



TEXTS ADOPTED

P10_TA(2025)0264

Certain corporate sustainability reporting and due diligence requirements

Amendments[□] adopted by the European Parliament on 13 November 2025 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))¹

(Ordinary legislative procedure: first reading)

Amendment 1

Proposal for a directive Recital 3

Text proposed by the Commission

(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

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

[□] References to 'cp' in the headings of adopted amendments shall be understood as the corresponding part of those amendments.

¹ The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 60(4), fourth subparagraph (A10-0197/2025).

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.

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. **The lack of harmonised assurance standards is contributing to the problems experienced by undertakings, and it is therefore of the utmost urgency for the Commission to adopt a suitable** delegated act **as planned.**

Amendments 221 and 279

Proposal for a directive Recital 5

Text proposed by the Commission

(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**

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 undertakings with an average of more than **1 750** 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**

Directive 2013/34/EU, this means that to be subject to the reporting requirements an undertaking 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.

financial holding undertakings not involved in management activities from complying with reporting obligations.

Amendment 3

Proposal for a directive Recital 6

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)

deleted

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>).

Amendments 222 and 280

Proposal for a directive Recital 7

Text proposed by the Commission

(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

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 undertakings with an average of

average of more than **1000** employees during the financial year, that reduction in scope should also apply to credit institutions and insurance undertakings.

more than **1 750** 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.

Amendment 5

Proposal for a directive Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) For the purpose of consistency with this Directive, it is important that financial sector legislation remains coherent with its provisions. In this context, it should be considered whether requirements for the financial sector ought to be framed in a way that does not create an obligation for financial undertakings to obtain any information from undertakings which are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU. It should also be considered whether sector-specific financial services legislation, including delegated acts, guidelines by the ESAs and supervisory expectations, ought to be adapted to take into account the content of this Directive.

Amendment 223 and 281

Proposal for a directive

Recital 9

Text proposed by the Commission

(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

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 ***provide clarity and*** 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 ***with an average of more than 1 750 employees and a net turnover of more than EUR 450 000 000*** 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 ***adopt a risk-based approach, prioritising efforts to gather information on high-risk impacts and sustainability issues commonly associated with its sector and*** 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. ***Where not all the necessary information regarding their value chain is available, or such information is incomplete or subject 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.

legal limitations, the undertakings should be allowed to explain the efforts made to obtain the necessary information about their value chain, the reasons why that information could not be obtained, and their plans to obtain such information in the future. 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 **1 750 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 specify, where possible, the structure to be used to present that information. ***Undertakings within the value chain should be allowed to choose a template for reporting of***

sustainability information voluntarily so that undertakings requesting information are not required to assess or map the size categories of all entities in their value chain.

Amendment 7

Proposal for a directive Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Until the Commission adopts sustainability reporting standards for voluntary use, undertakings that report sustainability information voluntarily may do so according to the Commission recommendation 2025/4984, which is based on the voluntary standard for SMEs (VSME) developed by EFRAG. To ensure continuity and proportionality, the sustainability reporting standards for voluntary use adopted by the Commission as a delegated act should be based on that recommendation, and should be proportionate and take into account the think small first principle; should use simplified language and modularity allowing for flexibility and progression in the disclosures. The objective of this voluntary standard should be to support companies: (a) providing information that will help satisfy the data needs of undertakings requesting

sustainability information from their suppliers; (b) providing information that will help satisfy data needs from banks and investors, therefore helping undertakings in their access to finance; (c) improving the management of the sustainability issues they face, i.e. environmental and social challenges such as pollution, workforce health and safety; this will support their competitive growth and enhance their resilience in the short-, medium- and long-term; and (d) contributing to a more sustainable and inclusive economy.

Amendment 8

Proposal for a directive Recital 9 b (new)

Text proposed by the Commission

Amendment

(9b) Sustainability reporting requirements should not oblige an undertaking to disclose information such as intellectual capital, intellectual property, know-how or the results of innovation that would qualify as trade secrets as defined in Directive (EU) 2016/943 of the European Parliament and of the Council. The reporting requirements provided for in this amending Directive should therefore be without prejudice to Directive (EU) 2016/943.

Amendments 224 and 282

Proposal for a directive
Recital 12

Text proposed by the Commission

(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.

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 groups with an average of more than **1 750** employees **and a net turnover of more than EUR 450 000 000**, on a consolidated basis, during the financial year.

Amendment 10

Proposal for a directive
Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) Directive (EU) 2022/2464 requires undertakings in scope to report sustainability information according to mandatory European Sustainability Reporting Standards (ESRS). In July 2023 the Commission adopted a first set of ESRS. To deliver swiftly on the simplification and streamlining of sustainability reporting the Commission should adopt a delegated act as soon as possible, and at the latest six months after the entry into force of this Directive, to revise the first set of ESRS to substantially reform the

standards by: (i) removing datapoints deemed least important for general purpose sustainability reporting, (ii) prioritising quantitative indicators over narrative text, (iii) providing clear instructions on how to apply the materiality principle, to ensure that undertakings are only required to report material information, and to reduce the risk that assurance service providers inadvertently encourage undertakings to report information that is not necessary or dedicate excessive resources to the materiality assessment process, (iv) improving consistency with other pieces of EU legislation, including financial services legislation, (v) ensuring to the greatest extent possible interoperability with global sustainability reporting standards.

Amendment 11

Proposal for a directive Recital 12 b (new)

Text proposed by the Commission

Amendment

(12b) To better clarify the demands made to financial holding undertakings that are parent undertakings, only these are exempted from complying with the obligations set out in this Directive. Likewise, to decrease the administrative burden on undertakings, for recent acquisitions of subsidiaries that are not reporting yet,

parent undertaking should benefit of a 24 months transition period.

Amendment 12

Proposal for a directive Recital 13

Text proposed by the Commission

(13) Article 29b(1), third subparagraph, Directive 2013/34/EU empowers the Commission to adopt sector-specific reporting standards by way of delegated acts, with a first set of such standards to be adopted by 30 June 2026. To avoid an increase in the number of prescribed datapoints that undertakings should report, that empowerment should be removed.

Amendment

(13) Article 29b(1), third subparagraph, Directive 2013/34/EU empowers the Commission to adopt sector-specific reporting standards by way of delegated acts, with a first set of such standards to be adopted by 30 June 2026. To avoid an increase in the number of prescribed datapoints that undertakings should report, that empowerment should be removed. ***The Commission should instead issue voluntary sector-specific guidelines to support undertakings and auditors in assessing their risks, opportunities and impacts in specific sectors, to facilitate the application of ESRS within a given sector, to identify the sustainability matters likely to be material for a specific sector and to reduce the burden of reporting. Those guidelines should be based on consultation with relevant stakeholders.***

Amendments 225 and 283

Proposal for a directive Recital 14

Text proposed by the Commission

(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.

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 **1 750** 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.

Amendment 15

Proposal for a directive Recital 15

Text proposed by the Commission

(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) 2018/815¹¹ 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.

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

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) 2018/815¹¹ 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 should not be required to mark-up their sustainability reporting.

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>).

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>).

Amendment 16

Proposal for a directive Recital 16

Text proposed by the Commission

(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.

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 **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, **Member States can provide** 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.

Amendment 17

Proposal for a directive Recital 17

Text proposed by the Commission

(17) Pursuant to Article 40a(1), fourth and fifth **subparagraph** of Directive 2013/34/EU, a subsidiary in the Union of a **third-country** 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.**

Amendments 226 and 284

Proposal for a directive Recital 18

Text proposed by the Commission

(18) Article 5(2), first

Amendment

(17) Pursuant to Article 40a(1), fourth and fifth **subparagraphs** of Directive 2013/34/EU, a subsidiary in the Union of a **third-country** 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. 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 **and** the branch should be **set at a net turnover of more than EUR 450 000 000.**

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.

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 **1 750** 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.

Amendments 227 and 285

Proposal for a directive Recital 19

Text proposed by the Commission

(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**

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 undertakings with

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.

more than **1 750** 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.

Amendment 20

Proposal for a directive Recital 20

Text proposed by the Commission

(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

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 **provisions on due diligence at group level**, identification duty, the duties to

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.**

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. At the same time, Member States should **continue to** be allowed to introduce **or maintain provisions of national law regulating specific adverse impacts or specific sectors of activity, specific products or services, in order to achieve a different level of protection of human, employment and social rights, the environment or the climate.**

Amendment 21

Proposal for a directive Recital 21

Text proposed by the Commission

(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

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 **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 **and measures taken should take 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**

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

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 carry out the scoping to identify general areas where adverse impacts are most likely to occur and to be most severe. Based on the results of scoping the companies should be required, where on the basis of relevant and verifiable information the company has grounds to believe that adverse impacts have arisen or may arise, to carry out further assessments only in areas where adverse impacts were identified to be most likely to occur and most severe.

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.

Amendment 22

Proposal for a directive Recital 22

Text proposed by the Commission

(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.***

Amendment

(22) To limit the trickle-down effect on ***other companies, including*** 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 and communication with business partners is not relevant at this stage. 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 business partners only where, following a risk-based approach, such information is necessary in***

light of indications of likely adverse impacts from business partners with fewer than 5000 employees where such additional information cannot reasonably be obtained by other means, mainly from existing or secondary sources. In any case, any request should be targeted, reasonable and proportionate. 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.

Amendment 23

Proposal for a directive Recital 22 a (new)

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.

Amendment 24

Proposal for a directive Recital 23

Text proposed by the Commission

(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.

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 ***temporarily*** suspend the business relationship while continuing to work with the supplier towards a solution, where possible using any increased leverage resulting from the suspension. ***The company should assess, in consultation with relevant stakeholders, whether such suspension leads 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 to which no available alternative exists. 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.

Amendment 26

Proposal for a directive Recital 25

Text proposed by the Commission

(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

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.

¹³ Directive (EU) 2025/XX of
.....

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
.....

Amendments 228 and 287

Proposal for a directive Recital 26

Text proposed by the Commission

(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.

Amendment

(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.**

Amendment 28

Proposal for a directive Recital 27

Text proposed by the Commission

(27) Article 27(1) of Directive EU 2024/1760 requires Member States to lay down penalties that are to be “effective, proportionate and dissuasive”. Article 27(2) of that Directive requires Member States, when deciding whether to impose penalties and, if so, when determining their nature and appropriate level, to take due account of a series of factors that determine the gravity of the infringement and attenuating or aggravating circumstances. Article 27(4) of that Directive requires Member States to base any imposed pecuniary penalties on the net worldwide turnover of the company concerned.

However, given the fact that Member States already have to take into account the series of factors laid down in Article 27(2) of that directive, the need to base pecuniary penalties on the net worldwide turnover of the company concerned is superfluous. However, to ensure a level playing field across the Union, Member States should be prohibited from introducing in their national law a ceiling or cap for any pecuniary penalties imposed on companies under their jurisdiction that would prevent supervisory authorities from imposing penalties in accordance with the factors laid down in Article 27(2). Moreover, to harmonise enforcement practices across the Union, the Commission, in collaboration with the Member States, should develop guidelines to assist supervisory authorities in determining the level of

Amendment

(27) Article 27(1) of Directive EU 2024/1760 requires Member States to lay down penalties that are to be “effective, proportionate and dissuasive”. Article 27(2) of that Directive requires Member States, when deciding whether to impose penalties and, if so, when determining their nature and appropriate level, to take due account of a series of factors that determine the gravity of the infringement and attenuating or aggravating circumstances. Article 27(4) of that Directive requires Member States to base any imposed pecuniary penalties on the net worldwide turnover of the company concerned. ***In order to ensure proportionate penalties, Member States should guarantee that the maximum limit for pecuniary penalties is set at 5% of the net worldwide turnover of the company or, for companies falling under Article 2(1)(b) and Article 2(2)(b), of the consolidated worldwide turnover of the ultimate parent undertaking, in the financial year preceding that of the decision to impose the fine.*** Moreover, to harmonise enforcement practices across the Union, the Commission, in collaboration with the Member States, should develop guidelines to assist supervisory authorities in determining the ***appropriate*** level of penalties.

penalties.

Amendment 29

Proposal for a directive Recital 29 a (new)

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, guidelines, reporting requirements, including voluntary tools, 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, as well as complementarity with the European Single Access point. 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 Council¹

to support the digitalisation of reporting and improve the quality and accessibility of sustainability-related data.

¹ 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).

Amendment 30

Proposal for a directive

Article 1 - paragraph 1 - point 1

Directive 2006/43/EC

Article 26a - paragraph 3 - subparagraph 1

Text proposed by the Commission

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

Amendment

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

the audit report.

reporting, or, where relevant, in the audit report.

Amendment 31

Proposal for a directive

Article 1 - paragraph 1 - point 1

Directive 2006/43/EC

Article 26a - paragraph 3 - subparagraph 2 - introductory wording

Text proposed by the Commission

The Commission **may** adopt the assurance standards referred to in the first subparagraph **only where those** standards:

Amendment

The Commission **shall** adopt the assurance standards referred to in the first subparagraph **after having obtained an opinion from EFRAG while ensuring that the** standards:

Amendments 230 and 289

Proposal for a directive

Article 2 - paragraph 1 - point 1 - point a

Directive 2013/34/EU

Article 1 - paragraph 3 - subparagraph 1 - introductory part

Text proposed by the Commission

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;;

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 **exceed**, on their balance sheet dates, the average number of **1 750** employees **and a net turnover of EUR 450 000** during the financial year:’;

Amendments 231 and 290

Proposal for a directive

Article 2 - paragraph 1 - point 1 a (new)

Directive 2013/34/EU

Article 19 - paragraph 1 - subparagraph 4:

Text proposed by the Commission

Amendment

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

***‘Undertakings which, on their balance sheet dates, exceed the average number of 1 750 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.’
;***

Amendments 232 and 291

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point a

Directive 2013/34/EU

Article 19a - paragraph 1 - subparagraph 1:

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

Undertakings which, on their balance sheet dates, exceed the average number of ***1 750*** 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

information necessary to understand how sustainability matters affect the undertaking's development, performance and position.;

impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking's development, performance and position.

Amendment 35

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point a a (new)

Directive 2013/34/EU

Article 19a - paragraph 1 - subparagraph 2a (new)

Text proposed by the Commission

Amendment

(aa) in paragraph 1, the following subparagraph is added:

‘Undertakings that are a financial holding undertaking as defined in Article 2(15), shall be exempted from carrying out the obligations under this Directive.’;

Amendments 233 and 292

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point b - point i

Directive 2013/34/EU

Article 19a - paragraph 3 - subparagraph 1

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

‘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

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.;

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 **1 750** 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 value chain information without reporting from undertakings in their value chain which, on their balance sheet dates, do not exceed the average number of **1 750** 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 value chain information set out in this paragraph.’;

Amendments 37 and 256

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point b - point i a (new)

Directive 2013/34/EU

Article 19a - paragraph 3 - subparagraph 2

Present text

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 ⁽¹³⁾, 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.

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

Amendment 38

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point b - point ii

Directive 2013/34/EU

Article 19a - paragraph 3 - subparagraph 4 a

Text proposed by the Commission

‘The first subparagraph is without

Amendment

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

‘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. ‘;

Amendment

‘The first subparagraph is without

prejudice to Union requirements on undertakings to conduct a due diligence process.’;

prejudice to **information requests made for purposes other than the reporting of sustainability information as required by this Directive, including** Union requirements on undertakings to conduct a due diligence process.’;

Amendment 39

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point b a (new)

Directive 2013/34/EU

Article 19a - paragraph 4 a (new)

Text proposed by the Commission

Amendment

(ba) the following paragraph is inserted:

‘4a. 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.’;

Amendment 40

Proposal for a directive

Article 2 - paragraph 1 - point 2 - point c a (new)

Directive 2013/34/EU

Article 19a - paragraph 10

Present text

Amendment

‘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.**’;

(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.’;

Amendments 134 and 41

Proposal for a directive
Article 2 - paragraph 1 - point 3
Directive 2013/34/EU
Article 19b

Text proposed by the Commission

Amendment

(3) the following Article 19b is inserted :
[...]

deleted

Amendments 234 and 293

Proposal for a directive
Article 2 - paragraph 1 - point 4 - point a
Directive 2013/34/EU
Article 29a - paragraph 1- subparagraph 1

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

‘Parent undertakings of a group which, on their balance sheet dates, exceed the average number of **1 750** 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

information necessary to understand how sustainability matters affect the group's development, performance and position.;

group's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the group's development, performance and position.';

Amendment 43

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point a a (new)

Directive 2013/34/EU

Article 29a - paragraph 1 - subparagraph 1a and 1b (new)

Text proposed by the Commission

Amendment

(aa) in paragraph 1, the following subparagraphs are added:

'Parent undertakings that are a financial holding undertaking as defined in Article 2(15), shall be exempted from carrying out the obligations under this Article.'

In case of recent acquisitions of subsidiaries that are not subject to the reporting of information referred to in the first subparagraph, the parent undertaking will benefit of a 24 months transition period before being required to integrate information on its new subsidiary, within its consolidated sustainability report.';

Amendments 235 and 294

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b - point i

Directive 2013/34/EU

Article 29a - paragraph 3 - subparagraph 1

Text proposed by the Commission

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.;

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 **1 750** 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 value chain information without reporting from undertakings in their value chain which, on their balance sheet dates, do not exceed the average number of **1 750** 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 value chain

information set out in this paragraph.’;

Amendment 45

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b - point i a (new)

Directive 2013/34/EU

Article 29a - paragraph 3 - subparagraph 2

Present text

‘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.’;

Amendment

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

‘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.’;

Amendment 46

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b - point ii

Directive 2013/34/EU

Article 29a - paragraph 3 - subparagraph 4 a

Text proposed by the Commission

‘The first subparagraph is without prejudice to Union requirements on undertakings to conduct a due diligence process.’;

Amendment

‘The first subparagraph is without prejudice to **information requests made for purposes other than the reporting of sustainability information as**

required by this Directive, including Union requirements on undertakings to conduct a due diligence process.’;

Amendment 47

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b a (new)

Directive 2013/34/EU

Article 29a - paragraph 3 - subparagraph 5a (new)

Text proposed by the Commission

Amendment

(ba) the following subparagraph is added:

‘5a. 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.’;

Amendment 48

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b b (new)

Directive 2013/34/EU

Article 29a - paragraph 8 - subparagraph 1

Present text

Amendment

(bb) in paragraph 8, the first subparagraph is replaced by the following:

‘Provided that the conditions set out in the second subparagraph of this paragraph are met, a parent

‘Provided that the conditions set out in the second subparagraph of this paragraph are met, a parent

undertaking which is a subsidiary undertaking shall be exempted from the obligations set out in paragraphs 1 to 5 of this Article (the “exempted parent undertaking”) if such parent undertaking and its subsidiary undertakings are included in the consolidated management report of another undertaking, drawn up in accordance with Article 29 and this Article. A parent undertaking which is a subsidiary undertaking of a parent undertaking that is established in a third country shall also be exempted from the obligations set out in paragraphs 1 to 5 of this Article where such parent undertaking and its subsidiary undertakings are included in the consolidated sustainability reporting of that parent undertaking that is established in a third country and where that consolidated sustainability reporting is carried out in accordance with the sustainability reporting standards adopted pursuant to Article 29b or in a manner equivalent to those sustainability reporting standards, as determined in accordance with an implementing act on the equivalence of sustainability reporting standards adopted pursuant to the third subparagraph of Article 23(4) of Directive 2004/109/EC.

undertaking which is a subsidiary undertaking shall be exempted from the obligations set out in paragraphs 1 to 5 of this Article (the “exempted parent undertaking”) if such parent undertaking and its subsidiary undertakings are included in the consolidated management report of another undertaking, drawn up in accordance with Article 29 and this Article. A parent undertaking which is a subsidiary undertaking of a parent undertaking that is established in a third country shall also be exempted from the obligations set out in paragraphs 1 to 5 of this Article where:

(i) such parent undertaking and its subsidiary undertakings are included in the consolidated sustainability reporting of that parent undertaking that is established in a third country and where that consolidated sustainability reporting is carried out in accordance with the sustainability reporting standards adopted pursuant to Article 29b

or in a manner equivalent to those sustainability reporting standards, as determined in accordance with an implementing act on the equivalence of sustainability reporting standards adopted pursuant to the third subparagraph of Article 23(4) of Directive 2004/109/EC;

(ii) the parent undertaking is a financial holding undertaking in accordance with Article 2(15), that does not have any subsidiaries in the Union with an operating business.’;

Amendment 49

Proposal for a directive

Article 2 - paragraph 1 - point 4 - point b c (new)

Directive 2013/34/EU

Article 29a - paragraph 9

Present text

‘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.’;***

Amendment

(bc) 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.’;

Amendments 50 and 138

Proposal for a directive

Article 2 - paragraph 1 - point 5

Directive 2013/34/EU

Article 29aa

Text proposed by the Commission

Amendment

(5) The following Article 29aa is inserted :

deleted

[...]

Amendment 51

Proposal for a directive

Article 2 - paragraph 1 - point 6 - point -a

Directive 2013/34/EU

Article 29b - paragraph 1 - subparagraph 2 a (new)

Text proposed by the Commission

Amendment

(-a) in paragraph 1, the following subparagraph is inserted after the second subparagraph:

‘The Commission, after consultation with relevant stakeholders, shall develop voluntary sector-specific guidelines to assist undertakings in the same sector in conducting their materiality assessment. These guidelines shall provide tailored support for identifying and disclosing sector-relevant sustainability impacts, risks, and opportunities, ensuring consistency and comparability across companies operating in the same sector.’;

Amendment 52

Proposal for a directive

Article 2 - paragraph 1 - point 6 - point a

Directive 2013/34/EU

Article 29b - paragraph 1

Text proposed by the Commission

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

Amendment

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

Amendment 53

Proposal for a directive

Article 2 - paragraph 1 - point 6 - point a a (new)

Directive 2013/34/EU

Article 29b - paragraph 2 - subparagraph 1

Present text

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.

Amendment

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

‘The sustainability reporting standards shall ensure the quality of reported information, by requiring that it is **simple, accessible, 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 to the greatest extent possible **interoperability with internationally recognised standards set by** global standard-setting initiatives for sustainability reporting as required by point (a) of paragraph 5.;

Amendments 236, 295 and 296

Proposal for a directive

Article 2 - paragraph 1 - point 6 - point b

Directive 2013/34/EU

Article 29b – paragraph 4 – subparagraph 1

Text proposed by the Commission

(b) in paragraph 4, first subparagraph, **the last sentence** 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 **of 1000** 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.;

Amendment

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

‘Sustainability reporting standards shall take account of the difficulties, including legal limitations stemming from this Directive, that undertakings might encounter in gathering information from actors throughout their value chain, especially from those which are not subject to the sustainability reporting requirements laid down in Article 19a or 29a and from suppliers in emerging markets and economies. Sustainability reporting standards shall specify disclosures on value chains that are proportionate and relevant to the capacities and characteristics of undertakings in the value chains, 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 value chain which, on their balance sheet dates, do not exceed the average number ***of 1 750 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.’;

Amendment 55

Proposal for a directive

Article 2 - paragraph 1 - point 8

Directive 2013/34/EU

Article 29ca - paragraph 1

Text proposed by the Commission

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.

Amendment

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.

Amendment 56

Proposal for a directive
Article 2 - paragraph 1 - point 8
Directive 2013/34/EU
Article 29ca - paragraph 2

Text proposed by the Commission

2. The sustainability reporting standards referred to in paragraph 1 shall be proportionate to **and** relevant for the capacities and the characteristics of the undertakings for which they are designed and to the scale and complexity of their activities. They shall also, to the extent possible, specify the structure to be used to present such sustainability information.;

Amendment

2. The sustainability reporting standards referred to in paragraph 1 shall be **based on Commission Recommendation 2025/4984 and** proportionate to **the size of the undertakings, and be** relevant for the capacities and the characteristics of the undertakings for which they are designed and to the scale and complexity of their activities. They shall also, to the extent possible, specify the structure to be used to present such sustainability information.
Undertakings within the value chain may choose a template for reporting of sustainability information, so that undertakings requesting information are not required to assess or map the size categories of all entities in their value chain.

Amendment 57

Proposal for a directive
Article 2 - paragraph 1 - point 8
Directive 2013/34/EU
Article 29ca - paragraph 3 (new)

Text proposed by the Commission

Amendment

3. The Commission shall, at least every four years after the date of its application, review the delegated act referred to in paragraph 1 and, where necessary, it shall amend it to

***take into account
developments relevant to
sustainability reporting.***

Amendment 58

Proposal for a directive

Article 2 - paragraph 1 - point 8

Directive 2013/34/EU

Article 29ca - paragraph 4 (new)

Text proposed by the Commission

Amendment

4. When amending delegated acts pursuant to paragraph 3, the Commission shall take into consideration technical advice from EFRAG.’;

Amendment 59

Proposal for a directive

Article 2 - paragraph 1 - point 10

Directive 2013/34/EU

Article 33 - paragraph 1 - subparagraph 2

Text proposed by the Commission

Amendment

By way of derogation from subparagraph 1, Member States ***shall ensure*** that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, do not have collective responsibility for ensuring that the management report, or consolidated management report, where applicable, is prepared in accordance with Article 29d.’;

By way of derogation from subparagraph 1, Member States ***may provide*** that the members of the administrative, management and supervisory bodies of an undertaking, acting within the competences assigned to them by national law, do not have collective responsibility for ensuring that the management report, or consolidated management report, where applicable, is prepared in accordance with Article 29d.’;

Amendments 237 and 297

Proposal for a directive

Article 2 - paragraph 1 - point 11 - point b

Directive 2013/34/EU

Article 34 - paragraph 2a

Text proposed by the Commission

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.;

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 **1750 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.’;

Amendment 61

Proposal for a directive

Article 2 - paragraph 1 - point 11 - point b a (new)

Directive 2013/34/EU

Article 34 - paragraph 2 b (new)

Text proposed by the Commission

Amendment

(ba) the following paragraph is inserted:

‘2b. Member States shall ensure that the opinion referred to in paragraph 1, second subparagraph, point (aa), is prepared in full respect of the possibility of undertakings in the value chain to omit to provide

information in exceptional cases where an undertaking established under the legislation of a third country could be sanctioned due to third-country legislation simply by transmitting sustainability data.’;

Amendment 62

Proposal for a directive

Article 2 - paragraph 1 - point 12 - point -a (new)

Directive 2013/34/EU

Article 40a - paragraph 1 - subparagraph 1

Present text

‘A Member State shall require that a subsidiary undertaking established in its territory whose ultimate parent undertaking is governed by the law of a third country publish and make accessible a sustainability report covering the information specified in points (a)(iii) to (a)(v), points (b) to (f) and, where appropriate, point (h) of Article 29a (2) at the group level of that ultimate third-country parent undertaking.’;

Amendment

(-a) the first subparagraph is replaced by the following:

‘A Member State shall require that a subsidiary undertaking established in its territory whose ultimate parent undertaking is governed by the law of a third country publish and make accessible a sustainability report covering the information specified in points (a)(iii) to (a)(v), points (b) to (f) and, where appropriate, point (h) of Article 29a (2), ***and in accordance with Article 29a(3)***, at the group level of that ultimate third-country parent undertaking.’;

Amendment 63

Proposal for a directive

Article 2 - paragraph 1 - point 12 - point a

Directive 2013/34/EU

Article 40a - paragraph 1 - subparagraph 2

Text proposed by the Commission

‘The first subparagraph shall only apply to ***large*** subsidiary

Amendment

‘The first subparagraph shall only apply to subsidiary undertakings

undertakings ***as defined in Article 3(4) of this Directive.***’;

which, on their balance sheet dates, exceed a net turnover of EUR 450 000 000 in the preceding financial year.’;

Amendment 64

Proposal for a directive

Article 2 - paragraph 1 - point 12 - point b

Directive 2013/34/EU

Article 40a - paragraph 1 - subparagraph 4

Text proposed by the Commission

Amendment

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

(b) the fourth subparagraph ***is*** replaced by the following:

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

Amendments 65 and 336

Proposal for a directive

Article 2 - paragraph 1 - point 12 - point b a (new)

Directive 2013/34/EU

Article 40a - paragraph 1 - subparagraph 5

Text proposed by the Commission

Amendment

(ba) the fifth subparagraph is deleted

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.';

Amendment 66

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point -a (new)

Directive 2013/34/EU

Article 49 - paragraph 2 - first sentence

Text proposed by the Commission

Amendment

(-a) in paragraph 2, first sentence, the reference to Article 29c is deleted;

Amendment 67

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point -a a (new)

Directive 2013/34/EU

Article 49 - paragraph 3 - first sentence

Text proposed by the Commission

Amendment

(-aa) in paragraph 3, first sentence, the reference to Article 29c is deleted;

Amendment 68

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point -a b (new)

Directive 2013/34/EU

Article 49 - paragraph 3b

Text proposed by the Commission

Amendment

(-ab) paragraph 3b is amended as follows:

(i) in the first subparagraph, introductory wording, the reference to Article 29c is deleted ;

(ii) in the fourth subparagraph, the reference to Article 29c is deleted;

(iii) in the sixth subparagraph, the reference to Article 29c is deleted.

Amendment 69

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point a - introductory part

Directive 2013/34/EU

Article 49 - paragraph 3c

Text proposed by the Commission

Amendment

(a) the following paragraphs 3c
to 3e are inserted:

(a) the following paragraphs 3c
and 3d are inserted:

Amendment 70

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point a

Directive 2013/34/EU

Article 49 - paragraph 3c

Text proposed by the Commission

Amendment

‘3c. The power to adopt delegated acts referred to in **Articles 19b(5), 29aa(5) and 29ca** shall be conferred on the Commission for an indeterminate period from [date of entry into force of amending Directive].

‘3c. The power to adopt delegated acts referred to in **Article 29ca** shall be conferred on the Commission for an indeterminate period from [date of entry into force of amending Directive].

Amendment 71

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point a

Directive 2013/34/EU
Article 49 - paragraph 3d

Text proposed by the Commission

3d. The delegations of powers referred to in **Articles 19b(5), 29aa(5) and** 29ca may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3d. The delegations of powers referred to in **Article** 29ca may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment 72

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point a

Directive 2013/34/EU

Article 49 - paragraph 3e

Text proposed by the Commission

3e. The Commission shall gather all necessary expertise, prior to the adoption and during the development of delegated acts pursuant to Articles 19b(5) and 29aa(5), including through the consultation of the experts of the Member State Expert Group on Sustainable Finance referred to in Article 24 of Regulation (EU) 2020/852.’;

Amendment

deleted

Amendment 73

Proposal for a directive

Article 2 - paragraph 1 - point 13 - point b

Directive 2013/34/EU
Article 49 – paragraph 5

Text proposed by the Commission

‘5. A delegated act adopted pursuant to Article 1(2), Article 3(13), **Article 19b, Article 29aa**, Articles 29b, 29ca or 40b, or Article 46(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.’.

Amendment

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

Amendments 238 and 298

Proposal for a directive

Article 3 – paragraph 1 – point 1 – point b – point i

Directive (EU) 2022/2464

Article 5 – paragraph 2 – subparagraph 1 – point b – point (i)

Text proposed by the Commission

(i) to **large** undertakings which, on their balance sheet dates, exceed the average number of **1000** employees during the financial year;;

Amendment

(i) to undertakings which, on their balance sheet dates, exceed the average number of **1 750** employees **and a net turnover of EUR 450 000 000** during the financial year;’;

Amendments 239 and 299

Proposal for a directive

Article 3 – paragraph 1 – point 1 – point b – point ii

Directive (EU) 2022/2464

Article 5 – paragraph 2 – subparagraph 1– point b – point (ii)

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 **1 750** employees **and a net turnover of EUR 450 000 000**, on a consolidated basis, during the financial year;;

Amendments 240 and 300

Proposal for a directive

Article 3 – paragraph 1 – point 2 – point b – point i

Directive (EU) 2022/2464

Article 5 – paragraph 2 – subparagraph 3– point b – point (i)

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 undertakings which, on their balance sheet dates, exceed the average number of **1 750** employees **and a net turnover of EUR 450 000 000** during the financial year;

Amendments 241 and 301

Proposal for a directive

Article 3 – paragraph 1 – point 2 – point b – point ii

Directive (EU) 2022/2464

Article 5 – paragraph 2 – subparagraph 3– point b – point (ii)

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,

(ii) to issuers as defined in Article 2(1), point (d) of Directive 2004/109/EC which are parent undertakings of a group which, on its balance sheet dates, exceed

exceed the average number of **1000** employees , on a consolidated basis, during the financial year;

the average number of **1 750** employees **and a net turnover of EUR 450 000 000**, on a consolidated basis, during the financial year;

Amendments 397 and 302

Proposal for a directive

Article 4 - paragraph 1 - point 1 - introductory part

Directive (EU) 2024/1760

Article 1 - paragraph 1 - point c

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;**

Amendment 304

Proposal for a directive

Article 4 - paragraph 1 - point 1 a (new)

Directive (EU) 2024/1760

Article 2

Text proposed by the Commission

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 5 000 employees on average and had a net worldwide turnover of more than EUR 1,5 billion in the last financial year for which annual financial statements have been or should have been adopted’;

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

‘(a) the company generated a net turnover of more than EUR

1,5 billion in the Union in the financial year preceding the last financial year;'

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

'3. Where the ultimate parent company has as its main activity the holding of shares in operational subsidiaries and does not engage in taking management, operational or financial decisions affecting the group or one or more of its subsidiaries, it may be exempted from carrying out the obligations under this Directive. That exemption is subject to the condition that one of the ultimate parent company's subsidiaries established in the Union is designated to fulfil the obligations set out in Articles 6 to 16 on behalf of the ultimate parent company, including the obligations of the ultimate parent company with respect to the activities of its subsidiaries. In such a case, the designated s 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.'

Amendment 81

Proposal for a directive

Article 4 - paragraph 1 - point 2 - introductory part

Directive (EU) 2024/1760
Article 3 – paragraph 1

Text proposed by the Commission

Amendment

(2) **in** Article 3(1), **point (n)** is **replaced by the following**:

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

Amendment 83

Proposal for a directive

Article 4 – paragraph 1 – point 2 – point b (new)

Directive (EU) 2024/1760

Article 3 – paragraph 1 – point w (new)

Text proposed by the Commission

Amendment

(b) the following point is added:

‘(w) ‘reasonably available information’ means information which can be obtained by the company from its own, or from existing or secondary sources without contacting a business partner.’;

Amendment 84

Proposal for a directive

Article 4 – paragraph 1 – point 3 – introductory part

Directive (EU) 2024/1760

Article 4

Text proposed by the Commission

Amendment

(3) Article 4 is **replaced by the following**:

(3) Article 4 is **amended as follows**:

Amendment 85

Proposal for a directive

Article 4 – paragraph 1 – point 3 – point a (new)

Directive (EU) 2024/1760
Article 4 – paragraph 1

Text proposed by the Commission

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.***

Amendment 86

Proposal for a directive
Article 4 – paragraph 1 – point 3 – point b (new)
Directive (EU) 2024/1760
Article 4 – paragraph 2

Text proposed by the Commission

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

Amendment

(a) paragraph 1 is replaced by the following:

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 6 ***to 16***

Amendment

(b) paragraph 2 is deleted;

***social rights, the environment
or the climate.;***

Amendment 305

Proposal for a directive

Article 4 - paragraph 1 - point 3 a (new)

Directive (EU) 2024/1760

Article 6 - paragraph 4

Text proposed by the Commission

Amendment

(3a) Article 6 is amended as follows:

(a) paragraph 1 is amended as follows:

‘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.’;

(b) paragraph 3 is deleted;

(c) the following paragraph is added:

‘3a. When a company covered by this Directive acquires a company that was not in the scope of this Directive, the acquiring company has two years to integrate the processes of the purchased company into its own due diligence policy.’;

Amendment 88

Proposal for a directive

Article 4 - paragraph 1 - point 4 - point a

Directive (EU)2024/1760

Article 8 - paragraph 2

Text proposed by the Commission

(a) **in** paragraph 2, **point (b)** 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**

Amendment

(a) paragraph 2 is replaced by the following:

'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, such as the level of law enforcement; sectoral, product or service risk factors, as well as business operation or business partners risk factors, such as whether the business partner is not a company covered by this Directive, 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 chains of activities, those of their business partners where adverse impacts are most likely to occur and to be most severe;

(b) based on the results of the scoping referred to in point (a), and where, on the basis of relevant and verifiable information, the company has

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.;

grounds to believe that adverse impacts have arisen or may arise, carry out a further assessment *only* in the areas where adverse impacts were identified to be most likely to occur and *to be* most severe. Companies shall not be required to request any information from business partners, where no likely and severe risks were identified. Companies shall be able to prioritise assessing direct business partners, in line with severity and likelihood of the adverse impacts.';

Amendment 89

Proposal for a directive

Article 4 - paragraph 1 - point 4 - point b

Directive (EU) 2024/1760

Article 8 – paragraph 2 a

Text proposed by the Commission

Amendment

(b) the following paragraph 2a is inserted:

deleted

2a. 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.

The first subparagraph is without prejudice to the company considering available information about indirect business partners and whether those business partners can follow the rules and principles set out in the company's code of conduct when selecting a direct business partner.

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.'

Amendment 90

Proposal for a directive

Article 4 - paragraph 1 - point 4 - point b a (new)

Directive (EU) 2024/1760

Article 8 - paragraph 3

Text proposed by the Commission

3. Member States shall ensure that, for the purposes of ***identifying and assessing the adverse impacts referred to in paragraph 1 based on, where appropriate, quantitative and***

Amendment

(ba) paragraph 3 is replaced by the following:

'3. 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***

qualitative information, companies are entitled to make use of appropriate resources, including independent reports and information gathered through the notification mechanism and the complaints procedure provided for in Article 14.

their business partners but rely solely on information that is already reasonably available, including risk factors.’;

Amendment 91

Proposal for a directive

Article 4 - paragraph 1 - point 4 - point c

Directive (EU) 2024/1760

Article 8 - paragraph 4

Text proposed by the Commission

‘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.’;

Amendment

‘4. 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 business partners, unless this is necessary. Where the business partner has fewer than 5000 employees, companies may seek such information only as a last resort, and if it cannot reasonably be obtained by other means, in particular from existing or secondary sources. In any case, any request shall be targeted, reasonable and proportionate.***

Where information necessary for the further assessment provided for in paragraph 2, point (b), can be obtained from different business partners, the company shall seek such information, where reasonable, directly from the business partner or partners where the adverse impacts are most likely to occur.

Information may be sought individually or collaboratively.’;

Amendment 92

Proposal for a directive

Article 4 - paragraph 1 - point 4 - point d

Directive (EU) 2024/1760

Article 8 - paragraph 5

Text proposed by the Commission

‘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.**’;

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.’;

Amendment

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

Where, despite having taken appropriate measures to identify adverse impacts, companies do not have all the necessary information regarding their chains of activities, they shall be able to reasonably explain why such information cannot be obtained. If, as a result, they could not take appropriate measures to prevent, mitigate, bring to an end or minimise the adverse impact, they shall not be penalised.’;

Amendment 93

Proposal for a directive

Article 4 - paragraph 1 - point 4 a (new)

Directive (EU) 2024/1760

Article 9

Present text

Article 9

Prioritisation 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.
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.

Amendment

4a. Article 9 is replaced by the following :

Article 9

Prioritisation of identified actual and potential adverse impacts

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 **may prioritise the most severe and most likely** adverse impacts in order to fulfil the obligations laid down in Article 10 or 11.
2. **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.
3. **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.'**

Amendments 246 and 306

Proposal for a directive

Article 4 - paragraph 1 - point 5

Directive (EU) 2024/1760

Article 10 – paragraph 6 – subparagraph 1 – introductory part

Text proposed by the Commission

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

Amendment

As regards potential adverse impacts as referred to in paragraph 1 that could not be prevented or adequately mitigated by the measures set out in paragraphs 2, 4 and 5, the company **can**, as a last resort:

Amendment 94

Proposal for a directive

Article 4 – paragraph 1 – point 5

Directive (EU) 2024/1760

Article 10 – paragraph 6 – subparagraph 1 – point c

Text proposed by the Commission

(c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned.

Amendment

(c) use or increase its leverage, **where possible**, through the **temporary** suspension of the business relationship with respect to the activities concerned.

Amendment 95

Proposal for a directive

Article 4 – paragraph 1 – point 5

Directive (EU) 2024/1760

Article 10 – paragraph 6 – subparagraph 2

Text proposed by the Commission

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.

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 **expose the company to penalties pursuant to Article 27 or to liability under Article 29**.

Amendment 96

Proposal for a directive

Article 4 - paragraph 1 - point 5

Directive (EU) 2024/1760

Article 10 - paragraph 6 - subparagraph 3

Text proposed by the Commission

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.

Amendment

Prior to **temporarily** suspending a business relationship, the company shall assess ***in consultation with relevant stakeholders, whether no available alternative to that business relationship, that provides a raw material, product or service essential to the company's production of goods or provision of services, exists and the 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.

Amendment 97

Proposal for a directive

Article 4 - paragraph 1 - point 5

Directive (EU) 2024/1760

Article 10 - paragraph 6 - subparagraph 4

Text proposed by the Commission

Member States shall provide for an option to suspend the business

Amendment

Member States shall provide for an option to suspend ***or***

relationship in contracts governed by their laws **in accordance with the first subparagraph**, except for contracts where the parties are obliged by law to enter into them.

terminate the business relationship in contracts governed by their laws, except for contracts where the parties are obliged by law to enter into them.

Amendments 247 and 307

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 1 - introductory part

Text proposed by the Commission

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:

Amendment

‘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 **can**, as a last resort:

Amendment 99

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 1 - point b

Text proposed by the Commission

(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

Amendment

(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

Amendment 100

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 1 - point c

Text proposed by the Commission

(c) use or increase its leverage through the suspension of the business relationship with respect to the activities concerned.

Amendment

(c) use or increase its leverage, **where possible**, through the **temporary** suspension of the business relationship with respect to the activities concerned.

Amendment 101

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 2

Text proposed by the Commission

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.

Amendment

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**.

Amendment 102

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 3

Text proposed by the Commission

Prior to suspending a business relationship, the company shall assess whether the adverse impacts from doing so can be reasonably expected to be

Amendment

Prior to **temporarily** suspending a business relationship, the company shall assess, **in consultation with relevant stakeholders, whether no**

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.

available alternative to that business relationship, that provides a raw material, product or service essential to the company's production of goods or provision of services, exists and the 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.

Amendment 103

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760

Article 11 - paragraph 7 - subparagraph 4

Text proposed by the Commission

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

Amendment

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

Amendment 104

Proposal for a directive

Article 4 - paragraph 1 - point 6

Directive (EU) 2024/1760
Article 11 – paragraph 7 – subparagraph 6

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 impact and periodically assess its decision and whether further appropriate measures are available.’;

Amendment 105

Proposal for a directive
Article 4 – paragraph 1 – point 8
Directive (EU) 2024/1760
Article 15 – second sentence

Text proposed by the Commission

Amendment

‘Such assessments shall be based, where appropriate, on qualitative and quantitative indicators and be carried out without undue delay after a significant change occurs, but at least every **5** years and whenever there are reasonable grounds to believe that the measures are no longer adequate or effective or that new risks of the occurrence of those adverse impacts may arise.’;

‘Such assessments shall be based, where appropriate, on qualitative and quantitative indicators and be carried out without undue delay after a significant change occurs, but at least every **4** years and whenever there are reasonable grounds to believe that the measures are no longer adequate or effective or that new risks of the occurrence of those adverse impacts may arise.’;

Amendments 248 and 310

Proposal for a directive
Article 4 – paragraph 1 – point 8 a (new)
Directive (EU) 2024/1760
Article 19 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(8a) in Article 19(2), point (b) is deleted;

Amendment 106

Proposal for a directive

Article 4 - paragraph 1 - point 9

Directive (EU) 2024/1760

Article 19 - paragraph 3

Text proposed by the Commission

‘3. The guidelines referred to in paragraph 2, point (a), shall be made available by 26 July 2026, **those referred to in paragraph 2, points (d) and (e), by 26 January 2027, and those referred to in paragraph 2, points (b), (f) and (g), by 26 July 2027.**’;

Amendment

‘3. The guidelines referred to in paragraph 2, point (a), **(b) and (d) to (g)** shall be made available by 26 July 2026.’;

Amendments 311 and 398

Proposal for a directive

Article 4 - paragraph 1 - point 10 - introductory part

Directive (EU) 2024/1760

Article 22

Text proposed by the Commission

(10) **in Article 22(1), the first subparagraph is replaced by the following:**

Amendment

(10) **Article 22 is deleted;**

Amendments 251 and 313

Proposal for a directive

Article 4 - paragraph 1 - point 10 a (new)

Directive (EU) 2024/1760

Article 24 - paragraph 1

Text proposed by the Commission

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.’;

Amendments 252 and 314

Proposal for a directive

Article 4 - paragraph 1 - point 10 b (new)

Directive (EU) 2024/1760

Article 25 - paragraph 1

Text proposed by the Commission

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.’;

Amendment 113

Proposal for a directive

Article 4 - paragraph 1 - point 11 - introductory part

Directive (EU) 2024/1760

Article 27 - paragraph 2

Text proposed by the Commission

Amendment

(11)in Article 27, paragraph 4

(11)Article 27 is amended as

is *replaced by the following*; *follows:*

Amendment 114

Proposal for a directive

Article 4 - paragraph 1 - point 11 - point a (new)

Directive (EU) 2024/1760

Article 27 - paragraph 2 - point d

Text proposed by the Commission

Amendment

***(a) in paragraph 2, point (d)
is deleted;***

Amendments 253 and 315

Proposal for a directive

Article 4 - paragraph 1 - point 11

Directive (EU) 2024/1760

Article 27 - paragraph 4

Text proposed by the Commission

Amendment

4. The Commission, in collaboration with Member States, shall issue guidance to assist supervisory authorities in determining the level of penalties in accordance with this Article. ***Member States shall not set a maximum limit of pecuniary penalties in their national law transposing this Directive that would prevent supervisory authorities from imposing penalties in accordance with the principles and factors set out in paragraphs 1 and 2.***

4. The Commission, in collaboration with Member States, shall issue guidance ***on the appropriate level of penalties, taking into account the turnover of companies,*** to assist supervisory authorities in determining the level of penalties in accordance with this Article.

Amendments 116, 117, 254, 316cp1 and 316cp2

Proposal for a directive

Article 4 - paragraph 1 - point 13

Directive (EU) 2024/1760

Article 36

Text proposed by the Commission

(13) **in** Article 36, **paragraph 1** is **deleted**.

Amendment

(13) Article 36 is **amended as follows**:

(a) paragraph 1 is deleted

(b) in paragraph 2, point (e) is deleted.

Amendment 119

Proposal for a directive Article 4 a (new)

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, guidelines and information relating to all reporting requirements imposed on companies in Union law, including voluntary tools, 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 and complement the European Single Access Point.

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 for the purposes of this Directive, including the use of trustworthy artificial intelligence in accordance with Regulation (EU) 2024/1689.