their balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** 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.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>27</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point a a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 1 – subparagraph 2 a (new)</Article2>

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| Text proposed by the Commission | Amendment |
|  | ***(aa) in paragraph 1, the following subparagraph is added:*** |
|  | ***‘Where the ultimate parent undertaking is a financial holding undertaking as defined in Article 2(15), 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 undertaking’s subsidiaries established in the Union is designated to comply with those obligations on behalf of the ultimate parent undertaking.’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>28</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point a b (new) – point i</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 2 – point a – point iii</Article2>

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| Present text | Amendment |
|  | ***(ab) paragraph 2 is amended as follows:*** |
|  | ***(i) in point (a), point (iii) is replaced by the following:*** |
| (iii) ***the plans of the undertaking, including implementing actions and related financial and investment plans, to ensure that its business model and strategy are compatible with the transition to a sustainable economy and with the limiting of global warming to 1,5 °C in line with the Paris Agreement under the United Nations Framework Convention on Climate Change adopted on 12 December 2015 (the ‘Paris Agreement’) and the objective of achieving climate neutrality by 2050 as established in Regulation (EU) 2021/1119 of the European Parliament and of the Council(1), and, where relevant, the exposure of the undertaking to coal-, oil- and gas-related activities;*** | ***‘***(iii) ***any climate-related transition plans of the undertaking, if such a plan exists;’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>29</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point a b (new) – point ii</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 2 – point f – point ii</Article2>

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| Present text | Amendment |
|  | ***(ii) in point (f), point (ii) is replaced by the following:*** |
| (ii)the principal actual or potential adverse impacts connected with the undertaking’s own operations and with its ***value*** chain, including its products and services, its business relationships and its supply chain, actions taken to identify and monitor those impacts, and other adverse impacts which the undertaking is required to identify pursuant to other Union requirements on undertakings to conduct a due diligence process | ***‘***(ii)the principal actual or potential adverseimpacts connected with the undertaking’s own operations and with itschain ***of activities***, including its products and services, its business relationships and its supply chain, actions taken to identify and monitor those impacts, and other adverse impacts which the undertaking is required to identify pursuant to other Union requirements on undertakings to conduct a due diligence process;***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>30</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point b – point i</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 3 – subparagraph 1</Article2>

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|  |
| Text proposed by the Commission | Amendment |
| Where applicable, the information referred to in paragraphs 1 and 2 shall contain information about the undertaking’s own operations and about its ***value*** chain, including its products and services, its business relationships and its supply chain. Member States shall ensure that, for the reporting of sustainability information as required by this Directive, undertakings do not seek to obtain from undertakings in their ***value*** chain which, on their balance sheet dates, do not exceed the average number of ***1000*** employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned. Undertakings that report the necessary ***value*** chain ***information*** without reporting from undertakings in their ***value*** chain which, on their balance sheet dates, do not exceed the average number of ***1000*** employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned, shall be deemed to have complied with the obligation to report ***value*** chain ***information*** set out in this paragraph; | Where applicable, the information referred to in paragraphs 1 and 2 shall contain information about the undertaking’s own operations and about its chain ***of activities***, including its products and services, its business relationships and its supply chain. Member States shall ensure that, for the reporting of sustainability information as required by this Directive, undertakings do not seek to obtain from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned. Undertakings that report the necessary ***information about their*** chain ***of activities*** without reporting from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned, shall be deemed to have complied with the obligation to report ***information about their*** chain ***of activities*** set out in this paragraph; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>31</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point b – point i a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 3– subparagraph 2</Article2>

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| Present text | Amendment |
|  | ***(ia) the second subparagraph is replaced by the following:*** |
| ***For the first three years of the application of the measures to be adopted by the Member States in accordance with Article 5(2) of Directive (EU) 2022/2464 of the European Parliament and of the Council\*, 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. | ***‘***In the event that not all the necessary information regarding its chain ***of activities*** is available, the undertakingshall explain the efforts made to obtain the necessary information about itschain ***of activities***, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future.’; |
| ***\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*** |  |
| ***\* 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 (OL L 322, 16.12.2022, p. 15).*** |  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>32</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point b – point ii </Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 3 – subparagraph 4 a (new)</Article2>

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| Text proposed by the Commission | Amendment |
|  | ***‘The reporting obligations set out in this Article are without prejudice to Directive (EU) 2016/943 of the European Parliament and of the Council\*. Therefore, undertakings shall not be required to disclose information on intellectual capital, intellectual property or know how, business information or technological information which constitutes trade secrets as defined in Article 2, point (1), of Directive (EU) 2016/943.’;*** |
|  | ***\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*** |
|  | ***\* 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*).*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>33</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 2 – point c a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19a – paragraph 10</Article2>

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| Present text | Amendment |
|  | ***(ca) 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***, with the exception of large undertakings which are public-interest entities defined in point (a) of point (1) of Article 2 of this Directive***. | ***‘***10. The exemption laid down in paragraph 9 shall also apply to public-interest entities subject to the requirements of this Article.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>34</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 3</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 19b – paragraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, undertakings as referred to in Article 19a(1) of this Directive ***which, on their balance sheet dates, do not exceed a net turnover of EUR 450 000 000 during the financial year*** shall apply ***the*** paragraphs 2, 3 and 4 of this ***Directive***. | 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, undertakings as referred to in Article 19a(1) of this Directive shall apply paragraphs 2, 3 and 4 of this ***Article***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>35</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point a</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 1 – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| ‘Parent undertakings of a ***large*** group which, on their balance sheet dates, exceed the average number of ***1000*** employees, on a consolidated basis, 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.’; | ‘Parent undertakings of a group which, on their balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000***, on a consolidated basis, 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.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>36</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point a a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 1 – subparagraph 2 a new</Article2>

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| Text proposed by the Commission | Amendment |
|  | ***(aa) in paragraph 1, the following subparagraph is added:*** |
|  | ***‘Where the ultimate parent undertaking of a group is a financial holding undertaking as defined in Article 2(15), it may be exempted from complying with the obligations set out in this Directive. That exemption is subject to the condition that one of the ultimate parent undertaking’s subsidiaries established in the Union is designated to comply with those obligations on behalf of the ultimate parent undertaking’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>37</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point a b (new) – point i</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 2 – point a – point iii</Article2>

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| Present text | Amendment |
|  | ***(ab) paragraph 2 is amended as follows:*** |
|  | ***(i) in point (a), point (iii) is replaced by following:*** |
| (iii) ***the plans of the group, including implementing actions and related financial and investment plans, to ensure that its business model and strategy are compatible with the transition to a sustainable economy and with the limiting of global warming to 1,5 °C in line with the Paris Agreement and the objective of achieving climate neutrality by 2050 as established in Regulation (EU) 2021/1119 and where relevant, the exposure of the group to coal-, oil- and gas-related activities;*** | ***‘***(iii) ***any climate-related transition plans of the undertaking, if such a plan exists;’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>38</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point a b (new) – point ii</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 2 – point f – point ii</Article2>

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| Present text | Amendment |
|  | ***(ii) in point (f), point (ii) is replaced by the following:*** |
| (ii)the principal actual or potential adverse impacts connected with the group’s own operations and with its ***value*** chain, including its products and services, its business relationships and its supply chain, actions taken to identify and monitor those impacts, and other adverse impacts which the parent undertaking is required to identify pursuant to other Union requirements to conduct a due diligence process; | ***‘***(ii) the principal actual or potential adverse impacts connected with the group’s own operations and with itschain ***of activities***, including its products and services, its business relationships and its supply chain, actions taken to identify and monitor those impacts, and other adverse impacts which the parent undertaking is required to identify pursuant to other Union requirements to conduct a due diligence process;***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>39</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point b – point i</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 3 – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| Where applicable, the information referred to in paragraphs 1 and 2 shall contain information about the group’s own operations and about its ***value*** chain, including its products and services, its business relationships and its supply chain. Member States shall ensure that, for the reporting of sustainability information as required by this Directive, undertakings do not seek to obtain from undertakings in their ***value*** chain which, on their balance sheet dates, do not exceed the average number of ***1000*** employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned. Undertakings that report the necessary ***value*** chain ***information*** without reporting from undertakings in their ***value*** chain which, on their balance sheet dates, do not exceed the average number of ***1000*** employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned, shall be deemed to have complied with the obligation to report ***value*** chain ***information*** set out in this paragraph.; | Where applicable, the information referred to in paragraphs 1 and 2 shall contain information about the group’s own operations and about its chain ***of activities***, including its products and services, its business relationships and its supply chain. Member States shall ensure that, for the reporting of sustainability information as required by this Directive, undertakings do not seek to obtain from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned. Undertakings that report the necessary ***information about their*** chain ***of activities*** without reporting from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned, shall be deemed to have complied with the obligation to report ***information about their*** chain ***of activities*** set out in this paragraph. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>40</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point b – point i a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 3 – subparagraph 2</Article2>

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| Present text | Amendment |
|  | ***(ia) the second subparagraph is replaced by the following:*** |
| ***For the first three years of the application of the measures to be adopted by the Member States in accordance with Article 5(2) of Directive (EU) 2022/2464, 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. | ***‘In the event that not all the necessary information regarding its chain of activities*** is available, the parent undertaking shall explain the efforts made to obtain the necessary information about its ***chain of activities***, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>41</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point b – point ii </Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 3 – subparagraph 5 a (new)</Article2>

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| Text proposed by the Commission | Amendment |
|  | ***‘The reporting obligations set out in this Article are without prejudice to Directive (EU) 2016/943. Therefore, undertakings shall not be required to disclose information on intellectual capital, intellectual property or know how, business information or technological information which constitutes trade secrets as defined in Article 2, point (1), of Directive (EU) 2016/943.’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>42</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 4 – point b a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29a – paragraph 9</Article2>

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| Present text | Amendment |
|  | ***(ba) 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***, with the exception of large undertakings which are public-interest entities defined in point (a) of point (1) of Article 2 of this Directive***. | ***‘***9.The exemption laid down in paragraph 8 shall also apply to public-interest entities subject to the requirements of this Article.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>43</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 5</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29aa – paragraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, parent undertakings as referred to in Article 29a(1) of this Directive ***which, on their balance sheet dates, do not exceed a net turnover of EUR 450 000 000, on a consolidated basis, during the financial year*** shall apply ***the*** paragraphs 2, 3 and 4 of this ***Directive***. | 1. Member States shall ensure that, by way of derogation from Article 8 of Regulation (EU) 2020/852, parent undertakings as referred to in Article 29a(1) of this Directive shall apply paragraphs 2, 3 and 4 of this ***Article***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>44</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 6 – point a a (new)</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29b – paragraph 2 – subparagraph 1</Article2>

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| Present text | Amendment |
|  | ***(aa) paragraph 2 is replaced by the following:*** |
| 2. 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 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. | ***‘***2. The sustainability reporting standards shall ensure the quality of reported information, by requiring that it is simple***, streamlined***, understandable, ***proportionate***, relevant, verifiable***,*** comparable and represented in a faithful manner.The sustainability reporting standards shall***:*** |
|  | ***(a) to the extent possible, be quantitative in nature;***  |
|  | ***(b) avoid double reporting and any overlap with obligations stemming from other legislative instruments;***  |
|  | ***(c)*** avoid imposing a disproportionate administrative ***and financial*** burden on undertakings***;*** ***and***  |
|  | ***(d) ensure interoperability with internationally recognised standards set by*** global standard-setting initiatives for sustainability reporting as required by paragraph 5***, point (a)***.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>45</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 6 – point b</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 29b – paragraph 4 – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| (b) in paragraph 4, first subparagraph***, the last sentence*** is replaced by the following: | (b) in paragraph 4, ***the*** first subparagraph is replaced by the following: |
| ‘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 the average number ***of1000*** 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.’; | ‘***Sustainability reporting standards shall take account of the difficulties that undertakings might encounter in gathering information from actors throughout their chain of activities, 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 chains of activities that are proportionate and relevant to the capacities and characteristics of undertakings in the chains of activities, and to the scale and complexity of their activities, especially those of undertakings that are not subject to the sustainability reporting requirements laid down in Article 19a or 29a.*** Sustainability reporting standards shall not specify disclosures that would require undertakings to obtain from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number ***of 3000*** employees ***and a net turnover of EUR 450 000 000*** 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.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>46</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 8</Article>

<DocAmend2>Article 2013/34/EU</DocAmend2>

<Article2>Article 29ca – paragraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| 1. To facilitate voluntary reporting of sustainability information by undertakings other than those referred to in Articles 19a(1) and 29a(1), the Commission shall adopt a delegated act by [4 months after entry into force of this Directive] in accordance with Article 49 supplementing this Directive to provide for sustainability reporting standards for voluntary use by such undertakings. | 1. To facilitate voluntary reporting of sustainability information by undertakings other than those referred to in Articles 19a(1) and 29a(1) ***and to limit the information that can be requested from such undertakings for the purposes of this Directive***, the Commission shall adopt a delegated act by [4 months after entry into force of this Directive] in accordance with Article 49 supplementing this Directive to provide for sustainability reporting standards for voluntary use by such undertakings. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>47</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 11 – point b</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 34 – paragraph 2a</Article2>

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| Text proposed by the Commission | Amendment |
| ‘2a. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in full respect of the obligation on undertakings not to seek to obtain from undertakings in their ***value*** chain which, on their balance sheet dates, do not exceed the average number of ***1000*** employees during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned.’; | ‘2a. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in full respect of the obligation on undertakings not to seek to obtain from undertakings in their chain ***of activities*** which, on their balance sheet dates, do not exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year any information that exceeds the information specified in the standards for voluntary use referred to in Article 29ca, except for additional sustainability information that is commonly shared between undertakings in the sector concerned.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>48</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 12 – point a</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 40a – paragraph 1 – subparagraph 2</Article2>

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| Text proposed by the Commission | Amendment |
| ‘The first subparagraph shall only apply to ***large*** subsidiary undertakings ***as defined in Article 3(4) of this Directive.***’; | ‘The first subparagraph shall only apply to subsidiary undertakings ***which, on their balance sheet dates, exceed the average number of 3000 employees and a net turnover of EUR 450 000 000 in the preceding financial year.***’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>49</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 2 – paragraph 1 – point 12 – point b</Article>

<DocAmend2>Directive 2013/34/EU</DocAmend2>

<Article2>Article 40a – paragraph 1 – subparagraphs 4 and 5</Article2>

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| Text proposed by the Commission | Amendment |
| ***‘***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 ***the threshold referred to in Article 3(4) point (b) of this Directive*** in the preceding financial year. | ***‘***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 450 000 000*** 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.’*** |  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>50</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 3 – paragraph 1 – point 1 – point b – point i</Article>

<DocAmend2>Directive (EU) 2022/2464</DocAmend2>

<Article2>Article 5 – paragraph 2 – subparagraph 1 – point b - point i</Article2>

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| Text proposed by the Commission | Amendment |
| ‘(i) to ***large*** undertakings which, on their balance sheet dates, exceed the average number of ***1000*** employees during the financial year;’; | ‘(i) to undertakings which, on their balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year;’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>51</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 3 – paragraph 1 – point 1 – point b – point ii</Article>

<DocAmend2>Directive (EU) 2022/2464</DocAmend2>

<Article2>Article 5 – paragraph 2 – subparagraph 1 – point b - point ii</Article2>

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| Text proposed by the Commission | Amendment |
| ‘(ii) to parent undertakings of a ***large*** group which, on their balance sheet dates, exceed the average number of ***1000*** employees, on a consolidated basis, during the financial year;’; | ‘(ii) to parent undertakings of a group which, on their balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000***, on a consolidated basis, during the financial year;’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>52</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 3 – paragraph 1 – point 2 – point b – point i</Article>

<DocAmend2>Directive (EU) 2022/2464</DocAmend2>

<Article2>Article 5 – paragraph 2 – subparagraph 3 – point b – point i</Article2>

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| Text proposed by the Commission | Amendment |
| ‘(i) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU which, on their balance sheet dates, exceed the average number of ***1000*** employees during the financial year;’; | ‘(i) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are large undertakings within the meaning of Article 3(4) of Directive 2013/34/EU which, on their balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000*** during the financial year;’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>53</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 3 – paragraph 1 – point 2 – point b – point ii</Article>

<DocAmend2>Directive (EU) 2022/2464</DocAmend2>

<Article2>Article 5 – paragraph 2 – subparagraph 3 – point b – point ii</Article2>

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| Text proposed by the Commission | Amendment |
| ‘(ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which ***are parent undertakings of a large group which***, on its balance sheet dates, exceed the average number of ***1000*** employees , on a consolidated basis, during the financial year;’; | ‘(ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which, on its balance sheet dates, exceed the average number of ***3000*** employees ***and a net turnover of EUR 450 000 000***, on a consolidated basis, during the financial year;’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>54</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 1</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 1 – paragraph 1 – point c</Article2>

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| Text proposed by the Commission | Amendment |
| (1) in Article 1(1), point (c) is ***replaced by the following:*** | (1) in Article 1(1), point (c) is ***deleted.*** |
| ***(c) the obligation for companies to adopt a transition plan for climate change mitigation, including implementing actions which aim to ensure, through best efforts, compatibility of the business model and of the strategy of the company with the transition to a sustainable economy and with the limiting of global warming to 1,5*** ***oC in line with the Paris Agreement.;*** |  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>55</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 1 a (new) – point a</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 2 – paragraph 1 – point a</Article2>

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| Present text | Amendment |
|  | ***(1a) Article 2 is amended as follows:*** |
|  | ***(a)*** ***in paragraph 1, point (a) is replaced by the following:*** |
| (a) the company had more than 1 000 employees on average and had a net ***worldwide*** turnover of more than EUR 450 000 000 in the last financial year for which annual financial statements have been or should have been adopted; | ***‘***(a) the company had more than ***3 000*** employees on average and had a netturnover of more than EUR 450 000 000 in the last financial year for which annual financial statements have been or should have been adopted;***’*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>56</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 1 a (new) – point b</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 2 – paragraph 3 – subparagraph 1</Article2>

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| Present text | Amendment |
|  | ***(b)*** ***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 ***and Article 22*** 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. 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.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>57</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 3</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 4 – paragraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| ***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 and 8, Article 10(1) to (5), Article 11(1) to (6) and Article 14***. | 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 diverging from those laid down in Articles ***2 and 3, Articles 6 to 16 and Articles 24, 25 and 26***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>58</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 3</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 4 – paragraph 2</Article2>

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| Text proposed by the Commission | Amendment |
| ***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 and, 8, Article 10(1) to (5), Article 11(1) to (6) and Article 14, 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.*** | ***deleted*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>59</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 3 a (new) – point a</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 6 – paragraph 1</Article2>

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|  |
| Present text | Amendment |
|  | ***(3a) 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 11 ***and Article 22*** 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. | ***‘***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 11 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.***’*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>60</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 3 a (new) – point b</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 6 – paragraph 3</Article2>

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|  |
| Text proposed by the Commission | Amendment |
|  | ***(b) paragraph 3 is deleted.*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>61</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point a</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 2</Article2>

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| Text proposed by the Commission | Amendment |
| (a) ***in*** paragraph 2***, point (b)*** is replaced by the following: | (a) paragraph 2 is replaced by the following: |
| '(b) based on the results of the ***mapping*** ***as*** referred to in point (a), carry out ***and in-depth*** assessment of their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners, in the areas where adverse impacts were identified to be most likely to occur and most severe.'; | ‘***2.*** ***As part of the obligation set out in paragraph 1, and adopting a risk-based approach that takes into account relevant risk factors, including geographical and contextual risk factors, sectoral, product or service risk factors, as well as business operation or business partners risk factors, companies shall take appropriate measures to:*** |
|  | ***(a)*** ***carry out a scoping, based on reasonably available information, to identify general areas across their own operations, those of their subsidiaries and, where related to their chain 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*** referred to in point (a), carry out ***a further*** assessment of their own operations, those of their subsidiaries and, where related to their chains of activities, those of their direct business partners, in the areas where adverse impacts were identified to be most likely to occur and most severe.’; |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>62</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point b</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 2a – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| Where a company has plausible information that suggests that adverse impacts at the level of the operations of an indirect business partner have arisen or may arise, it shall carry out ***an in-depth*** assessment. The company shall always carry out such an assessment where the indirect, rather than direct, nature of the relationship with the business partner is the result of an artificial arrangement that does not reflect economic reality but points to a circumvention of paragraph 2, point (b). Where the assessment confirms the likelihood or existence of the adverse impact, it is deemed to have been identified. | Where a company has plausible information ***that is objective, factual and verifiable and*** that suggests that adverse impacts at the level of the operations of an indirect business partner have arisen or may arise, it shall carry out ***a further*** assessment. The company shall always carry out such an assessment where the indirect, rather than direct, nature of the relationship with the business partner is the result of an artificial arrangement that does not reflect economic reality but points to a circumvention of paragraph 2, point (b). Where the assessment confirms the likelihood or existence of the adverse impact, it is deemed to have been identified. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>63</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point b</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 2a – subparagraph 3</Article2>

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| Text proposed by the Commission | Amendment |
| ***Notwithstanding the first subparagraph, irrespective of whether plausible information is available about indirect business partners, a company shall seek contractual assurances from a direct business partner that that business partner will ensure compliance with the company’s code of conduct by establishing corresponding contractual assurances from its business partners. Article 10(2), points (b) and (e) shall apply accordingly.*** | ***deleted*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>64</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point c</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 4</Article2>

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| Text proposed by the Commission | Amendment |
| (c) paragraph 4 is ***replaced by the following:*** | (c) paragraph 4 is ***deleted;*** |
| ***'4. Where information necessary for the in-depth assessment provided for in paragraph 2, point (b), and in paragraph 2a can be obtained from different business partners, the company shall prioritise requesting such information, where reasonable, directly from the business partner or partners where the adverse impacts are most likely to occur.';*** |  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>65</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point d</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 5 – subparagraph 1</Article2>

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| Text proposed by the Commission | Amendment |
| (d) the following ***paragraph 5 is*** added: | (d) the following ***paragraphs are*** added: |
| '5. Member States shall ensure that, for the ***mapping*** provided for in paragraph 2***,*** point (a), companies do not seek to obtain information from ***direct*** business partners ***with fewer than 500 employees that exceeds the*** information ***specified in the standards for voluntary use referred to in Article 29a of Directive 2013/34/EU***. | ***‘5.*** Member States shall ensure that, for the ***purposes of the scoping*** provided for in paragraph 2 point (a), companies do not seek to obtain ***the*** information from ***their*** business partners ***but rely solely on*** information ***that is already reasonably available***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>66</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 – point d</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 8 – paragraph 5 – subparagraph 2</Article2>

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| Text proposed by the Commission | Amendment |
| By way of derogation ***to*** the first sub-paragraph, where additional information is necessary for the ***mapping*** provided for in paragraph 2, point ***(a)***, in light of indications of likely adverse impacts or because the standards do not cover relevant impacts, and where such additional information cannot reasonably be obtained by other means, the company may seek such information from that business partner.***;*** | ***5a.*** ***Member States shall ensure that, for the purposes of the further assessment provided for in paragraph 2, point (b), of this Article companies do not seek to obtain information from direct business partners with fewer than 3000 employees that exceeds the information specified in the standards for voluntary use referred to in Article 29ca of Directive 2013/34/EU. That shall apply mutatis mutandis, where relevant, in the cases provided for in paragraph 2a of this Article.*** |
|  | By way of derogation ***from*** the first sub-paragraph, where additional information is necessary for the ***further assessment*** provided for in paragraph 2, point ***(b), and where relevant in paragraph 2a***, in light of indications of likely adverse impacts or because the standards do not cover relevant impacts, and where such additional information cannot reasonably be obtained by other means, ***mainly from existing or secondary sources,*** the company may seek such information from that business partner ***and, where reasonable, directly from the business partners where the adverse impacts are most likely to occur***. ***Information may be sought individually or collaboratively.’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>67</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 4 a (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 9</Article2>

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| Present text | Amendment |
|  | ***(4a) Article 9 is replaced by the following:*** |
| Article 9Prioritisation of identified actual and potential adverse impacts | ***‘***Article 9Prioritisation of identified actual and potential adverse impacts |
| 1. Member States shall ensure that, where it is not feasible ***to prevent, mitigate, bring to an end or minimise all identified adverse impacts at the same time and to their full extent,*** companies ***prioritise*** adverse impacts identified pursuant to Article 8 in order to fulfil the obligations laid down in Article 10 or 11. | 1. Member States shall ensure that, where it is not feasible ***for*** companies ***to prevent, mitigate, bring to an end or minimise all*** adverse impacts identified pursuant to Article 8***, companies are able to prioritise the most severe and most likely adverse impacts*** inorder to fulfil the obligations laid down in Article 10 or 11.***’*** |
| ***2. The prioritisation referred to in paragraph 1 shall be based on the severity and likelihood of the adverse impacts.*** |  |
| ***3.*** ***Once the most severe and most likely adverse impacts are addressed in accordance with Article 10 or 11 within a reasonable time, the company shall address less severe and less likely adverse impacts***. | ***2. Where prioritisation decisions are made in accordance with this Article, Member States shall ensure that companies are not penalised under Article 25 or 27 for any harm stemming from any less significant adverse impacts that have not yet been addressed.’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>68</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 5</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 10 – paragraph 6 – subparagraph 2</Article2>

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| Text proposed by the Commission | Amendment |
| 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 ***trigger the company’s*** liability. | 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***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>69</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 5</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 10 – paragraph 6 – subparagraph 3</Article2>

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| Text proposed by the Commission | Amendment |
| 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 decision. | Prior to suspending a business relationship, the company shall assess ***whether such a suspension would cause substantial prejudice to the company or*** 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 decision. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>70</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 6</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 11 – paragraph 7 – subparagraph 1 – introductory part</Article2>

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| Text proposed by the Commission | Amendment |
| ‘7. As regards actual adverse impacts as referred to in paragraph 1 that could not be ***prevented or adequately mitigated*** by the measures set out in paragraphs 3, 5 and 6, the company shall, as a last resort:’ | ‘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:’ |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>71</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 6</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 11 – paragraph 7 – subparagraph 1 – point b</Article2>

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| Text proposed by the Commission | Amendment |
| (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced ***prevention*** action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and | (b) where the law governing its relation with the business partner concerned so entitles it, adopt and implement an enhanced ***corrective*** action plan for the specific adverse impact without undue delay, provided that there is a reasonable expectation that those efforts will succeed, and |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>72</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 6</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 11 – paragraph 7 – subparagraph 2</Article2>

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|  |
| Text proposed by the Commission | Amendment |
| 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 ***trigger the company’s*** liability. | 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 ***pursuant to Article 29***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>73</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 6</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 11 – paragraph 7 – subparagraph 3</Article2>

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|  |
| Text proposed by the Commission | Amendment |
| 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 decision. | Prior to suspending a business relationship, the company shall assess ***whether such a suspension would cause substantial prejudice to the company or*** 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 decision. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>74</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 6</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 11 – paragraph 7 – subparagraph 6</Article2>

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|  |
| Text proposed by the Commission | Amendment |
| 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. | Where the company decides not to suspend the business relationship pursuant to this Article, it shall monitor the ***actual*** adverse impactand periodically assess its decision and whether further appropriate measures are available. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>75</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 8 a (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 19 – paragraph 2 – point b</Article2>

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| Text proposed by the Commission | Amendment |
|  | ***(8a)*** ***in Article 19(2), point (b) is deleted;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>76</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 9 a (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 22</Article2>

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|  |
| Text proposed by the Commission | Amendment |
|  | ***(9a)*** ***Article 22 is deleted;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>77</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 10</Article>

<DocAmend2>Directive (EU)2024/1760</DocAmend2>

<Article2>Article 22 – paragraph 1 – subparagraph 1</Article2>

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|  |
| Text proposed by the Commission | Amendment |
| ***(10) in Article 22(1), the first subparagraph is replaced by the following:*** | ***deleted*** |
| ***Member States shall ensure that companies referred to in Article 2(1), points (a), (b) and (c), and Article 2(2), points (a), (b) and (c), adopt a transition plan for climate change mitigation, including implementing actions, which aim to ensure, through best efforts, that the business model and strategy of the company are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5°C in line with the Paris Agreement and the objective of achieving climate neutrality as established in Regulation (EU) 2021/1119, including its intermediate and 2050 climate neutrality targets, and where relevant, the exposure of the company to coal-, oil- and gas-related activities.;*** |  |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>78</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 10 a (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 24 – paragraph 1</Article2>

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| Present text | Amendment |
|  | ***(10a) in Article 24, 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 **and Article 22**. | ***‘***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.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>79</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 10 b (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 25 – paragraph 1</Article2>

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|  |
| Present text | Amendment |
|  | ***(10b) 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. ***Member States shall require the supervisory authorities to supervise the adoption and design of the transition plan for climate change mitigation in accordance with the requirements provided for in Article 22(1).*** | ***‘***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.***’;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>80</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 10 c (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 27 – paragraph 2 – point d</Article2>

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|  |
| Text proposed by the Commission | Amendment |
|  | ***(10c) in Article 27(2), point (d) is deleted;*** |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>81</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 – paragraph 1 – point 13 a (new)</Article>

<DocAmend2>Directive (EU) 2024/1760</DocAmend2>

<Article2>Article 36 – paragraph 2 – point e</Article2>

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|  |
| Text proposed by the Commission | Amendment |
|  | ***(13a) in Article 36(2), point (e) is deleted***. |

Or. <Original>{EN}en</Original>

</Amend>

<Amend>Amendment <NumAm>82</NumAm>

<DocAmend>Proposal for a directive</DocAmend>

<Article>Article 4 a (new)</Article>

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| Text proposed by the Commission | Amendment |
|  | ***Article 4a*** |
|  | ***Digital solutions*** |
|  | ***1. The Commission shall establish a dedicated digital reporting portal serving as a one-stop-shop for companies. The portal shall provide free access to all templates and information relating to all reporting requirements imposed on companies in Union law, tailored to a company’s size, sector, products and services, and risk exposure. It shall also provide access to information on funding and tendering opportunities to help companies implement, comply with and benefit from their due diligence obligations.*** |
|  | ***For the purposes of the first subparagraph, the Commission shall ensure that the relevant data platforms providing information to companies and data users are interoperable and that data can be transmitted, exchanged and analysed in a technically seamless manner.*** |
|  | ***2. The Commission shall submit a report to the European Parliament and the Council by ... [24 months after the entry into force of this Directive] on the need to provide for technological solutions, including the use of trustworthy artificial intelligence in accordance with Regulation (EU) 2024/1689.*** |

Or. <Original>{EN}en</Original>

</Amend></RepeatBlock-Amend>

ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that he received input from the following entities or persons in the preparation of the draft report, prior to the adoption thereof in committee:

|  |
| --- |
| **Entity and/or person**  |
| EDEKA ZENTRALE Stiftung & Co. KG |
| Save the Children Europe |
| Finance Sweden |
| Morningstar, Inc |
| Shift |
| Confederation of Swedish Enterprise |
| Confederation of Finnish Industries EK |
| Business Europe |
| Ragn Sells AS |
| Brussels Office of the Swedish Trade Unions |
| EcoVadis |
| Responsible Business Alliance |
| FERMA |
| Teneo Brussels |
| Hagainitiativet |
| EUROPEAN TRADE UNION CONFEDERATION |
| European Coalition for Corporate Justice |
| Fair Trade Advocacy Office |
| EuropeanIssuers |
| European Banking Federation |
| DIGITALEUROPE |
| SME United |
| WWF |
| Frank Bold Society |
| Miele |
| COMPAGNIE NATIONALE DES COMMISSAIRES AUX COMPTES |
| FBF |
| Foundation for Family Businesses and Politics |
| Mouvement Impact France |
| EUROCHAMBRES – Association of European Chambers of Commerce and Industry |
| Finance Sweden |
| OECD |
| ExxonMobil |
| The Walt Disney Company Benelux BVBA |

The list above is drawn up under the exclusive responsibility of the rapporteur.

1. [OJ C, C/.../..., ..., ELI: <http://data.europa.eu/eli/C/.../.../oj> / Not yet published in the Official Journal]. [↑](#footnote-ref-1)